



國投集團
VESTATE

ANNUAL REPORT

2016-2017年報



Vestate Group Holdings Limited 國投集團控股有限公司

Stock Code 股份代號 1386

2	Corporate Information	公司資料
4	Financial and Operational Highlights	財務及經營摘要
5	Management Discussion and Analysis	管理層討論及分析
13	Corporate Governance Report	企業管治報告
26	Environmental, Social and Governance Report	環境、社會及管治報告
33	Biographical Details of Directors	董事簡歷
36	Report of Directors	董事會報告書
48	Independent Auditor's Report	獨立核數師報告
55	Consolidated Income Statement	綜合收益表
56	Consolidated Statement of Comprehensive Income	綜合全面收益表
57	Consolidated Statement of Financial Position	綜合財務狀況表
59	Consolidated Statement of Changes in Equity	綜合權益變動表
60	Consolidated Statement of Cash Flows	綜合現金流量表
61	Notes to the Consolidated Financial Statements	綜合財務報表附註
162	Five-Year Financial Summary	五年財務概要

BOARD OF DIRECTORS

Executive Directors

Mr. ZHU Xiaojun (Chairman)
Mr. KANG Jianming
Ms. CAI Jiaying
Mr. YIN Wansun
Mr. WANG Lingxiao (Resigned on 15 August 2016)
Mr. CHEN Zhi (Appointed on 15 May 2017 and resigned on 16 June 2017)

Non-executive Director

Mr. CHEN Mingzhong (Resigned on 12 August 2016)

Independent Non-executive Directors

Ms. ZHAO Hong
Mr. CHAU Wai Hing (Appointed on 1 February 2017)
Mr. LEUNG Man Ho (Appointed on 19 June 2017)
Mr. CHEN Jianzhong (Resigned on 12 August 2016)
Mr. HU Jinxing (Resigned on 15 November 2016)
Dr. HE Chengying (Resigned on 1 April 2017)

BOARD COMMITTEES

Audit Committee

Ms. ZHAO Hong (Chairman)
Mr. CHAU Wai Hing (Appointed on 1 February 2017)
Mr. LEUNG Man Ho (Appointed on 19 June 2017)
Dr. HE Chengying (Resigned on 1 April 2017)
Mr. HU Jinxing (Resigned on 15 November 2016)

Remuneration Committee

Ms. ZHAO Hong (Chairman)
(Appointed as Chairman on 12 August 2016)
Mr. ZHU Xiaojun
Mr. LEUNG Man Ho (Appointed on 19 June 2017)
Dr. HE Chengying (Appointed on 12 August 2016 and resigned on 1 April 2017)
Mr. CHEN Jianzhong (Resigned on 12 August 2016)

Nomination Committee

Ms. ZHAO Hong (Chairman)
(Appointed as Chairman on 16 June 2017)
Mr. ZHU Xiaojun
Mr. CHAU Wai Hing (Appointed on 1 February 2017)
Mr. LEUNG Man Ho (Appointed on 19 June 2017)
Dr. HE Chengying (Resigned on 1 April 2017)
Mr. HU Jinxing (Resigned on 15 November 2016)

AUTHORISED REPRESENTATIVES

Ms. CAI Jiaying (Appointed on 15 August 2016)
Mr. FUNG Wing Kam Terence (Appointed on 1 August 2016)
Mr. WANG Lingxiao (Resigned on 15 August 2016)
Ms. CHONG Lai Chu (Resigned on 1 August 2016)

董事會

執行董事

朱曉軍先生(主席)
康建明先生
蔡佳櫻女士
殷苑蓀先生
王凌霄先生(於2016年8月15日辭任)
陳智先生(於2017年5月15日獲委任及於2017年6月16日辭任)

非執行董事

陳鳴忠先生(於2016年8月12日辭任)

獨立非執行董事

趙竑女士
周偉興先生(於2017年2月1日獲委任)
梁文豪先生(於2017年6月19日獲委任)
陳建中先生(於2016年8月12日辭任)
胡錦星先生(於2016年11月15日辭任)
何誠穎博士(於2017年4月1日辭任)

董事委員會

審核委員會

趙竑女士(主席)
周偉興先生(於2017年2月1日獲委任)
梁文豪先生(於2017年6月19日獲委任)
何誠穎博士(於2017年4月1日辭任)
胡錦星先生(於2016年11月15日辭任)

薪酬委員會

趙竑女士(主席)
(於2016年8月12日獲委任為主席)
朱曉軍先生
梁文豪先生(於2017年6月19日獲委任)
何誠穎博士(於2016年8月12日獲委任及於2017年4月1日辭任)
陳建中先生(於2016年8月12日辭任)

提名委員會

趙竑女士(主席)
(於2017年6月16日獲委任為主席)
朱曉軍先生
周偉興先生(於2017年2月1日獲委任)
梁文豪先生(於2017年6月19日獲委任)
何誠穎博士(於2017年4月1日辭任)
胡錦星先生(於2016年11月15日辭任)

授權代表

蔡佳櫻女士(於2016年8月15日獲委任)
馮永淦先生(於2016年8月1日獲委任)
王凌霄先生(於2016年8月15日辭任)
莊麗珠女士(於2016年8月1日辭任)

COMPANY SECRETARY

Mr. FUNG Wing Kam Terence (*Appointed on 1 August 2016*)
Ms. CHONG Lai Chu (*Resigned on 1 August 2016*)

PRINCIPAL BANKER

Hang Seng Bank Limited

AUDITOR

PricewaterhouseCoopers

LEGAL ADVISOR (AS TO HONG KONG LAWS)

Michael Li & Co.

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

7th Floor
Hope Sea Industrial Centre
26 Lam Hing Street
Kowloon Bay, Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

1386

COMPANY'S WEBSITE

www.vestategroup.com

公司秘書

馮永淦先生(於2016年8月1日獲委任)
莊麗珠女士(於2016年8月1日辭任)

主要往來銀行

恒生銀行有限公司

核數師

羅兵咸永道會計師事務所

法律顧問(香港法律)

李智聰律師事務所

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及主要營業地點

香港
九龍九龍灣
臨興街26號
富洋工業中心
7樓

主要股份過戶登記總處

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

1386

公司網址

www.vestategroup.com

Financial and Operational Highlights

財務及經營摘要

		For the year ended 31 March 截至3月31日止年度		% change increase/ (decrease) 增加/(減少) %變動
		2017	(Restated) (經重列) 2016	
Revenue (HK\$'million)	收益(百萬港元)	562	841	(33.2%)
Gross profit (HK\$'million)	毛利(百萬港元)	289	483	(40.3%)
Operating loss (HK\$'million)	經營虧損(百萬港元)	(221)	(156)	42.0%
Per share	每股			
Basic loss per share (HK cents)	每股基本虧損(港仙)	(31.96)	(24.74)	29.2%
Diluted loss per share (HK cents)	每股攤薄虧損(港仙)	(31.96)	(24.74)	29.2%
Net asset value per share (HK\$)	每股資產淨值(港元)	0.30	0.36	(16.7%)
Share price	股價			
— High (HK\$)	— 高(港元)	2.120	2.360	(10.2%)
— Low (HK\$)	— 低(港元)	1.200	0.425	182.4%
Financial ratios	財務比率			
Gross profit margin (%)	毛利率(%)	51.4%	57.5%	(6.1) pt
Average inventory turnover (days)	平均存貨周轉期(日)	238	238	—
Average trade receivables turnover (days)	平均應收賬款周轉期(日)	37	41	(9.8%)
Average trade payables turnover (days)	平均應付賬款周轉期(日)	123	105	17.1%
Gearing ratio (%)	資產負債比率(%)			
— Borrowing to total assets	— 借貸對總資產	35.5%	10.7%	24.8 pt
— Borrowing to net asset value	— 借貸對資產淨值	103.7%	19.5%	84.2 pt
Return on total assets (%)	總資產回報(%)	(33.2%)	(36.9%)	(3.7) pt
Return on shareholders' fund (%)	股東資金回報(%)	(96.8%)	(67.6%)	29.2 pt
		As at 31 March 於3月31日		% change increase/ (decrease) 增加/(減少) %變動
		2017	(Restated) (經重列) 2016	
Shareholders' funds (HK\$'000)	股東資金(千港元)	216,326	230,475	(6.1%)
Total assets (HK\$'000)	總資產(千港元)	631,341	422,118	49.6%
Number of shares in issue ('000)	已發行股份數目(千股)	716,190	641,360	11.7%

Management Discussion and Analysis

管理層討論及分析

The board of directors (“**Board**” and “**Directors**” respectively) of Vestate Group Holdings Limited (“**Company**”) presents the audited consolidated results of the Company and its subsidiaries (collectively, “**Group**”) for the year ended 31 March 2017 (“**Year**”).

GROUP'S BUSINESS OVERVIEW

The Group is principally engaged in the development and retailing of a diversified range of footwear products under its own brands, namely, ACUPUNCTURE, ARTEMIS, COUBER.G, FORLERIA, A+A2, TRU-NARI, and WALACI, through its self-managed retail shops (“**Self-managed Shops**”), concession points in department stores (“**Concession Points**”) and franchised stores (“**Franchised Stores**”). The Group is also engaged in the retailing of footwear products under its own brands, MORTTO and MY WALKER through its online stores operated under various major e-shopping channels, such as Tmall and VIP.com. The Group possesses an extensive sales network across the regions of the People's Republic of China (“the **PRC**”), Hong Kong and Taiwan.

As at 31 March 2017, the Group operated a total of 38 Self-managed Shops (6 in the PRC and 32 in Hong Kong), 368 Concession Points (358 in the PRC, 1 in Hong Kong and 9 in Taiwan) and 60 Franchised Stores in the PRC. During the Year, the Group had a net decrease of 5 Self-managed Shops, 178 Concession Points and 51 Franchised Stores. The following table summarizes the number and distribution of Self-managed Shops, Concession Points and Franchised Stores (collectively, “**Retail Points**”) in terms of geographical regions as at 31 March 2017 as compared to last year.

As at 31 March

Region	地區	2017				2016			
		Self-managed Shops 自營店	Concession Points 特許銷售點	Franchised Stores 特許經營店舖	Total 總計	Self-managed Shops 自營店	Concession Points 特許銷售點	Franchised Stores 特許經營店舖	Total 總計
The PRC	中國								
Beijing	北京	5	83	3	91	4	95	—	99
Eastern China	華東	—	74	2	76	—	113	7	120
Southern China	華南	1	44	—	45	1	67	—	68
Western China	華西	—	51	6	57	—	81	11	92
Central China	華中	—	59	25	84	—	85	50	135
Northern China	華北	—	47	24	71	—	90	43	133
Sub-total	小計	6	358	60	424	5	531	111	647
Hong Kong	香港	32	1	—	33	38	3	—	41
Taiwan	台灣	—	9	—	9	—	12	—	12
Total	總計	38	368	60	466	43	546	111	700

國投集團控股有限公司(「本公司」)董事會(分別為「董事會」及「董事」)謹此提呈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(「本年度」)之經審核綜合業績。

集團業務回顧

本集團主要業務為透過其自營零售店(「自營店」)、百貨公司特許銷售點(「特許銷售點」)及特許經營店舖(「特許經營店舖」)發展及零售自家品牌ACUPUNCTURE、ARTEMIS、COUBER.G、FORLERIA、A+A2、TRU-NARI及WALACI之各種鞋類產品。本集團亦透過不同主要網上購物渠道(如天貓及唯品會)經營網上店舖零售自家品牌MORTTO及MY WALKER之鞋類產品。本集團於中華人民共和國(「中國」)、香港及台灣地區擁有廣泛銷售網絡。

於2017年3月31日，本集團經營合共38間自營店(6間位於中國及32間位於香港)、368間特許銷售點(358間位於中國、1間位於香港及9間位於台灣)及60間位於中國之特許經營店舖。於本年度，本集團之自營店、特許銷售點及特許經營店舖分別淨減5間、178間及51間。下表概述於2017年3月31日按地區劃分之自營店、特許銷售點及特許經營店舖(統稱「零售點」)之數目及分佈與去年之比較。

於3月31日

MARKET REVIEW

In 2016, the effect of the United Kingdom to leave the European Union is still in uncertainty and the decelerating China's economic growth continued to influence the global economy, causing prudent consumption. Japan and South Korea easing for the application of tourist visa to the PRC tourists in recent years coupled with the factors of low local exchange rate to attract the PRC residents to go shopping overseas hardest hit the retail market in China and Hong Kong. In addition, the inflationary operational costs continued to have a negative impact on the Group's performance.

BUSINESS REVIEW

For the Year, the Group recorded a decrease of 33.2% in its consolidated revenue to approximately HK\$562 million (2016: HK\$841 million). Revenue from the PRC, Hong Kong and Taiwan markets decreased by 32.8%, 34.8% and 30.3% respectively. The overall same store sales of the Group dropped by approximately 17.3% and the overall gross profit margin of the Group decreased by 6.1 percentage points to 51.4%. The Group's overall operating expenses as a percentage of turnover increased by 15 percentage points. Loss attributable to the equity holders was approximately HK\$210 million (2016: HK\$156 million). Loss per share amounted to approximately HK\$31.96 cents (2016: HK\$24.74 cents).

The three geographical market segments, namely the PRC, Hong Kong and Taiwan accounted for 78%, 21% and 1% of the Group's total revenue respectively (2016: 77%, 22% and 1%).

Various measures on inventory management were taken during the Year in order to clear excessive stocks and maintain a healthy inventory level. As at 31 March 2017, the Group's inventory balance (net) was HK\$133 million, down 40.7% from HK\$223 million as at 31 March 2016.

The PRC

During the Year, the revenue generated in the PRC was approximately HK\$434 million (2016: HK\$646 million), representing a decrease of 32.8% as compared to the previous year. The operation in the PRC incurred a loss of HK\$51 million for the Year (2016: HK\$32 million).

Same store sales dropped by approximately 17.9% and operating deficit to revenue ratio increased by 6.8 percentage points as compared to last year.

市場回顧

於2016年，英國脫離歐盟之影響仍然不明朗，加上中國經濟增長持續放緩影響環球經濟，以致消費變得審慎。日本及南韓近年放寬中國旅客之旅遊簽證申請，加上當地低匯率的因素，吸引中國居民到海外購物導致中國及香港零售市場受到重重打擊。此外，經營成本持續上漲對本集團表現有負面影響。

業務回顧

於本年度，本集團錄得綜合收益減少33.2%至約562百萬港元(2016年：841百萬港元)。來自中國、香港及台灣市場之收益分別下降32.8%、34.8%及30.3%。本集團之整體同店銷售下跌約17.3%，而本集團之整體毛利率則下跌6.1個百分點至51.4%。本集團之整體經營費用佔營業額的比率上升15個百分點。權益持有人應佔虧損約為210百萬港元(2016年：156百萬港元)。每股虧損約為31.96港仙(2016年：24.74港仙)。

中國、香港及台灣三個地區市場分部佔本集團總收益分別為78%、21%及1%(2016年：77%、22%及1%)。

於本年度，本集團採用多項存貨管理措施，以清理過多存貨並維持良好存貨水平。於2017年3月31日，本集團之淨存貨結餘為133百萬港元，較於2016年3月31日之223百萬港元下跌約40.7%。

中國

於本年度，來自中國之收益約為434百萬港元(2016年：646百萬港元)，較去年下降32.8%。於本年度，中國之經營產生虧損51百萬港元(2016年：32百萬港元)。

與去年比較，同店銷售下跌約17.9%，而經營虧損與收益之比率則上升6.8個百分點。

Hong Kong

During the Year, the revenue generated in Hong Kong was approximately HK\$119 million (2016: HK\$183 million), representing a decrease of 34.8% as compared to the previous year. The operating loss in Hong Kong enlarged by HK\$8 million, representing an increase of 28.5% as compared to last year. Same store sales dropped by approximately 15.3% while operating deficit to revenue ratio increased by 15.4 percentage points to 31.2% as compared to last year.

Taiwan

During the Year, the revenue generated in Taiwan was approximately HK\$8 million (2016: HK\$11 million), representing a decrease of 30.3% as compared to last year. The operating loss in Taiwan decreased by HK\$0.5 million, representing an decrease of 52.9% as compared to last year. Same store sales decreased by approximately 8.6% while operating deficit to revenue ratio decreased by 2.5 percentage points to 5.2% as compared to last year.

Acquisitions

During the Year, the Company acquired the entire issued share capital of the China Consume Financial Holdings Company Limited (“China Consume”) in a total consideration of HK\$178,700,000. China Consume is principally engaged in e-Commerce and e-Payment business, and the acquisition enables the Group to explore new business opportunity in the e-Commerce and e-Payment industries. The acquisition was completed on 8 February 2017.

Save as disclosed above, the Group had no significant investment or acquisition or disposal of subsidiaries or associated companies during the Year.

FINANCIAL REVIEW

Financial Position

The Group maintained a stable financial position throughout the Year. It financed its operations with internal funding, issuing the bonds and bank borrowings and adopted a prudent approach in managing its financial needs.

香港

於本年度，來自香港之收益約為119百萬港元（2016年：183百萬港元），較去年下降34.8%。香港之經營虧損擴大8百萬港元，較去年增加28.5%。與去年比較，同店銷售下跌約15.3%，而經營虧損與收益之比率則上升15.4個百分點至31.2%。

台灣

於本年度，來自台灣之收益約為8百萬港元（2016年：11百萬港元），較去年下降30.3%。台灣之經營虧損減少0.5百萬港元，較去年下跌52.9%。與去年比較，同店銷售下跌約8.6%，而經營虧損與收益之比率則下跌2.5個百分點至5.2%。

收購事項

於本年度，本公司以總代價178,700,000港元收購中國消費金融控股有限公司（「中國消費」）全部已發行股本。中國消費主要從事電子商務及電子支付業務，該收購事項使本集團可開拓電子商務及電子支付行業之新商機。該收購事項已於2017年2月8日完成。

除上文所披露者外，於本年度，本集團並無重大投資或收購或出售附屬公司或聯營公司。

財務回顧

財務狀況

於本年度，本集團之財務狀況保持穩健。本集團內部資金、發行債券及銀行借貸為業務營運提供資金，並在財務管理方面採取審慎態度。

Management Discussion and Analysis

管理層討論及分析

As at 31 March 2017, the Group had cash and cash equivalents amounting to HK\$33 million (2016: HK\$41 million) and outstanding bank borrowings bearing a fixed interest rate of HK\$5 million (2016: HK\$5 million) and a floating interest rate of HK\$67 million (2016: HK\$40 million) with a maturity of less than one year. The bank loans were denominated in Hong Kong dollars and New Taiwan dollars. Current and non-current convertible bonds were approximately HK\$18 million and HK\$134 million respectively. As at 31 March 2017, the current ratio stood at 1.0 times (2016: 2.0 times) and the gearing ratio stood at 35.5% (2016: 10.7%).

As at 31 March 2017, the Group had aggregate banking facilities of approximately HK\$112 million for overdrafts, bank loans for trade financing and bank guarantees for rental deposit (2016: HK\$113 million) of which HK\$79 million was used for trade financing and bank guarantees for rental deposit as at 31 March 2017 (2016: HK\$55 million). As at 31 March 2017, the Group had a charge on its assets to secure its banking facilities.

During the Year, inventory turnover days remains in approximately 238 days (2016: 238 days). As at 31 March 2017, inventory amounted to approximately HK\$133 million (2016: HK\$223 million).

Operation

During the Year, the Group recorded a decrease of 33.2% in its consolidated revenue to approximately HK\$562 million (2016: HK\$841 million). Loss before income tax for the year recorded an increase of 34.5% to approximately HK\$210 million (2016: HK\$156 million).

The Group's performance on sales on footwear, fashion wears and accessories was adversely affected by various macro-economic headwinds and market challenges in the Group's major operating areas principally in the PRC and Hong Kong. The Group, however, keeps taking initiative to undergo a series of business restructuring to enhance its performance and thus related operational expenses were increased during the Year.

During the Year, the Group recorded a one-off staff cost of approximately HK\$12 million for the marketing experts through acquisition of Design Management Hong Kong Limited and approximately HK\$5 million staff cost on its re-branding, design and development activities was recorded.

於2017年3月31日，本集團之現金及現金等值項目為33百萬港元(2016年：41百萬港元)，而將於一年內到期之未償還定息銀行借貸為5百萬港元(2016年：5百萬港元)及浮動利率銀行借貸為67百萬港元(2016年：40百萬港元)。銀行貸款分別以港元及新台幣計值。流動及非流動可換股債券分別約18百萬港元及134百萬港元。於2017年3月31日，流動比率為1.0倍(2016年：2.0倍)，而資產負債比率則為35.5%(2016年：10.7%)。

於2017年3月31日，本集團之銀行融資總額約為112百萬港元，包括透支、貿易融資銀行貸款及租金按金之銀行擔保(2016年：113百萬港元)，其中79百萬港元於2017年3月31日已用作貿易融資及租金按金之銀行擔保(2016年：55百萬港元)。於2017年3月31日，本集團有押記其資產以取得銀行融資。

於本年度，存貨周轉日數維持於約238日(2016年：238日)。於2017年3月31日，存貨約值133百萬港元(2016年：223百萬港元)。

經營

於本年度，本集團錄得其綜合收益減少33.2%至約562百萬港元(2016年：841百萬港元)。於本年度，本集團錄得未計所得稅前虧損增加34.5%至約210百萬港元(2016年：156百萬港元)。

本集團主要在中國及香港的主要經營地區，由於多項宏觀經濟逆境及市場挑戰，對本集團鞋類、流行服裝及配飾銷售的表現造成不利影響。然而，本集團不斷積極進行連串業務重組以提升業績，因此於本年度有關經營開支有所增加。

於本年度，本集團錄得約12百萬港元的一次性員工成本，通過收購Design Management Hong Kong Limited以獲得營銷專才，及錄得約5百萬港元有關其重塑品牌、設計及開發活動之員工成本。

During the Year, the Company issued two convertible bonds in a principal amount of HK\$30 million (“**First Bonds**”) and HK\$150 million (“**Second Bonds**”) to enhance its working capital and strengthen its capital base and financial position for the possible future investments of the Group. In relation to the Second Bonds, the Group reported a fair value gain of approximately HK\$23 million. Finance costs of approximately HK\$3 million and HK\$9 million were recorded for the First Bonds and Second Bonds respectively.

During the Year, a total of 41 million share options were granted under the Share Option Scheme. The Group thus recorded a total of HK\$7 million employee share options expenses for the Year.

Capital Expenditure

During the Year, the Group’s capital expenditure amounted to HK\$10 million (2016: HK\$12 million), comprising principally the purchase of leasehold improvements, computer equipment and computer software.

The Group believes that its current cash holding, cash flow from operations and available banking facilities will be sufficient to fulfil its working capital requirements and its financial position remains sound for continuous operation and expansion.

Foreign Exchange Management

The Group operates principally in the PRC and Hong Kong and its transactions are mainly denominated in Renminbi or Hong Kong dollars. The Group does not expect any significant foreign currency risk and did not enter into any forward contract to hedge its foreign exchange risk during the Year.

Convertible Bonds

During the Year, the Company issued two convertible bonds to two subscribers in principal amount of HK\$30 million on 5 July 2016 and HK\$150 million on 24 August 2016 respectively. For the First Bonds, it may be converted into 16,574,585 Shares based on the initial conversion price of HK\$1.81 per Share and the bonds bear coupon interest at the rate of 6% per annum and due 2020. For the Second Bonds, it may be converted into 81,300,813 Shares based on the initial conversion price of HK\$1.845 per Share and the bonds bear coupon interest at the rate of 10.5% per annum and due 2019. The Board believes that raising funds by issuing the First Bonds and the Second Bonds is an opportunity for the Company to enhance its working capital and strengthen its capital base and financial position for the possible future investments of the Group.

於本年度，本公司已發行本金額為30百萬港元（「**第一批債券**」）及150百萬港元（「**第二批債券**」）兩項可換股債券，以增加其營運資金及加強其資本基礎及財務狀況，以供本集團作潛在未來投資之用。有關第二批債券，本集團呈報公平值收益約為23百萬港元。第一批債券及第二批債券的財務費用分別約為3百萬港元及9百萬港元。

於本年度，根據購股權計劃已授出合共41百萬份購股權。因此，本集團於本年度錄得合共7百萬港元僱員購股權開支。

資本開支

於本年度，本集團之資本開支為10百萬港元（2016年：12百萬港元），主要包括租賃裝修、電腦設備及電腦軟件之採購開支。

本集團相信其目前所持現金、來自經營業務之現金流量及可動用之銀行融資，將足以滿足本集團之營運資金需要，且本集團之財務狀況維持穩健，足以滿足持續營運及擴展之所需。

外匯管理

本集團主要於中國及香港營運，交易主要以人民幣或港元結算。於本年度，本集團並不預期出現任何重大外幣風險，亦無訂立任何遠期合約以對沖其外匯風險。

可換股債券

於本年度，本公司於2016年7月5日及2016年8月24日向兩位認購人發行本金額分別為30百萬港元及150百萬港元之可換股債券。就第一批債券而言，債券可按初步轉換價每股股份1.81港元轉換為16,574,585股股份，及債券附帶年利率6厘之票息並於2020年到期。就第二批債券而言，債券可按初步轉換價每股股份1.845港元轉換為81,300,813股股份，及債券附帶年利率10.5厘之票息並於2019年到期。董事會相信，以發行第一批債券及第二批債券方式集資為本公司增加營運資金及為本集團潛在未來投資加強其資本基礎及財務狀況之良機。

Loan Agreements

During the Year, the Company entered into three loan agreements with three independent third parties (“**Borrowers**”) on 7 September 2016, 21 September 2016 and 28 September 2016 respectively (collectively “**Loan Agreements**”), to advance an aggregate amount of up to RMB48,000,000 to the Borrowers. The Borrowers have repaid the loan including interest during the year to the Company. The Borrowers are principally engaged in e-Commerce and e-Payment business and the loan made to the Borrowers will help facilitate the development of their business.

Pledge of Assets

As at 31 March 2017, the Group pledged some of its land and building and assets held for sale to secure banking facilities granted to the Group with an aggregate carrying value of approximately HK\$119 million (2016: HK\$32 million).

Contingent Liabilities

As at 31 March 2017, the Group had no material contingent liabilities or off-balance sheet obligations (2016: Nil).

Group Structure

During the Year, the Group incorporated two companies, namely Carlyon Investment Holding Limited (“**Carlyon Investment**”) and Silver Summit Ventures Limited (“**Silver Summit**”), intend to commence the new businesses in finance, securities and assets management operated by Carlyon Investment and the e-Commerce and e-Payment businesses operated by Silver Summit through the acquisition of China Consume.

Human Resources

As at 31 March 2017, the Group had a total of 1,622 employees (2016: 2,463 employees) and the total staff cost for the Year was HK\$207 million (2016: HK\$217 million), representing 36.8% of the Group’s total revenue. The Group offers competitive remuneration packages to its employees, including mandatory retirement funds, insurance, medical coverage and purchase discounts. In addition, incentive share options and performance-based discretionary bonus on an annual basis may be granted to employees subject to the Group’s and individual performance. The Group also provides regular trainings and workshops to its frontline and back office staff on sales techniques, product knowledge and team building.

貸款協議

於本年度，本公司分別於2016年9月7日、2016年9月21日及2016年9月28日與三位獨立第三方（「**借款人**」）訂立三份貸款協議（統稱「**貸款協議**」），內容有關向借款人墊款總額最多為人民幣48,000,000元。借款人已向本公司償還包括該年利息的貸款。借款人主要從事電子商務及電子支付業務，向借款人作出之貸款將有助彼等之業務發展。

抵押資產

於2017年3月31日，本集團抵押其部份土地及樓宇及持有作出售資產，為本集團獲授賬面總值約為119百萬港元（2016年：32百萬港元）之銀行融資提供擔保。

或然負債

於2017年3月31日，本集團並無重大或然負債或資產負債表外責任（2016年：無）。

集團結構

於本年度，本集團分別註冊成立兩間公司（格理昂投資控股有限公司（「**格理昂投資**」）及銀峰創投有限公司（「**銀峰**」）），格理昂投資擬經營財務、證券及資產管理新業務，而銀峰則通過收購中國消費經營電子商務及電子支付業務。

人力資源

於2017年3月31日，本集團合共有1,622名僱員（2016年：2,463名僱員），而於本年度，員工成本總額為207百萬港元（2016年：217百萬港元），佔本集團總收益之36.8%。本集團向員工提供具競爭力之薪酬待遇，包括強制性退休基金、保險、醫療保障及購物折扣。此外，本集團會視乎本集團業績及個別員工之表現，可能向僱員授出獎勵購股權及酌情發放年度花紅。本集團亦會定期為前線及後勤員工提供銷售技巧、產品知識及團隊建設方面之培訓及研習班。

Principal risks and uncertainties

The Group's financial condition, results of operations, businesses and prospects may be affected by a number of risks and uncertainties. The following are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

- (i) Increases in rental and concession fees or non-renewal of tenancy and concession agreements;
- (ii) Reliance on key management personnel;
- (iii) Reliance on major manufacturers and suppliers;
- (iv) Potential infringement of intellectual property rights;
- (v) Changing conditions in the PRC footwear retail industry;
- (vi) Competition in footwear market in Hong Kong and the PRC; and
- (vii) Economic downturn in the PRC and Hong Kong.

Outlook

Looking ahead, the Group will continue to strengthen its brand business and will continue to explore the new business opportunity to expand its diversified business. In response to the uncertain market situation in coming year, the Group actively pursues the following measures to face the challenges in 2017:

— Product design and development

The Group intends to continue investing more resources in product design and its development team aiming to offer customers with fashionable and comfortable premier footwear at an affordable price. The product design and development team of the Group will continue to attend major footwear trade fairs and exhibitions to keep closely of the latest footwear trends. The team will also continue to collaborate with the Group's supplying manufacturers on applying new materials and technologies to enhance the quality and functions of the Group's products.

— e-Commerce business

Riding on the business potentials of the fast-growing e-Commerce market in the PRC, this segment will remain our focus this year. In order to expand its e-Commerce business, the Group continues to invest resources to its existing advanced logistics and warehousing infrastructure in Guangzhou to improve customer services and speed up of product flow. Meanwhile, through the e-Commerce platform to clear up the Group's inventory. The Group expects that the revenue from e-Commerce will see a satisfactory growth in the coming future.

主要風險及不確定因素

本集團之財務狀況、經營業績、業務及前景可能受若干風險及不確定因素所影響。以下為本集團已識別之主要風險及不確定因素。除以下所示者外，亦可能存在其他本集團並未知悉之風險及不確定因素或現時並不重大但可能於未來變為重大之風險及不確定因素。

- (i) 租金及特許銷售費用增加或租約及特許銷售協議不獲續期；
- (ii) 依賴主要管理人員；
- (iii) 依賴主要製造商及供應商；
- (iv) 知識產權之潛在違反事宜；
- (v) 中國鞋類零售業情況之變動；
- (vi) 香港及中國鞋類市場之競爭；及
- (vii) 中國及香港之經濟放緩。

展望

展望未來，本集團將繼續加強品牌業務並持續發掘新業務機遇，藉此擴充其多元化業務。面對2017年之挑戰，本集團積極採用下列措施以應對來年之不明朗市況：

— 產品設計及開發

本集團計劃繼續投資更多資源於產品設計及其開發團隊，旨在為客戶提供時尚舒適且價格相宜之優質鞋類。本集團之產品設計及開發團隊將繼續出席主要鞋類貿易展及展覽，密切留意最新鞋類趨勢。該團隊亦將繼續就應用新物料及技術與本集團之供應製造商合作，以提升本集團產品之質量及功能。

— 電子商務業務

憑藉中國電子商務市場迅速發展之業務潛力，此分部仍將為本年度之重點。為擴充電子商務業務，本集團繼續投放資源於其於廣州現有之先進物流及倉庫基建，改善客戶服務及增加產品流動。與此同時，透過電子商務平台出售本集團存貨。本集團預期來自電子商務之收益將於未來短期內達致令人滿意之增長。

— Business diversification

In order to open up new income source, the Group actively explored the new business opportunity and has preliminarily implemented the new business during this year. In February 2017, the Group acquired the China Consume which principally engaged in e-Commerce and e-Payment business, it enables the Group to develop the new business in e-Commerce and e-Payment business industry.

Last but not least, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, customers and suppliers for their long-standing support and recognition. I would also like to express my appreciation to the management team and the staff for their dedicated contribution and unwavering commitment to delivering the best services during the Year. With all of us working together, we look forward to a better performance for the rest of the year and beyond.

— 業務多元化

為開拓新收入來源，本集團積極發掘新商機，並已於年內初步實施新業務。於2017年2月，本集團收購主要從事電子商務及電子支付業務之中國消費，其使本集團得以於電子商務及電子支付業務行業發展新業務。

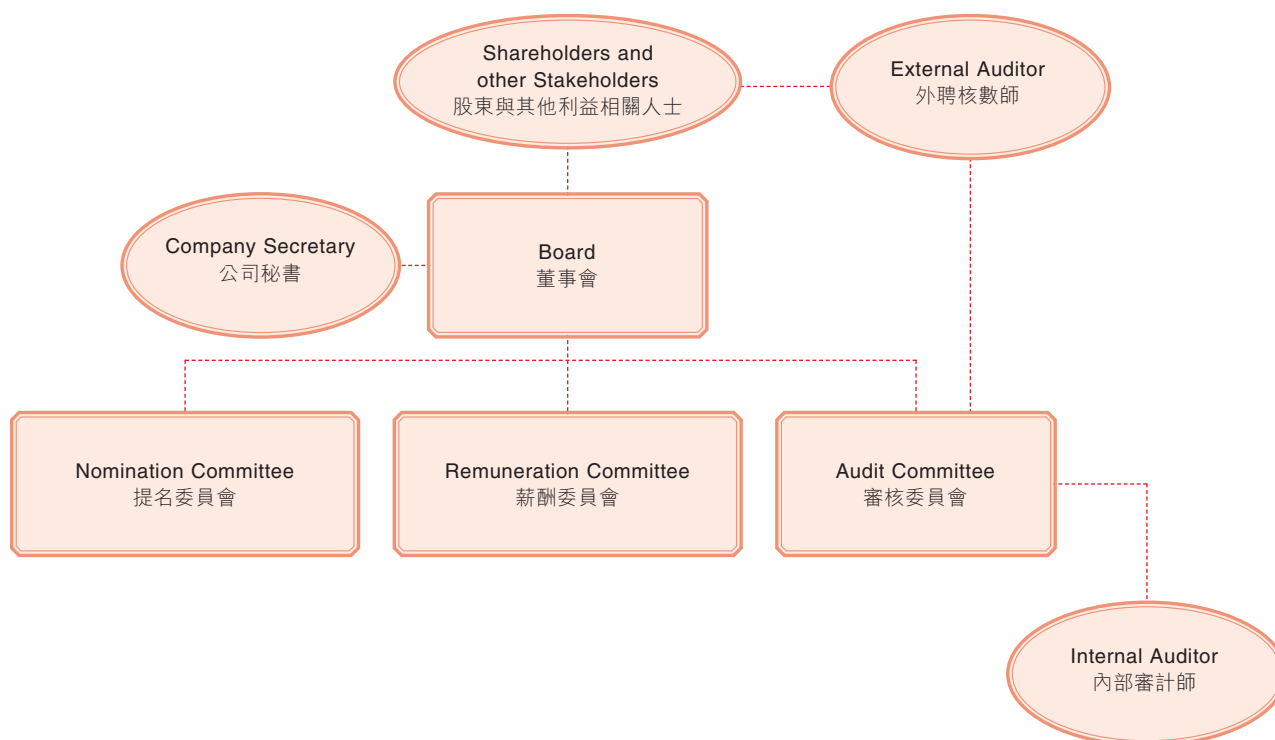
最後，本人謹代表董事會，藉此機會衷心感謝本集團的股東、客戶及供應商長期以來一直鼎力支持及給予肯定。本人亦感謝管理團隊及員工於本年度專心致志、堅定不移地為客戶提供最佳服務。本人期望，我們繼續同心協力，在今年餘下日子及未來取得更佳表現。

CORPORATE GOVERNANCE PRACTICES

The Board is committed to establishing and maintaining good corporate governance practices within the Group to have better transparency and protection of shareholders' interest in general. We believe that a well-balanced corporate governance structure will definitely enable better management of its business risks and thereby ensure the Group is operated in the best interests of its shareholders and other stakeholders. The diagram below depicts the overall corporate governance structure of the Group.

Corporate Governance Structure Diagram

企業管治架構圖



The Board as a whole is responsible for performing the corporate governance functions set out in the code provision D.3.1 of the “Corporate Governance Code and Corporate Governance Report” (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). These functions included:

- to develop and review the Company’s policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;

企業管治常規

董事會致力制定及於本集團內維持良好企業管治常規，以提高透明度，並保障股東之整體利益。董事會相信均衡之企業管治架構肯定有助更有效管理其業務風險，從而確保本集團在符合其股東及其他利益相關人士之最佳利益下經營。下圖概述本集團之整體企業管治架構。

董事會全體負責履行香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四《企業管治守則》及《企業管治報告》（「企業管治守則」）所載之守則條文第D.3.1條之企業管治職能。該等職能包括：

- 制定及檢討本公司之企業管治政策及常規；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；

Corporate Governance Report

企業管治報告

- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Currently, there are three board committees under the Board, namely Audit Committee, Nomination Committee and Remuneration Committee. All these committees perform their distinct roles in accordance with their respective terms of reference which have been posted on the websites of the Company and the Stock Exchange. These committees report directly to the Board on their works and make recommendations on matter where appropriate.

Under code provision A.6.7 of the CG Code, the independent non-executive Directors and the non-executive Directors should attend the general meeting of the Company. However, Mr. CHEN Mingzhong, a non-executive Director, Mr. CHEN Jianzhong, Dr. HE Chengying and Mr. HU Jinxing, the independent non-executive Directors, were unable to attend the annual general meeting of the Company held on 12 August 2016 for conflicts of time with other important engagements. This was in deviation from code provision A.6.7 of the CG Code.

According to Rule 3.10(1) and 3.21 of the Listing Rules and code provision A.5.1 of CG Code, the Board is required at least three independent non-executive Directors and the audit committee of the Board (“**Audit Committee**”) must comprise a minimum of three members and the nomination committee of the Board (“**Nomination Committee**”) should comprises a majority of independent non-executive Directors. Following the resignation of Mr. HU Jinxing as the independent non-executive Director and ceased to be the member of both Audit Committee and Nomination Committee with effect from 15 November 2016, the Board has two independent non-executive Directors. The Audit Committee comprises only two members and the Nomination Committee comprises the chairman of the Board and one independent non-executive Director. This was in deviation from Rules 3.10(1) and 3.21 of the Listing Rules and code provision A.5.1 of CG Code.

However, following the appointment of Mr. CHAU Wai Hing as an independent non-executive Director with effect from 1 February 2017, the Company has three independent non-executive Directors, the Audit Committee comprises three members and the Nomination Committee comprises a majority of independent non-executive Directors in compliance with the requirements under Rules 3.10(1) and 3.21 of the Listing Rules and code provision A.5.1 of Corporate Governance Code contained in Appendix 14 of the Listing Rules.

- 制定、檢討及監察僱員及董事的行為守則及合規手冊(如有)；及

- 檢討本公司遵守企業管治守則之情況及於企業管治報告內之披露。

現時，董事會轄下有三個董事委員會，即審核委員會、提名委員會及薪酬委員會。該等委員會全部根據其各自之職權範圍(已登載於本公司及聯交所之網站)履行其獨有角色。該等委員會直接向董事會匯報其工作，並就適當事宜提出建議。

根據企業管治守則守則條文第A.6.7條，獨立非執行董事及非執行董事應出席本公司股東大會。然而，非執行董事陳鳴忠先生及獨立非執行董事陳建中先生、何誠穎博士及胡錦星先生因時間上與其他重要事務出現衝突未能出席本公司於2016年8月12日舉行之股東週年大會。此舉偏離企業管治守則守則條文第A.6.7條。

根據上市規則第3.10(1)及3.21條及企業管治守則守則條文第A.5.1條，董事會最少必須包括三名獨立非執行董事，而董事會審核委員會(「**審核委員會**」)最少必須包括三名成員及董事會提名委員會(「**提名委員會**」)須包括大部份獨立非執行董事。於胡錦星先生自2016年11月15日辭任獨立非執行董事及不再擔任審核委員會及提名委員會成員後，董事會有兩名獨立非執行董事。審核委員會僅包括兩名成員及提名委員會包括董事會主席及一名獨立非執行董事。此舉偏離上市規則第3.10(1)及3.21條及企業管治守則守則條文第A.5.1條。

然而，繼周偉興先生自2017年2月1日獲委任為獨立非執行董事後，本公司有三名獨立非執行董事、審核委員會由三名成員組成及提名委員會大部份由獨立非執行董事組成，符合上市規則第3.10(1)及3.21條以及上市規則附錄十四所載企業管治守則守則條文第A.5.1條項下之規定。

Throughout the Year and saved as disclosed above, the Company had applied principles of and had complied with all the code provisions set out in the CG Code contained in Appendix 14 to the Listing Rules on the Stock Exchange.

THE BOARD

The Board is responsible for setting the Group's directions, strategies and policies, approval of annual budgets and business plans, overseeing and reviewing the effectiveness of risk management and internal control systems, formulating the corporate governance policy and supervising a management team comprising Executive Directors, general managers and department heads of the Group. The Board reserves the right to decide all policy matters and material transactions of the Group.

Board Composition

As at the date of this report, the Board comprises four Executive Directors and three Independent Non-executive Directors ("INED"). Details of the Board composition are as follow:

Board of Directors

Executive Director	Membership of Board Committee(s)
Mr. ZHU Xiaojun (Chairman)	Member of Remuneration Committee Member of Nomination Committee
Mr. KANG Jianming	—
Ms. CAI Jiaying	—
Mr. YIN Wansun	—

Independent Non-executive Directors

Ms. ZHAO Hong	Chairman of Audit Committee Chairman of Remuneration Committee Chairman of Nomination Committee
Mr. CHAU Wai Hing	Member of Audit Committee Member of Nomination Committee
Mr. LEUNG Man Ho	Member of Audit Committee Member of Remuneration Committee Member of Nomination Committee

The Board believes that the balance between Executive Directors and INEDs is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of shareholders and the Group. The INEDs provide the Group with diversified expertise and experiences. Their views and participation bring independent judgment and advice on issues relating to the Group's strategies, performances, conflicts of interests of all shareholders are taken into account. The number of INEDs has been no less than one-third of the number of the Board members and at least one of whom possesses the appropriate professional accounting qualification and related financial management expertise as required under the Listing Rules.

於本年度及除上文所披露外，本公司已應用載於聯交所上市規則附錄十四所載企業管治守則之原則，並已遵守其中所載之全部守則條文。

董事會

董事會負責制定本集團之方向、策略及政策、批准年度預算及業務計劃、監察及檢討風險管理及內部監控系統之效率、制定企業管治政策及監督管理團隊(包括本集團之執行董事、總經理及部門主管)。董事會保留決定本集團所有政策事宜及重大交易之權利。

董事會組成部份

於本報告日期，董事會包括四名執行董事及三名獨立非執行董事(「獨立非執行董事」)。董事會組成部份之詳情如下：

董事會

執行董事	董事委員會成員
朱曉軍先生(主席)	薪酬委員會成員 提名委員會成員
康建明先生	—
蔡佳櫻女士	—
殷苑蓀先生	—

獨立非執行董事

趙竑女士	審核委員會主席 薪酬委員會主席 提名委員會主席
周偉興先生	審核委員會成員 提名委員會成員
梁文豪先生	審核委員會成員 薪酬委員會成員 提名委員會成員

董事會相信執行董事及獨立非執行董事之間存在合理平衡，並足以提供充份制衡作用，以保障股東及本集團之利益。獨立非執行董事為本集團提供多元化之專業知識及經驗。彼等之意見及參與為關於本集團策略及表現之事宜提供獨立判斷及意見，並會考慮全體股東之利益衝突。獨立非執行董事之數目一直不少於董事會成員數目之三分之一，當中最少一名獨立非執行董事具備上市規則規定之適當專業會計資格及相關財務管理專長。

Change in Composition of the Board and Board Committees

During the Year and up to the date of this report, the change in composition of the Board and Committees set out as below:

董事會及董事委員會組成部份之變動

於本年度至本報告日期，董事會及董事委員會組成部份之變動載列如下：

Effective Date 生效日期	Director 董事	Change 變動
1 April 2016 2016年4月1日	Ms. CHAN Mei Sheung 陳美雙女士	resigned as a member of Remuneration Committee 辭任薪酬委員會成員
1 April 2016 2016年4月1日	Mr. SZE Tsai Ping, Michael 史習平先生	resigned as an Independent Non-executive Director, the chairman of Audit Committee and Nomination Committee and a member of Remuneration Committee 辭任獨立非執行董事、審核委員會及提名委員會主席以及薪酬委員會成員
1 April 2016 2016年4月1日	Dr. FAN Yiu Kwan, JP 范耀鈞博士太平紳士	resigned as an Independent Non-executive Director, the chairman of Remuneration Committee and a member of Audit Committee and Nomination Committee 辭任獨立非執行董事、薪酬委員會主席以及審核委員會及提名委員會成員
1 April 2016 2016年4月1日	Mr. LEE Kwan Hung 李均雄先生	resigned as an Independent Non-executive Director and a member of Audit Committee, Nomination Committee and Remuneration Committee 辭任獨立非執行董事、審核委員會、提名委員會及薪酬委員會成員
1 April 2016 2016年4月1日	Ms. CAI Jiaying 蔡佳櫻女士	appointed as an Executive Director 獲委任為執行董事
1 April 2016 2016年4月1日	Mr. CHEN Jianzhong 陳建中先生	appointed as an Independent Non-executive Director and the chairman of Remuneration Committee 獲委任為獨立非執行董事兼薪酬委員會主席
1 April 2016 2016年4月1日	Dr. HE Chengying 何誠穎博士	appointed as an Independent Non-executive Director, the chairman of Nomination Committee and a member of Audit Committee 獲委任為獨立非執行董事、提名委員會主席及審核委員會成員
1 April 2016 2016年4月1日	Mr. HU Jinxing 胡錦星先生	appointed as an Independent Non-executive Director and a member of Audit Committee and Nomination Committee 獲委任為獨立非執行董事兼審核委員會及提名委員會成員
1 April 2016 2016年4月1日	Ms. ZHAO Hong 趙竑女士	appointed as an Independent Non-executive Director, the chairman of Audit Committee and a member of Remuneration Committee 獲委任為獨立非執行董事、審核委員會主席及薪酬委員會成員
26 April 2016 2016年4月26日	Ms. CHAN Mei Sheung 陳美雙女士	resigned as an Executive Director 辭任執行董事
26 April 2016 2016年4月26日	Mr. KIU Wai Ming 喬維明先生	resigned as an Executive Director and chief executive officer 辭任執行董事兼行政總裁
19 May 2016 2016年5月19日	Mr. YIN Wansun 殷菀蓀先生	appointed as an Executive Director 獲委任為執行董事
12 August 2016 2016年8月12日	Mr. CHEN Mingzhong 陳鳴忠先生	resigned as Non-executive Director 辭任非執行董事

Effective Date 生效日期	Director 董事	Change 變動
12 August 2016 2016年8月12日	Mr. CHEN Jianzhong 陳建中先生	resigned as an Independent Non-executive Director and the chairman of Remuneration Committee 辭任獨立非執行董事兼薪酬委員會主席
12 August 2016 2016年8月12日	Ms. ZHAO Hong 趙竑女士	appointed as the chairman of Remuneration Committee 獲委任為薪酬委員會主席
12 August 2016 2016年8月12日	Dr. HE Chengying 何誠穎博士	appointed as a member of Remuneration Committee 獲委任為薪酬委員會成員
15 August 2016 2016年8月15日	Mr. WANG Lingxiao 王凌霄先生	resigned as an Executive Director 辭任執行董事
15 November 2016 2016年11月15日	Mr. HU Jinxing 胡錦星先生	resigned as an Independent Non-executive Director and a member of Audit Committee and Nomination Committee 辭任獨立非執行董事兼審核委員會及提名委員會成員
1 February 2017 2017年2月1日	Mr. CHAU Wai Hing 周偉興先生	appointed as an Independent Non-executive Director and a member of Audit Committee and Nomination Committee 獲委任為獨立非執行董事兼審核委員會及提名委員會成員
1 April 2017 2017年4月1日	Dr. HE Chengying 何誠穎博士	resigned as an Independent Non-executive Director, a chairman of Nomination Committee and a member of Audit Committee and Remuneration Committee 辭任獨立非執行董事、提名委員會主席及審核委員會與薪酬委員會成員
15 May 2017 2017年5月15日	Mr. CHEN Zhi 陳智先生	appointed as an Executive Director 獲委任為執行董事
16 June 2017 2017年6月16日	Mr. CHEN Zhi 陳智先生	resigned as an Executive Director 辭任執行董事
16 June 2017 2017年6月16日	Ms. ZHAO Hong 趙竑女士	appointed as the Chairman of Nomination Committee 獲委任為提名委員會主席
19 June 2017 2017年6月19日	Mr. LEUNG Man Ho 梁文豪先生	appointed as an Independent Non-executive Director and a member of Audit Committee, Nomination Committee and Remuneration Committee 獲委任為獨立非執行董事及審核委員會、提名委員會及薪酬委員會成員

Appointment and Re-election of Director

In accordance with the Company's Article of Association ("Articles"), the Board shall have the power from time to time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting ("AGM") and shall then be eligible for re-election. At each AGM, one-third of the Directors for the time being shall retire from office by rotation and all Directors are subject to retirement at least once every three years.

The Chairman and Chief Executive

Throughout the Year, Mr. ZHU Xiaojun ("Mr. Zhu") is the Chairman of the Board and is responsible for providing leadership and ensuring effective running of the Board. The duties of the chief executive are undertaken and performed by the Chairman of the Board, thus Mr. Zhu also responsible for the Group's day-to-day operations and implementation of the Group's strategies and is assisted by a management team, comprising Executive Directors, general managers and department heads of the Group, with authority and responsibility for developing and exercising both operational and non-operational duties. Despite a part of responsibility of chief executive is vested in Mr. Zhu, in which all major decisions are made in consultation with the other Board members and the senior management of the Company. The Board believes that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company. As such, this was in deviation from A.2.1 of CG Code.

Independent Non-executive Director

All INEDs are appointed for a specific term and are subject to retirement by rotation. No INED has served the Company for more than 9 years. Each of the INEDs has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considered that all INEDs are independent.

Company Secretary

The Company Secretary reports to the Chairman and the senior management. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable laws are followed.

委任及重選董事

根據本公司之組織章程細則(「章程細則」)，董事會有權不時委任任何人士出任董事，以填補董事會臨時空缺或出任現時董事會新增之董事席位。獲董事會委任以填補臨時空缺之任何董事的任期至其獲委任後之首次本公司股東大會為止，並須於有關大會上重選。任何獲董事會委任以出任現時董事會新增董事席位之董事，其任期將僅至下屆股東周年大會(「股東周年大會」)為止，且屆時符合資格膺選連任。於每屆股東周年大會上，當時三分之一之董事須輪值退任，而全體董事均須最少每三年退任一次。

主席及行政總裁

於本年度，朱曉軍先生(「朱先生」)為董事會主席，負責領導及確保董事會有效運作。行政總裁一職由董事會主席承擔及履行，因此朱先生亦負責本集團之日常營運及實行本集團之策略，且獲得包括本集團執行董事、總經理及部門主管之管理團隊輔助，並獲授權及須負責發展及執行營運及非營運職務。儘管行政總裁之部分責任轉交朱先生，惟當中所有重大決定均於諮詢其他董事會成員及本公司高級管理層後始行作出。董事會相信本公司之權力平衡足夠，而現行安排得以維持本公司穩健之管理狀況。因此，此舉偏離企業管治守則第A.2.1條。

獨立非執行董事

全體獨立非執行董事均以特定任期委任，並須輪值退任。並無獨立非執行董事服務本公司超過9年。每名獨立非執行董事已根據上市規則第3.13條發出年度獨立確認書。本公司認為全體獨立非執行董事均為獨立人士。

公司秘書

公司秘書向主席及高級管理人員匯報。全體董事可獲取公司秘書之意見及服務，以確保遵守董事會程序及所有適用法律。

Training and Professional Development

The Company encourages all Directors to participate in continuous professional development to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant. The training records for the Year had been provided to the Company Secretary by all Directors of the Company. A summary of trainings received by the Directors for the Year is shown as below:

Name of Directors	董事姓名	Type of training 培訓類型
Mr. ZHU Xiaojun (<i>Chairman</i>)	朱曉軍先生(主席)	B
Mr. KANG Jianming	康建明先生	B
Ms. CAI Jiaying	蔡佳櫻女士	B
Mr. YIN Wansun	殷苑蓀先生	B
Ms. ZHAO Hong	趙竑女士	B
Mr. CHAU Wai Hing	周偉興先生	B

Notes:

- A: attending briefing sessions and/or seminars
- B: reading seminar materials and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements

Directors and Officers Liability Insurance

Appropriate directors' and officers' liability insurance has been arranged for the Directors and officers of the Company for indemnifying their liabilities arising out of corporate activities. The insurance coverage of directors' and officers' liability is reviewed on an annual basis.

BOARD MEETINGS

The Board conducts meetings on a regular basis and on an ad hoc basis of at least four times a year to discuss the Group's business strategies as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results. The Board members are served with notices of at least 14 days and provided with all agendas and adequate information for their review at least 3 days prior to the meetings. After the Board meetings, draft minutes are circulated to all Directors for comments before confirmation and sign-off. Minutes of Board meetings and minutes of board committees are kept by the Company Secretary and are available for inspection by any Director at any reasonable time on reasonable notice. During the Year, four Board meetings were held.

培訓及專業發展

本公司鼓勵全體董事參與持續專業發展，以發展及重溫彼等之知識及技能，確保彼等對董事會作出知情及相關之貢獻。本公司全體董事已向公司秘書提供本年度之培訓記錄。本年度董事接受培訓之概要列示如下：

附註：

- A：出席簡報會及／或研討會
- B：閱覽研討會資料，以及有關上市規則及其他適用監管規定之最新發展之最新消息

董事及高層人員之責任保險

本公司已為其董事及主管人員安排適當之董事及主管人員責任保險，為彼等因企業活動而產生之法律責任提供彌償保證。董事及主管人員責任保險之保障範圍每年檢討。

董事會會議

董事會定期及在有需要時隨時舉行每年最少四次的會議，以討論本集團之業務策略以及本集團之經營及財務表現，並審批本集團之年度及中期業績。董事會成員會收到最少14天通知，並最少於會議前3天獲提供所有議程及足夠資料供其審閱。於董事會會議後，草擬會議記錄乃向全體董事傳閱，以供其於確認及簽署前提供意見。董事會會議及董事委員會會議之會議記錄乃由公司秘書保存，並可供任何董事於任何合理時間及發出合理通知下查閱。於本年度，已舉行四次董事會會議。

All Directors are adequately briefed on updates on amendments to or latest developments of the Listing Rules and other applicable laws, rules and regulations concerning their obligations as Directors and good corporate governance practices. They were also provided with the Group's monthly management updates which give a balanced and understandable assessment of the Group's performance, financial position and prospects to enable the Board and each Director to discharge their duties.

AUDIT COMMITTEE

During the Year, the Audit Committee comprises by INEDs, namely, Ms. ZHAO Hong (Chairman), Dr. HE Chengying (resigned on 1 April 2017) ("Dr. He"), Mr. HU Jinxing (resigned on 15 November 2016) and Mr. CHAU Wai Hing (appointed on 1 February 2017). Following the resignation of Dr. He, the Board appointed Mr. LEUNG Man Ho as INED and as a member of Audit Committee effective from 19 June 2017 in replacement of Dr. He. Currently, the Audit Committee comprises three members, all being INEDs. No member of the Audit Committee was a former partner of the Company's existing auditing firm. The chairman of the Audit Committee possesses the appropriate professional qualifications in accountancy and experience in financial matters.

The main duties of the Audit Committee are to review the Group's financial reporting system, risk management and internal control procedures, to review the Group's financial information, to oversee relationship with the Group's external auditors and make relevant recommendations to the Board. The Audit Committee held two meetings during the Year and its works performed include reviewing the adopted accounting principles and practices, the annual and interim consolidated financial results and reports, reviewing external auditors' audit plan, terms of engagement and recommended auditors' fees for the Board's approval, reviewing the management letters and reports issued by the external auditors and reviewing the internal audit review reports for assessing effectiveness of internal control systems of the Group.

The Audit Committee was provided with sufficient resources to discharge its duties and may seek independent professional advice at the Company's expense, where necessary.

NOMINATION COMMITTEE

During the Year, the Nomination Committee comprises by majority of INEDs, namely, Dr. HE Chengying (Chairman), Mr. ZHU Xiaojun, Mr. HU Jinxing (resigned on 15 November 2016) and Mr. CHAU Wai Hing (appointed on 1 February 2017). Dr. He resigned as INED and ceased as the Chairman of Nomination Committee effective from 1 April 2017. In replacement of Dr. He, the Board appointed Ms. ZHAO Hong as the Chairman of Nomination Committee effective from 16 June 2017 and Mr. LEUNG Man Ho as INED and as a member of Nomination Committee effective from 19 June 2017. Currently, the Nomination Committee comprises four members, the majority of the members of the Nomination Committee are INEDs.

全體董事充分獲簡報有關彼等作為董事之責任及良好企業管治常規之上市規則及其他適用法律、規則及法規之修訂或最新發展之資料。彼等亦獲提供本集團之每月管理層最新資料，該等資料載列有關本集團表現、財務狀況及前景的持平而易明之評估，讓董事會及各董事可履行其職責。

審核委員會

於本年度，審核委員會包括獨立非執行董事趙竑女士(主席)、何誠穎博士(於2017年4月1日辭任)(「何博士」)、胡錦星先生(於2016年11月15日辭任)及周偉興先生(於2017年2月1日獲委任)。何博士辭任後，董事會委任梁文豪先生為獨立非執行董事及審核委員會成員，自2017年6月19日起生效，以取代何博士。目前，審核委員會包括三名成員，均為獨立非執行董事。概無審核委員會成員曾任本公司現有核數師行之前合夥人。審核委員會主席具備適當之專業會計資格及財務事宜之經驗。

審核委員會之主要職責為檢討本集團之財務匯報制度、風險管理及內部監控程序、審閱本集團之財務資料、監督與本集團外聘核數師之關係，以及向董事會提出有關建議。於本年度，審核委員會已舉行兩次會議，其進行之工作包括檢討所採納之會計原則及常規、年度及中期綜合財務業績及報告、審閱外聘核數師之審核計劃、聘用條款及建議核數師酬金以供董事會批准、檢討外聘核數師發出之管理層函件及報告，以及檢討內部審計檢討報告，以評估本集團內部監控系統之成效。

審核委員會已獲提供充足資源以履行其職責，並可於有需要時尋求獨立專業意見，費用由本公司承擔。

提名委員會

於本年度，提名委員會包括大多數獨立非執行董事，即何誠穎博士(主席)、朱曉軍先生、胡錦星先生(於2016年11月15日辭任)及周偉興先生(於2017年2月1日獲委任)。自2017年4月1日起，何博士辭任獨立非執行董事且不再為提名委員會主席。為了取代何博士，董事會委任趙竑女士為提名委員會主席，自2017年6月16日起生效，及梁文豪先生為獨立非執行董事兼提名委員會成員，自2017年6月19日起生效。目前，提名委員會包括4名成員，大多數提名委員會成員為獨立非執行董事。

The main duties of the Nomination Committee are to review the size, structure and composition of the Board and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategies, to identify individuals suitably qualified to become members of the Board and make recommendations to the Board on selection of individuals for directorships, to assess the independence of INEDs and to make recommendations to the Board on the appointment or re-appointment of Directors and succession plan for Directors, in particular the Chairman and chief executive officer. The Nomination Committee was provided with sufficient resources to discharge its duties and may seek independent professional advice at the Company's expense, where necessary.

The Board adopted the board diversity policy in June 2013 which set out the approach to diversity on the Board. The Board shall consider various aspects in achieving diversity of Board members, including but not limited to skills, regional and industry experience, background, race and gender. The Nomination Committee will monitor the implementation of the board diversity policy and review the policy as appropriate.

The Nomination Committee held one meeting during the Year and its works performed includes reviewing the structure, size and composition of the Board; approving the appointment of an Executive Director; and assessing independence of the INEDs.

REMUNERATION COMMITTEE

During the Year, the Remuneration Committee comprises by majority of INEDs namely, Ms. ZHAO Hong (Chairman), Mr. ZHU Xiaojun, Mr. CHEN Jianzhong (resigned on 12 August 2016) and Dr. HE Chengying. Dr. He resigned as INED and ceased as a member of Remuneration Committee effective from 1 April 2017. The Board appointed Mr. LEUNG Man Ho as INED and as a member of Remuneration Committee effective from 19 June 2017 in replacement of Dr. He.

The main duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of formal and transparent procedures for developing remuneration policy, to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives, to make recommendations to the Board on the remuneration packages of Executive Directors and senior management, to make recommendation to the Board on the remuneration of INEDs and to ensure that no Director or any of his associates is involved in deciding his own remuneration. The Remuneration Committee was provided with sufficient resources to discharge its duties and may seek independent professional advice at the Company's expense, where necessary.

提名委員會之主要職責為檢討董事會之人數、架構及組成，並就任何為配合本公司之企業策略而擬對董事會作出之變動提出建議、物色具備合適資格之人士出任董事會成員、就遴選有關人士出任董事向董事會提出建議、評核獨立非執行董事之獨立性，並就董事委任或重新委任以及任何董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議。提名委員會已獲提供充足資源以履行其職責，並可於有需要時尋求獨立專業意見，費用由本公司承擔。

董事會於2013年6月採納董事會成員多元化政策，當中載有達致董事會多元化之方針。董事會在達致董事會成員多元化時應考慮各層面，包括但不限於技能、地區及行業經驗、背景、種族及性別。提名委員會將監控落實董事會成員多元化政策之情況，並於適當時候檢討該政策。

於本年度，提名委員會已舉行一次會議，其履行之工作包括檢討董事會之架構、人數及組成、批准委任執行董事，以及評估獨立非執行董事之獨立性。

薪酬委員會

於本年度，薪酬委員會包括大多數獨立非執行董事，即趙竑女士(主席)、朱曉軍先生、陳建中先生(於2016年8月12日辭任)及何誠穎博士。何博士自2017年4月1日起辭任獨立非執行董事及不再為薪酬委員會成員。董事會委任梁文豪先生為獨立非執行董事兼薪酬委員會成員以取代何博士，自2017年6月19日起生效。

薪酬委員會之主要職責為就本公司全體董事及高級管理人員之薪酬政策及架構，及就設立正規而具透明度之程序制訂薪酬政策，向董事會提出建議、因應董事會所訂企業方針及目標而檢討及批准管理層之薪酬建議、就執行董事及高級管理人員之薪酬待遇向董事會提出建議、就獨立非執行董事之薪酬向董事會提出建議，以及確保並無董事或其任何聯繫人參與決定其本身之薪酬。薪酬委員會獲供給充足資源以履行其職責，亦可於有需要時尋求獨立專業意見，費用由本公司承擔。

Corporate Governance Report

企業管治報告

The Remuneration Committee held one meeting during the Year and discussed the remuneration package for certain Directors and senior management as well as other remuneration-related matters.

於本年度，薪酬委員會已舉行一次會議，並討論若干董事及高級管理人員之薪酬待遇，以及其他與薪酬相關之事宜。

DIRECTOR'S ATTENDANCE RECORDS AT MEETINGS

The attendance of each Director at the Board Meeting, Audit Committee Meeting, Nomination Committee Meeting, Remuneration Committee Meeting and shareholder's meeting during the Year are set out below:

董事於會議之出席紀錄

下表載列本年度各董事於董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東大會之出席情況：

		Attendance/Number of meetings held for the year ended 31 March 2017 截至2017年3月31日止年度出席/舉行之會議數目				
		Board Meeting	Audit Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting	2016 AGM/EGM 2016年 股東周年大會/ 股東特別大會
		董事會會議	審核委員會會議	提名委員會會議	薪酬委員會會議	股東特別大會
Executive Directors		執行董事				
Mr. ZHU Xiaojun (Chairman of the Board and Member of the Remuneration and Nomination Committees)	朱曉軍先生(董事會主席以及薪酬及提名委員會成員)	4/4	—	1/1	1/1	2/2
Mr. KANG Jianming	康建明先生	4/4	—	—	—	2/2
Ms. CAI Jiaying	蔡佳櫻女士	4/4	—	—	—	2/2
Mr. YIN Wansun	殷苑蓀先生	2/4	—	—	—	2/2
Mr. WANG Lingxiao (Note 1)	王凌霄先生(附註1)	1/1	—	—	—	1/1
Non-executive Director		非執行董事				
Mr. CHEN Mingzhong (Note 2)	陳鳴忠先生(附註2)	1/1	—	—	—	0/1
Independent Non-executive Directors		獨立非執行董事				
Mr. CHEN Jianzhong (Note 3)	陳建中先生(附註3)	1/1	—	—	1/1	0/1
Dr. HE Chengying (Note 4) (Chairman of the Nomination Committees and Member of the Audit and Remuneration Committee)	何誠穎博士(附註4)(提名委員會主席以及審核及薪酬委員會成員)	4/4	1/2	1/1	—	1/2
Mr. HU Jinxing (Note 5) (Member of the Audit and Nomination Committee)	胡錦星先生(附註5)(審核及提名委員會成員)	0/2	0/1	0/1	—	0/1
Ms. ZHAO Hong (Chairman of Audit and Remuneration Committee)	趙誼女士(審核及薪酬委員會成員)	4/4	2/2	—	1/1	2/2
Mr. CHAU Wai Hing (Note 6) (Member of the Audit and Nomination Committees)	周偉興先生(附註6)(審核及提名委員會成員)	1/1	—	—	—	—

Notes:

1. Mr. WANG Lingxiao has resigned as Executive Director with effect from 15 August 2016.
2. Mr. CHEN Mingzhong has resigned as Non-executive Director with effect from 12 August 2016.
3. Mr. CHEN Jianzhong has resigned as Independent Non-executive Director and a Chairman of Remuneration Committee of the Board with effect from 12 August 2016.
4. Dr. HE Chengying has appointed as a member of Remuneration Committees of the Board with effect from 12 August 2016.
5. Mr. HU Jinxing has resigned as Independent Non-executive Director and a member of each Audit and Nomination Committees of the Board with effect from 15 November 2016.
6. Mr. CHAU Wai Hing appointed as Independent Non-executive Director and a member of each Audit and Nomination Committees of the Board with effect from 1 February 2017.

附註：

1. 王凌霄先生辭任執行董事，自2016年8月15日起生效。
2. 陳鳴忠先生辭任非執行董事，自2016年8月12日起生效。
3. 陳建中先生辭任獨立非執行董事兼董事會薪酬委員會主席，自2016年8月12日起生效。
4. 何誠穎博士獲委任為董事會薪酬委員會成員，自2016年8月12日起生效。
5. 胡錦星先生辭任獨立非執行董事兼董事會審核及提名委員會成員，自2016年11月15日起生效。
6. 周偉興先生獲委任為獨立非執行董事兼董事會審核及提名委員會各自之成員，自2017年2月1日起生效。

DIRECTORS' AND RELEVANT EMPLOYEES' SECURITIES TRANSACTIONS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” contained in Appendix 10 to the Listing Rules (“**Model Code**”) as its code of conduct regarding Directors’ securities transactions. Having made specific enquiries with all Directors, they have confirmed their compliance with the Model Code throughout the Year. On June 2013, the Company adopted written guidelines on terms no less exacting than the Model Code for relevant employees in respect of the dealings in the Company’s securities.

EXTERNAL AUDITOR

The Audit Committee is responsible for considering the appointment, re-appointment and removal of external auditor subject to endorsement by the Board and final approval and authorization by the shareholders of the Company in general meetings. During the Year, the Group has engaged PricewaterhouseCoopers as external auditor to perform the following services and their respective fees charged are set out as follows:

Type of Services	服務類型	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Audit services	審核服務	2,550	1,500
Non-audit services	非審核服務	91	662
Total	總計	2,641	2,162

董事及相關僱員進行之證券交易

本公司已採納上市規則附錄十所載之「上市發行人董事進行證券交易的標準守則」(「標準守則」)，作為其有關董事進行證券交易之行為守則。於向全體董事作出特定查詢後，彼等已確認於本年度一直遵守標準守則。於2013年6月，本公司已採納有關僱員買賣本公司證券事宜之書面指引，指引條款並不比標準守則寬鬆。

外聘核數師

審核委員會負責考慮外聘核數師之委任、重新委任及罷免，惟須獲得董事會之批准及本公司股東於股東大會上作出最終批准及授權。於本年度，本集團委聘羅兵咸永道會計師事務所擔任外聘核數師，其履行下列服務及及相關費用載列如下：

INTERNAL AUDITOR

The Company has an independent internal audit team, which plays a major role in providing objective assurance to the Board that a sound and effective risk management and internal control system is in place and operated by the management. The head of the internal audit department directly reports to the Audit Committee on audit matters. The annual audit works plan covered the business activities and process of the Group's core operating business. Moreover, ad hoc reviews will be performed on specific areas of concern identified by the Audit Committee and the management from time to time.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the ultimate responsibility for the Group's risk management and internal control system, while the management ensures the sufficient and effective operational controls over the key business process are properly implemented with regular review and update. Review the internal controls of the Group mainly covering financial, operational and compliance controls, as well as risk management functions. The internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The implementation of Group's risk management evaluation was assisted by the internal audit department so that the Group could ensure new and emerging risk relevant to the Group's operation are promptly identified by management, assess the adequacy of action plans to manage these risks and monitor and evaluate the effectiveness of the action plans. The Audit Committee reviews regularly the Group's risk management systems.

Through the Audit Committee, the Board has reviewed the effectiveness of the Group's risk management and internal control system. To maintain a sound and effective system of internal control and safeguard our shareholders' investment and the Group's assets at all times, the Group has an independent audit team to review and monitor all critical aspects of the Group's activities and its internal control. During the Year, the Board had reviewed the findings of the internal control review and evaluation of risk level of the Group could take and effectiveness of risk management measures performed by the internal auditors and external auditors together with the Audit Committee and, after discussion with the management and external auditors, was satisfied that the Group's internal control system and assessment of risk management was sound and adequate for the Year. The Board would continue to review and improve the Group's risk management and internal control system, taking into account the prevailing regulatory requirements, business development needs and the interests of shareholders.

The Board also reviews annually the adequacy of resources, staff qualifications and experience of the Group's accounting and financial reporting function, and their training programmes and budget.

內部審計師

本公司設有獨立內部審計團隊，在向董事會客觀保證管理層具備及運作一套完善有效之風險管理及內部監控系統擔當重要角色。內部審計部門主管直接向審核委員會匯報審計事宜。每年之審計工作計劃涵蓋本集團核心經營業務之業務活動及過程。此外，內部審計部門亦會就審核委員會及管理層不時識別之特別關注範疇進行特別檢討。

風險管理及內部監控

董事會須就本集團之風險管理及內部監控系統負上最終責任，而管理層則確保已就主要業務過程妥善執行充足及有效之營運監控，並進行定期檢討及更新。本集團內部監控檢討涵蓋財務、營運、合規監控及風險管理功能。內部監控系統旨在管理但不能消除未能達成業務目標之風險，並僅可提供合理而非絕對之無重大錯誤陳述或損失保證。

本集團進行之風險管理評估由內部審計部門協助，致使本集團可確保管理層即時識別與本集團營運相關之新風險、評估管理該等風險之實行計劃是否充足，並監督評估實行計劃之成效。審核委員會定期檢討本集團之風險管理系統。

董事會透過審核委員會檢討本集團風險管理及內部監控系統之成效。為時刻維持完善有效之內部監控系統，以及保障本公司股東之投資及本集團資產，本集團之獨立審計團隊就本集團活動及其內部監控之所有重要方面作出檢討及監察。於本年度，董事會已檢討內部審計師、外聘核數師及審核委員會進行之內部監控檢討結果及評估本集團可承受風險水平及風險管理措施之成效，而在與管理層及外聘核數師討論後，董事會信納本集團於本年度之內部監控系統及風險管理評估穩健妥善及足夠。董事會將繼續考慮現行監管規定、業務發展需要及股東利益，以檢討及改善本集團之風險管理及內部監控系統。

董事會亦每年檢討本集團在會計及財務匯報職能方面之資源、員工資格及經驗，以及員工所接受之培訓課程及有關預算是否足夠。

COMMUNICATION WITH SHAREHOLDERS

The Board has established a shareholders' communication policy setting out the channels by which information is communicated with its shareholders. The Company's corporate communications includes among other things, announcements, financial reports, circulars and other corporate communications which are disseminated through its website at www.vestategroup.com and the website of the Stock Exchange in compliance with the disclosure obligations under the Listing Rules.

The Company regards the AGM as a platform to provide an important opportunity for direct communication between the Board and the Company's shareholders. All Directors will make an effort to attend general meetings. The chairman of the AGM proposes separate resolution for each issue and invites presence of chairman of each of the Board Committees for answering questions at the AGM. External auditor also attends the AGM to answer questions about the conduct of audit, the preparation and content of auditors' report and the confirmation of auditor's independence. The notice of AGM and related papers are distributed to shareholders at least 20 clear business days before the AGM. At the AGM, the Chairman ensures that detailed procedures for conducting a poll are explained.

SHAREHOLDERS' RIGHTS

Pursuant to Article 58 of the Articles, any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) may convene such meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

CONSTITUTIONAL DOCUMENTS

During the Year, there had been no significant change in the Company's constitutional documents.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Group in accordance with statutory requirements and applicable accounting standards.

與股東溝通

董事會已制定股東通訊政策，當中載列向其股東傳遞資訊之渠道。本公司之公司通訊包括(其中包括)公告、財務報告、通函及其他公司通訊，乃透過其網站 www.vestategroup.com 及聯交所網站發佈，以遵守上市規則下之披露責任。

本公司視股東周年大會為一個重要平台讓董事會與本公司股東進行直接溝通。全體董事將盡力出席股東大會。股東周年大會主席就各項議題提呈獨立決議案，並邀請各董事委員會之主席出席股東周年大會以解答提問。外聘核數師亦會出席股東周年大會以解答有關審核工作之進行、核數師報告之編製及內容及確認核數師獨立性之提問。股東周年大會通告及有關文件於股東周年大會舉行前最少 20 個完整營業日發送予股東。於股東周年大會上，主席確保以投票方式進行表決之詳細程序已予解釋。

股東權利

根據章程細則第 58 條，任何一名或以上於遞呈要求日期持有不少於本公司繳足股本(賦有本公司股東大會之投票權)十分之一之本公司股東，於任何時間均有權透過向董事會或公司秘書作出書面要求，要求董事會召開股東特別大會，以處理有關要求書列明之任何事務。有關大會須於遞呈要求書後 2 個月內舉行。倘董事會未能於遞呈要求書後起計 21 日內召開該大會，則遞呈要求人士可召開大會，而遞呈要求人士因董事會未有召開大會而產生之所有合理開支應由本公司向遞呈要求人士作出償付。

憲章文件

於本年度，本公司之憲章文件並無重大改變。

董事就財務報表之責任

董事確認其有責任根據法定規定及適用之會計準則編製本集團財務報表。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

This is the first Environmental, Social and Governance (“ESG”) Report (the “ESG report”) issued by Vestate Group Holdings Limited (the “Company”) and together with its subsidiaries (the “Group” or “We”). This report mainly includes the performance of our offices and stores at our main operating points in the PRC, Hong Kong and Taiwan in respect of environmental protection, social responsibilities and corporate governance for the year from 1 April 2016 to 31 March 2017. We will also review on such relevant performance for our further improvement in the future. Notwithstanding our inadequacy in determining the importance and objectives of ESG strategies, risk and management policies, yet we believe that only by our collaborative effort and pursuit of excellence could we fulfil all requirements as set out in the ESG report.

As a good and conscientious enterprise, we understand that sustainable development is crucial to creating long-term value for all stakeholders. Accordingly, we are committed to establishing good practices and striving optimal balance between our stakeholders’ interests in economic, environmental, social and corporate governance aspects during the course of business.

This report is prepared and compiled with reference to the Environmental, Social and Governance Reporting Guide set out by the Stock Exchange and the Group’s business scope. Although the Group has not established a dedicated department and policies for ESG, measures have been implemented by various departments within the Group to meet certain ESG requirements, which have promoted the Group’s ESG development. The Group will continuously review the necessity of establishing an ESG Committee.

SCOPE OF REPORTING

The Group is principally engaged in the development and retailing of a variety of footwear products under its own brands through its self-managed retail shops, concession points in department stores and franchised stores. The Group possesses an extensive sales network across the PRC, Hong Kong, and Taiwan. The Group newly acquired the e-Commerce and e-Payment business from China Consume and its group in February 2017. As the estimated impact of the newly acquired business on the Group’s operations for the whole year is insignificant, no assessment is performed on such business. We will continuously assess the impact of the business on the Group in the future.

關於本報告

本報告為國投集團控股有限公司簡稱「本公司」，及其附屬公司統稱「本集團」或「我們」發布的首份《環境、社會及管治報告》。內容主要包括我們的辦公室及店舖自2016年4月1日至2017年3月31日年度在中國、香港及台灣地區主要營運點對環境保護、社會責任及企業管治的表現，並就其表現進行檢討，以求日後更趨完善。我們深知在考慮釐定環境、社會及管治策略、風險、管理方針等相關重要性及目標尚存不足，但我們相信貫徹群策群力、追求卓越的理念，逐步履行《環境、社會及管治報告》對每個層面的要求。

作為良好及負責任的企業，認識到可持續發展對於我們為所有的持份者創造長期價值最為重要。因此，我們力求建立良好常規，並在進行業務營運的同時，使我們的持份者的經濟、環境、社會和企業管治之利益方面竭力達至最佳平衡。

本報告主要是參考聯交所的《環境、社會及管治報告指引》而編制，並考慮本集團的業務經營範圍以確立本報告的內容。雖然本集團未就《環境、社會及管治》設立專責部門及政策，但本集團認為集團內各部門已實行《環境、社會及管治》部份相關要求之措施，藉此推動環境、社會及管治於本集團發展。本集團將持續檢視成立環境、社會及管治委員會的需要性。

報告範圍

本集團之主要業務為透過其自營零售店、百貨公司特許銷售點及特許經營店舖發展及零售自家品牌之各種鞋類產品。本集團銷售網絡覆蓋廣泛，遍布中國、香港及台灣地區。本集團於2017年2月份新收購中國消費及其集團之電子商務及電子支付業務，因估計該新收購業務營運對本集團全年度營運影響不大，故暫未對此業務進行評估。未來我們將持續評估該業務對本集團的影響。

REPORTING PERIOD

The reporting period covers 1 April 2016 to 31 March 2017, which is consistent with the financial year of the Group. The sustainable development report is published annually.

STAKEHOLDER ENGAGEMENT

All stakeholders have considerable influence on the Group. However, we believe that resources should be deployed on the information disclosures for our most significant stakeholders, such as employees and suppliers, etc. We are open-minded to encourage our stakeholders to voice their opinions through various channels.

ENVIRONMENT

Environmental Protection

The Group has formulated a series of management objectives and measures for environment and natural resources protection conforming to our sustainable development and operational policies. To make reasonable use of various energy, resources and materials, the Group regularly collect carbon emission data from operating facilities during its operation with reference to the guidance of the Stock Exchange. Data analysis provides us with clear directions to enhance our daily operations, which facilitates the implementation of measures, increase of energy efficiencies and contribution to environmental protection in the future.

Raise the awareness of environmental protection within the Group and optimise the use of resources

To raise the awareness of environmental protection within the Group and the responsible use of resources, information is shared internally. Meanwhile, we have also introduced measures on energy, water and paper conservation and the proper use of air-conditioners. We have assigned dedicated employees to explore and collect more information on environmental protection, pay close attention to the relevant information updates and communicate such information to all employees of the Group.

Incorporate environmental protection into the design and renovation of our stores

The design of our stores features with waste reduction, and then extends to energy conservation. The use of reusable materials is also our priority concern.

報告期間

匯報期為2016年4月1日至2017年3月31日，與本集團的財政年度一致。可持續發展報告每年發表一次。

持份者參與

不同持份者對本集團具有十分重要的影響，但本集團認為應將資源先投放在對本集團具有最大影響力的持份者資料披露上，如僱員及供應商等，推而廣之。我們持開放態度，鼓勵我們的持份者通過各種渠道提出意見。

環境

環境保護

本集團就環境及天然資源之保護方面訂下一系列的管理目標及措施，以貫徹持續發展及經營方針。本集團為了提升各項能源、資源和物料的合理使用，我們參考聯交所的指引，將實施定期收集營運設施在使用能源時造成碳排放的數據，通過數據分析的過程為我們提供更多有關改善營運的方針政策，以方便加強日後措施的推行，逐步提升能源使用效益和保護環境出力。

提升內部環保意識、善用資源

本集團為提升內部環保及善用資源意識，會內部分享資訊及實施節約能源、節約用水、善用空調及節省用紙的措施，我們更委派員工探索及收集更多環保信息，密切關注相關信息更新，並普及致本集團所有員工。

店舖設計與翻新工程融入環保概念

我們設計的理念從減少廢棄物開始，再延展至節能及可再生物料的使用是我們優先考慮的重點。

Strengthen the management of performance indicator measures

We will step up statistics and data collection in relation to the fuels, energy consumption and waste generated from offices, warehouses and sales points during the course of business. Through data processing and analysis, we can further create a more suitable environmental protection policy.

The extensive sales network of the Group covers a total of 466 sales points, 19 offices and 19 warehouses in the PRC, Hong Kong and Taiwan with over 1,600 employees. We believe that the increasing environmental protection awareness of our employees can in turn improve the performance of the Group as a whole and even inspire others to make their effort. At present stage, the following initiatives are widely promoted to our staff, such as water conservation, turning-off of unnecessary lighting and air-conditioning after work or during lunch breaks, as well as sleeping mode management of computers. We also set up used papers collection boxes, encourage our staff to use double-sided printing, send documents through emails and review documents online. Our staff are also advised not to use single-use paper cups for daily use. Environmental protection tips in electronic forms and related activities are provided for our staff to encourage their participation.

We understand that the harm caused by the emission of pollutants from vehicles and aircrafts to the environment should not be neglected. However, it is inevitable to use vehicles to transport our products between various sales points and warehouses, and our management need to use transportation, such as aircrafts, to manage our business. The Group will continuously monitor our energy consumption and set up appropriate initiatives to balance all stakeholders' interests. Our current initiatives include gradually upgrading our business vehicles to the European emission standards, maintaining good maintenance and repair for vehicles and adopting electronic means for business communication, such as the use of conference calls and other electronic devices.

During our business operations, store improvement and renovation are indispensable which could cause direct damages to the environment. To mitigate the damages, we begin with the source, our design concept, that part of the furniture is designed for recycling, renewable materials are used whenever possible and the energy-efficient lighting is more widely used in our illumination system. Disposal of wastes from closed stores is outsourced to subcontractors holding environmental protection certificates. From mid-2016 onwards, store design and equipment manufacturing have been put into centralised management, disposal of wastes has been carried out by subcontractors holding environmental protection certificates in some regions, with an aim to promote such practice to each province and city.

加強績效指標計量管理

我們將加強業務範圍所涉及的辦公室、倉庫及銷售點使用的燃料、能源及廢棄物數據統計與收集。通過數據處理與分析，進一步定立更適合我們環境保護的方針。

本集團銷售網絡覆蓋廣泛，遍佈中國、香港及台灣共計 466 個銷售點、19 個辦公室、19 個倉庫；僱用員工超過 1,600 名。我們相信提升內部員工環保意識有助本集團整體表現外，更可感染別人一起推動。現階段我們已廣泛向員工宣傳節約用水、下班或午休時間關掉不需要使用的燈和空調；電腦休眠管理；設立已使用紙張收集箱，鼓勵員工雙面打印和通過電子郵箱傳遞文件和在線審閱文件；更建議員工不要使用一次性的紙水杯作為日常飲料之用等措施；並向員工提供環保錦囊電子信息和環保活動，鼓勵員工參與；

我們明白汽車和飛機廢氣排放污染物對環境造成的危害不容忽視，但實際在營運過程中無可避免涉及使用車輛運載貨物往返各個銷售點和倉庫、管理人員乘坐交通工具包括飛機管理業務，本集團將持續監察我們的使用量並建立適當措施平衡各持份者的利益；我們現有措施包括：逐步提升業務車輛對歐盟汽車廢氣排放標準系數；維持良好的車輛維修保養及多採用視像會議或通話等電子工具進行業務溝通。

在我們營運業務中店鋪裝修、翻新是不可或缺的，但該等活動直接對環境造成傷害。為了減低傷害程度，我們從源頭開始，首先我們在設計理念上，部分家具設計以回收再用為前提，用料上儘量採用再生物料、燈光配置上增加節能燈的使用比例。撤店棄置物爭取外判給持有環保認證的承判商進行廢物分類處理。自 2016 年年中開始，店鋪設計與道具生產已由中央規劃處理；部分地區已經有環保認證的承判商進行棄置廢物分類處理，我們將逐步推廣至各省市。

In the coming year, we will closely monitor the emissions data collection and analysis in our business operations, assess the effectiveness of current measures and step up the establishment of measures.

EMPLOYMENT AND LABOUR PRACTICES

In an era where intense competition abounds, we regard intelligent, creative and dedicated staff as the Group's most valuable asset. We acknowledge a good employment relationship and a committed team are the key to the Group's efficient operations.

We care about the communication with our staff, encourage our staff at all levels to express their opinions through various staff activities, such as meetings, suggestion boxes and websites. We advocate a harmonious environment and organise occasional and different types of meetings and outdoor activities to lift the barriers between staff, creating a healthy and harmonious working environment.

Employment

As of 31 March 2017, the Group employed over 1,600 employees, of which approximately 1,450 were based in the PRC, 150 in Hong Kong and the remaining in Taiwan. We comply with the employment regulations of the regions where our business is situated, details of which are set out below:

1. Labour wages, overtime pay and related benefits meet (or exceed) the local minimum wage;
2. Leaves and statutory paid leaves comply with the local government requirements;
3. Our employees are treated equally by the Group. The employee's social identity, such as ethnicity, race, nationality, gender, religion, age, sexual orientation, political factions and marital status, will not affect his/her employment, remuneration package and promotion;
4. Staff Code of Practice of the Group is formulated with reference to the employment regulations of relevant regions which comply with the national and provincial government's standard requirements.

Health and Safety

The Group values the health and safety of our staff. We consider that health is essential for wealth and a bright future. Basic medical welfare and a safe working environment are offered to employees to reduce casualties and money loss arising.

下年度我們將密切關注營運業務中涉及排放物的數據收集與分析，並對現有措施評估果效及加強措施的建立。

僱傭及勞工常規

在當今充滿競爭的年代，擁有一群有智識、創意及勤奮的員工，是本集團最寶貴的資產。我們深明良好的員工關係及充滿熱誠的工作團隊，對本集團的高效營運至為重要。

我們關注員工的溝通，鼓勵本集團各職級員工透過各種員工活動表達意見，如會議、意見箱、網站等；我們推崇和諧共融的相處態度，透過不定期舉辦的各類會議及外展活動，幫助上下員工打破隔膜，營造健康、和諧的工作環境。

僱傭

截至2017年3月31日，本集團聘用僱員超過1,600名，其中大約1,450位於中國，大約150位於香港及餘下的位於台灣。我們遵守營業所在地的僱傭法規，詳情載列下文：

1. 勞工工資、加班費及相關福利符合當地最低工資(或高於)支付；
2. 假期及法定有薪假期遵守所在地區政府規定；
3. 本集團平等對待每一位員工，不會因員工的民族、種族、國籍、性別、宗教、年齡、性取向、政治派別、婚姻狀況等社會身份而影響其錄用、待遇、升遷等；
4. 本集團的員工守則是參照所在地的僱傭法規制定、符合有關國家或地區政府標準要求。

健康與安全

本集團重視員工的健康與安全，認為有健康才有財富、有健康才可為未來打拼。我們為員工提供基本醫療福利和安全工作環境，減少因工作所產生之傷亡及涉及之金錢損失。

In compliance with Fire Services Ordinances, we set up fire escapes, emergency lightings and fire escape maps for emergency escape. First-aid kits are in place at each work station. Guidance and working guideline regarding moving goods and the use of trolleys are provided for staff subject to higher risk of workplace injuries, such as warehouse staff. Our retail staff are provided with occupational health guidance, which gives instructions on the safe use of ladders, climbing ladders and stocking shelves to avoid injuries.

Development and Training

Given the ever-changing market bristled with intense competition, we believe that only by pursuing knowledge and innovation, remaining full alert, leveraging on intelligence and creativity, and above all, improving efficiencies of the management team can we respond to new challenges in this new era. Consequently, the Group's objective is to increase the capabilities of our staff at all levels. In line with occupational development, a series of courses are required to enhance employees' skills and encourage employees' continuous learning.

We provide introduction training for new frontline staff. Such trainings comprise introduction of the Company, rules of the Company, occupational safety and the Trade Descriptions Ordinance; fundamental store management, product knowledge, sales techniques and customer services, all of which help new staff fitting into our team as soon as possible.

The Group also supports self-improvement and encourages staff to use their expertise at work. We recommend our staff to attend suitable seminars or courses hand-picked by us.

Seeking high-caliber individuals and cultivating talents are the Group's key objectives. We will spare no effort to achieve these objectives through store management training programmes or other feasible means.

Excellent enterprises cannot survive without a united and competitive team. Therefore, we encourage employees to actively participate in the meetings and outdoor activities organised by the Group, during which team spirit is built and past performances are reviewed, so that effective strategies can be developed to face the new challenges in a new era.

Labour Standards

The Group forbids the employment of child labour, involuntary or forced labour in all business segments. At present, there is no significant risk of child labour or forced labour within the Group. In the case of voluntary departure, employees are free to terminate his/her employment, provided that notification period is given as required by their labour contracts.

我們遵守消防條例的要求設置防火通道、應急照明、防火通道示意圖以便應急逃生使用；在各個工作間設立急救藥箱；並對工作受傷風險較高的員工如為倉庫員工提供安全搬運貨品和使用手推車的指導和工作指引，為店舖員工提供職業健康指引，指導員工安全使用摺梯、爬梯和搬貨上架等訊息，以減低員工受傷的機會。

發展與培訓

市場瞬息萬變，競爭激烈，只有不斷求知求新，加強警惕，發揮智慧和創意，更重要是提高管理團隊的效率，才有能力迎接新時代新挑戰。故提升各階層的工作能力是本集團的目的。為配合職務的發展，有需要建立一系列的課程以助員工提升技能和鼓勵員工持續進修。

我們為前線新入職員工提供迎新課程，內容包括公司簡介、公司規例、職業安全及商品說明條例；店舖基礎管理、產品知識、銷售技巧、顧客服務等，讓新入職員工儘快融入我們的團隊。

本集團更鼓勵員工自我增值，提高質素，在工作上發揮所長。我們挑選合適之專題講座或課程推薦員工參與。

持續尋找賢才與培育人才是本集團重點目標，我們不會放棄通過店主管培育計劃或其它可行辦法去達成我們的目標。

經營優質企業需要凝聚有競爭力的團隊，故我們鼓勵員工積極參與本集團舉辦的會議和戶外活動，發揮團隊精神，為過去的成敗得失作檢討，為未來訂立優質戰略，迎接新時代新的挑戰。

勞工準則

本集團所有業務均禁止童工、強迫或強制勞工。截止目前，我們並無發現本集團業務內存在僱用童工或強制勞工的重大風險。凡員工出於自願離職，並按勞工合約規定的合理期限發出通知，即可自由離職。

OPERATING PRACTICES

Supply Chain Management

Optimised supply chain management and sound procurement management are important to the sustainable operations of the Group.

In the past, we emphasized on the product quality, service quality and business stability in the supply chain management system. In contrary, relatively less focus was given on suppliers' performance on environmental protection and social responsibilities.

The Group's procurement mainly depends on the supplier's price, quality, service, delivery ability and reputation. In the future, the supplier's integrity, social and environmental responsibilities will carry more weight in this regard.

We will appropriately tighten the supervision on suppliers' performance in environmental protection and corporate ethics. The related personnel assess and establish a list of major suppliers, whom are contacted and communicated with, while rectification plans are suggested to unqualified suppliers. We work closely with recognized suppliers and encourage them to meet the Group's requirements. In regard to non-compliance with environmental protection requirements and corporate ethics, the related suppliers' qualification will be withdrawn when necessary to mitigate our supply chain risk exposure.

Product Responsibility

The Group considers product as the core competitive edge of an enterprise. Since we value the design and quality of our products, a professional design and development team has been introduced during the year to repackage and reposition all brands, design fashionable and trendy footwear products, with a view to expanding the age profile of our consumers and increasing the competitiveness of the Group's products.

In respect to quality control, our leather materials are sent to National Leather Products Quality Supervision and Inspection Centre for assessment, whereas our products are required to pass the National Quality Inspection for Light Industry for Leather and Fur of Footwear Products. In parallel to the aforesaid, our professional team performs on-site audits for suppliers, provides rectification for substandard products identified during the production process, offers related improvement advice and requests the supplier to improve or provide detailed improvement proposals. Subsequently, the team will follow up such proposals and continuously supervise the supplier's performance.

In addition to design and quality, comfort is also the major focus of our footwear products. As footwear is our daily necessity and uncomfortable shoes can be detrimental to health, we aim to achieve excellent design and maximum comfort simultaneously.

營運慣例

供應鏈管理

完善的供應鏈管理及良好的採購管理，對本集團的可持續營運影響尤其重要。

過往我們對供應鏈管理系統上偏重供應商商品質量、服務水平與業務穩健性之評估，相對比較小關注供應商在環境保護與社會責任方面的表現。

本集團採購準則主要取決於供應商的價格、質量、服務態度、交付能力和聲譽，未來還會加強考慮供應商的誠信、社會和環境責任。

我們將適當提升監察供應商在環境保護和企業道德方面的表現。由部門相關人員自行評估及建立重要性較高的供應商名單，對該名單內的供應商作接觸與溝通，對未達標的供應商提出整改計劃。我們與認可供應商緊密合作，鼓勵他們遵守本集團的要求，對不遵守環境保護和企業道德的規定的，必要時取消其合格供應商的資格，以緩解本集團相關供應鏈之風險。

產品責任

本集團認為，產品是企業的核心競爭力，本集團一直重視產品設計及質量，因此本年度引入一班專業的設計及開發團隊，將各品牌重新包裝及定位，設計具時尚及潮流元素的鞋品，以擴大消費者的年齡層，令本集團的商品更具競爭力。

質量控制上，我們的皮革材料送交國家皮革質量檢驗中心進行測試，商品是通過國家輕工業鞋類皮革毛皮製品質量監督檢測；同時我們的專業團隊進行供應商現場稽核，對生產過程中發現不符合質量的商品提出稽核缺失並提供相關改善建議，要求供應商進行改善或提出實質改善方案，並對改善方案進行跟進，持續對供應商的表現進行監察。

我們的鞋履除了講求設計及質量外，更講求舒適度。因鞋履是我們日常必需品，不適合的鞋子使我們健康受損，故我們關注款式設計的同時也關注舒適度。

Anti-corruption

The Group takes integrity, law-abiding and effective operation as our business operations. We strongly believe that honesty, integrity and fairness are the important assets of the Group. To this end, the Group expressively requires all staff to devote great efforts to protect our reputation by keeping fraud, disloyalty or corruption at bay. The Group regularly reminds our staff to follow instruction and related guidance in performing job duties. Meanwhile, our management has formulated a whistle-blowing policy and assigned the Audit Committee comprised of Independent Non-executive Directors to receive and handle relevant cases.

COMMUNITY

As a responsible enterprise, we will adopt appropriate approaches to expand the communities we serve and support the employment of people from different backgrounds.

Community Investment

During the Year, the Company provided the Hong Kong Institute of Vocational Education with our “Vestate Group Scholarship” and sponsored various non-profit charity activities in Hong Kong, such as the Charity Run held by Hong Kong Employment Development Service. In respect of community care, we were awarded the “Caring Employers Prize” by Tung Hua Group of Hospitals CROSS Centre during the Year and the Caring Company Certificate by The Hong Kong Council of Social Service for six consecutive years. Apart from allocating resources to social welfares and charity, the Group also proactively participates in recruitment fairs held by labour and welfare organisations for the employment of middle-aged, unemployed, single-mothers, housewives, new immigrants and the youth. We employ individuals with different backgrounds as our salespersons at stores. After trainings, hands-on practice and examinations, the salespersons may be promoted to store managers, giving full play to their abilities.

反貪污

誠信守法、務實經營是本集團經營理念；我們深信誠實、廉潔和公平是本集團的重要資產。為此，本集團已明確所有人員必須確保本集團的聲譽不會因欺詐、不忠或因貪污行為而受損。故本集團定期提示員工履行職務時必須遵守紀律及相關指引。同時，本集團管理層已制定舉報政策並由獨立非執行董事組成的審核委員會負責接收與處理。

社區

作為一個負責的企業，我們將採取適當的方式擴闊服務社群、支持不同層面人士就業。

社區投資

公司在本年度除了以「國投集團獎學金」名命，贊助獎學金予香港專業教育學院之外，我們更贊助香港非牟利機構慈善活動，如香港職業發展服務處之慈善步行跑。關於關懷社區方面，本年度獲得東華三院越峰成長中心頒發的「關愛僱主獎」及連續六年獲得香港社會服務聯會頒發「商界展關懷」獎狀。本集團除適當注入社福公益的資源外，更積極參與勞工及福利團體舉辦的招聘會，協助中年人士、失業人事、單親媽媽、家庭主婦、新移民及青年就業。我們採納不同層面人士為店鋪銷售人員，通過課堂培訓、實習工作機會並通過考試合格後，有機會逐步晉升為店鋪主管發揮所長。

Biographical Details of Directors

董事簡歷

EXECUTIVE DIRECTORS

Mr. ZHU Xiaojun, aged 46, is the Chairman and an executive Director of the Group. He also serves as a member of both the Remuneration Committee and the Nomination Committee of the Board. Mr. Zhu is the brother-in-law of Ms. CAI Jiaying, who is an executive Director of the Group. Mr. Zhu is responsible for the overall management and strategies planning for the business development of the Group. He is currently the general manager of Shanghai Sunrise Pension & Services Company in the PRC. He is a sole director of China Consume Elderly Care Holdings Limited, a controlling shareholder of the Company. Mr. Zhu is experienced in the industry of electronic commerce. He joined the Group in February 2016.

Mr. KANG Jianming, aged 42, is an executive Director of the Group. Mr. Kang obtained a Master's Degree in Philosophy from the Beijing Normal University. He also completed an Executive MBA programme from Zhongshan University in the PRC and the China UnionPay Senior Management Programme from the Business and Administration Department of the Tsinghua University in the PRC. Mr. Kang worked as an economist in the Guangdong Branch of the Industrial and Commercial Bank of China Limited from March 2005 to December 2006. Afterwards, he worked as the business director of Guangzhou UnionPay Network Payment Company Limited from October 2007 to September 2015. Mr. Kang obtained the intermediate level qualification in Finance and Economics conferred by the Ministry of Personnel of the Government of the PRC (currently known as the Ministry of Human Resources and Social Security of the Government of the PRC) in November 2002. In November 2014, Mr. Kang was appointed as a member of the 3rd Committee of the Guangdong's Association for Promotion of Cooperation between Guangdong, Hong Kong and Macao. He has extensive experience in the industry of e-Payment, finance and economics. Mr. Kang joined the Group in February 2016.

Ms. CAI Jiaying, aged 36, is an executive Director of the Group. Ms. Cai is the sister-in-law of Mr. Zhu Xiaojun, who is a Chairman and an executive Director of the Group. Ms. Cai graduated from the Shanghai Art & Design Academy with a Bachelor's Degree in Fashion Design. Ms. Cai has extensive experience in the fashion design industry and she also has years of experience in ladies' fashion design, brand development as well as the management and business operation. She is also the general manager of Shanghai Anxin Insurance Agency Limited. Ms. Cai joined the Group in April 2016.

Mr. YIN Wansun, aged 56, is an executive Director of the Group. Mr. Yin obtained a Bachelor's Degree in Engineering from the Dalian University of Technology (formerly known as 大連工學院) in the PRC. He is currently the managing director of Shanghai Fudi Industry Company Limited and is responsible for monitoring the overall business operations. Mr. Yin has over 20 years of experience in the corporate management field. He joined the Group in May 2016.

執行董事

朱曉軍先生，46歲，為本集團主席兼執行董事。彼亦出任董事會轄下薪酬委員會及提名委員會成員。朱先生為本集團執行董事蔡佳櫻女士之小叔。朱先生負責本集團業務發展之整體管理及策略規劃。彼目前為中國上海旭日養老服務有限公司總經理。彼亦為中國消費養老控股有限公司（本公司之控股股東）之唯一董事。朱先生於電子商務行業擁有豐富經驗。彼於2016年2月加盟本集團。

康建明先生，42歲，為本集團執行董事。康先生畢業於北京師範大學，獲哲學碩士學位。彼亦完成中國中山大學高級工商管理碩士課程及中國清華大學工商管理系中國銀聯高級管理課程。康先生自2005年3月至2006年12月於中國工商銀行股份有限公司廣東分行擔任經濟師。其後，彼由2007年10月至2015年9月於廣州銀聯網絡支付有限公司擔任業務總監。康先生於2002年11月獲得中國政府人事部（現為中國政府人力資源和社會保障部）授予金融經濟中級資格。於2014年11月，康先生獲委任為廣東省粵港澳合作促進會第三屆委員會成員。彼於電子支付、金融及經濟行業擁有豐富經驗。康先生於2016年2月加盟本集團。

蔡佳櫻女士，36歲，為本集團執行董事。蔡女士為本集團主席兼執行董事朱曉軍先生之大嫂。蔡女士畢業於上海工藝美術職業學院，持有服裝設計學士學位。蔡女士於服裝設計業擁有豐富經驗，亦於女士服裝設計、品牌建立以及管理及業務經營方面有多多年經驗。彼目前亦為上海安欣保險代理有限公司之總經理。蔡女士於2016年4月加入本集團。

殷菀蓀先生，56歲，為本集團執行董事。殷先生於中國大連理工大學（前稱大連工學院）獲得工程學學士學位。彼現時為上海富帝實業有限公司之董事長，負責監督整體業務運作。殷先生於企業管理方面擁有逾20年之經驗。彼於2016年5月加入本集團。

Biographical Details of Directors

董事簡歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. HE Chengying, aged 54, joined the Group in 1 April 2016 and resigned on 1 April 2017. Immediately before his resignation, he was an Independent Non-executive Director and the chairman of Nomination Committee as well as a member of both of the Audit Committee and Remuneration Committee of the Group. Dr. He holds a Doctor's Degree in Economics from the Xiamen University in the PRC. Dr. He has currently worked in Guosen Securities Company Limited for over 15 years since March 2002. Since January 2014, Dr. He has also worked as an adjunct professor in the Xiamen University. He has decades of experience in the economics and securities fields.

Ms. ZHAO Hong, aged 47, is an Independent Non-executive Director of the Group. She also serves as a chairman of the Audit Committee and Remuneration Committee of the Board. Ms. Zhao also appointed as the Chairman of the Nomination Committee of the Board effective from 16 June 2017. Ms. Zhao holds a Bachelor's Degree in Accounting from the Shanghai University of Finance and Economics and a Master's Degree of Business Administration from the China Europe International Business School in the PRC. Ms. Zhao obtained the qualification of Accountant specializing in Accounting (Corporate) conferred by the Ministry of Finance of the PRC in May 1996. She is currently a non-practicing member of The Chinese Institute of Certified Public Accountants. She is currently a finance director of EBT Digital Communication Retail Group. Ms. Zhao has extensive experience in the financial and accounting fields. She joined the Group in April 2016.

Mr. CHAU Wai Hing, aged 51, is an Independent Non-executive Director of the Group. He also serves as a member of the Audit Committee and Nomination Committee of the Board. Mr. Chau obtained a Bachelor's Degree in Quantitative Analysis for Business, Postgraduate Certificate in Professional Accounting and a Master Degree in Finance from the City University of Hong Kong. He also holds a Master Degree in Professional Accounting from the Southern Cross University in Australia. He is a fellow member of the Institute of Public Accountants in Australia, a fellow member of the Institute of Financial Accountants, a chartered member of the Chartered Institute for Securities and Investment and a member of the Hong Kong Securities and Investment Institute. Mr. Chau currently serves as the chairman, executive director, a chairman of investment committee and a chairman of nomination committee of Huge China Holdings Limited (listed on the Main Board of the Stock Exchange). From December 2008 to April 2015, Mr. Chau was the chairman and an executive director of UBA Investments Limited (listed on the Main Board of the Stock Exchange). Prior to joining UBA Investments Limited, he possesses over 18 years of experience in banking, finance and wealth management and held senior positions at several international financial institutions including Bank of America (Asia) Limited and Merrill Lynch (Asia Pacific) Limited. Mr. Chau joined the Group in February 2017.

獨立非執行董事

何誠穎博士，54歲，於2016年4月1日加盟本集團，並於2017年4月1日辭任。緊接彼辭任前，彼曾為本集團之獨立非執行董事、提名委員會之主席以及審核委員會及薪酬委員會成員。何博士持有中國廈門大學之經濟學博士學位。何博士目前於國信證券股份有限公司工作，自2002年3月起已任職該公司逾15年。自2014年1月起，何博士於廈門大學出任兼任教授。彼於經濟及證券界擁有數十年經驗。

趙竑女士，47歲，為本集團獨立非執行董事。彼亦擔任董事會轄下審核委員會及薪酬委員會主席。趙女士亦獲董事會委任為提名委員會主席，自2017年6月16日起生效。趙女士持有中國上海財經大學之會計學士學位及中國中歐國際工商學院之工商管理碩士學位。於1996年5月，趙女士取得由中國財政部頒授之會計師資格，專注於會計(企業)。彼現時為中國註冊會計師協會之非執業會員。彼現時為EBT數碼通信集團之財務總監。趙女士於財務及會計界擁有豐富經驗。彼於2016年4月加入本集團。

周偉興先生，51歲，為本集團獨立非執行董事。彼亦擔任董事會轄下審核委員會及提名委員會成員。周先生擁有香港城市大學工商數量分析學士學位、專業會計學深造證書及金融學碩士學位。彼亦持有澳洲南格斯大學專業會計碩士學位。彼為澳洲公共會計師協會之資深會員、英國財務會計師公會之資深會員、英國特許證券與投資協會之特許會員和香港證券及投資學會之會員。周先生現時亦擔任匯嘉中國控股有限公司(一間於聯交所主板上市之公司)之主席、執行董事、投資委員會主席及提名委員會主席。由2008年12月至2015年4月，周先生曾為開明投資有限公司(一間於聯交所主板上市之公司)之主席及執行董事。加入開明投資有限公司前，彼在銀行、金融及財富管理領域擁有超過18年經驗及在不同的國際金融機構居高級職位，其中包括美國銀行(亞洲)有限公司及美林(亞太)有限公司。周先生於2017年2月加入本集團。

Biographical Details of Directors

董事簡歷

Mr. LEUNG Man Ho, aged 35, appointed as an Independent Non-executive Director of the Group on 19 June 2017. He also serves as a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Board. Mr. Leung obtained a Bachelor's Degree in Business Administration from the City University of Hong Kong. Mr. Leung was the senior vice president of Xincheng China Power Holdings Limited (listed on the Main Board of the Stock Exchange) from February 2014 to April 2017 and was principally responsible for investor relations, capital markets and financial reporting matters. Prior to joining Xincheng China Power Holdings Limited, he has extensive experience in the corporate finance and merger and acquisition field and held senior positions at several famous US and Chinese investment banks.

梁文豪先生，35歲，於2017年6月19日獲委任為本集團獨立非執行董事。彼亦擔任董事會審核委員會、薪酬委員會及提名委員會成員。梁先生獲香港城市大學頒發工商管理學士學位。於2014年2月至2017年4月，梁先生曾擔任新晨中國動力控股有限公司(於聯交所主板上市)之高級副總裁，主要負責投資者關係、資本市場及財務報告事宜。於加入新晨中國動力控股有限公司之前，彼擁有豐富企業融資以及合併及收購經驗，並曾於多間知名美國及中國投資銀行擔任高級職位。

Report of Directors

董事會報告書

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are retailing of footwear in Hong Kong, the PRC and Taiwan. There were no significant changes in the nature of the Group's principal activities during the Year.

An analysis to the Group's performance for the Year by segment is set out in Note 5 to the consolidated financial statements.

RESULTS AND DIVIDEND

The Group's results for the Year and the state of the Company's and the Group's affairs as at 31 March 2017 are set out on pages 55 to 161 of this annual report.

The Board has recommended not to declare final dividend for the Year (2016: Nil).

RESERVES

Details of the movements in the reserves of the Group during the Year are set out in Note 24 to the consolidated financial statements and in the consolidated statement of changes in equity on pages 59, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2017, the Company did not have any reserves available for distribution as calculated in accordance with the provisions of the Companies Law of the Cayman Islands (2016: Nil).

DONATIONS

During the Year, the Group did not make charitable contributions and other donations (2016: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment during the Year are set out in Note 14 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles and the laws of the Cayman Islands which oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed at the extraordinary general meeting of the Company held on 13 January 2017 and approved by the Registrar of Companies in Hong Kong, the name of the Company was changed from "Walker Group Holdings Limited" to "Vestate Group Holdings Limited" and the Company changed the Chinese name from "盈進集團控股有限公司" to "國投集團控股有限公司" which is part of its legal name.

董事欣然提呈本年度董事會報告書及本集團之經審核綜合財務報表。

主要業務

本公司為投資控股公司。本集團之主要業務為在香港、中國及台灣零售鞋類。於本年度，本集團之主要業務性質並無重大變動。

本年度按分部劃分之本集團業績分析載於綜合財務報表附註5。

業績及股息

本集團之本年度業績及本公司及本集團於2017年3月31日之事務狀況載於本年報第55至161頁。

董事會建議不宣派本年度之末期股息(2016年：無)。

儲備

本集團於本年度之儲備變動詳情分別載於綜合財務報表附註24及第59頁之綜合權益變動表。

可供分派儲備

於2017年3月31日，本公司根據開曼群島公司法條文計算並無可供分派之任何儲備(2016年：無)。

捐款

於本年度，本集團並無作出慈善捐獻及其他捐款(2016年：無)。

物業、廠房及設備

本集團於本年度之物業、廠房及設備變動詳情載於綜合財務報表附註14。

優先購買權

章程細則及開曼群島法律並無任何關於優先購買權的規定，致使本公司須按持股比例向現有股東提呈發售新股份。

更改公司名稱

根據本公司2017年1月13日舉行之股東特別大會通過之特別決議案，並獲香港公司註冊處之批准，本公司之名稱由「Walker Group Holdings Limited」更改為「Vestate Group Holdings Limited」，且本公司將中文名稱由「盈進集團控股有限公司」更改為「國投集團控股有限公司」，作為其法定名稱之一部份。

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 162 to 164 of this annual report.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the Year.

SHARE CAPITAL, SHARE OPTIONS AND CONVERTIBLE BONDS

Details of the movements in the Company's issued share capital, share options and convertible bonds during the Year are set out in Notes 23 and 28 to the consolidated financial statements.

GROUP'S BORROWINGS

Details of the Group's borrowings as at 31 March 2017 are set out in Note 27 to the consolidated financial statements.

DIRECTORS

During the Year and up to the date of this report, the members of Board of Directors of the Company are:

Executive Directors

Ms. ZHU Xiaojun (*Chairman*)
Mr. KANG Jianming
Ms. CAI Jiaying
Mr. YIN Wansun
Mr. WANG Lingxiao (*Resigned on 15 August 2016*)
Mr. CHEN Zhi (*Appointed on 15 May 2017 and resigned on 16 June 2017*)
Ms. CHAN Mei Sheung (*Resigned on 26 April 2016*)
Mr. KIU Wai Ming (*Resigned on 26 April 2016*)

Non-executive Directors

Mr. CHEN Mingzhong (*Resigned on 12 August 2016*)

Independent Non-executive Directors

Ms. ZHAO Hong
Mr. CHAU Wai Hing (*Appointed on 1 February 2017*)
Mr. LUENG Man Ho (*Appointed on 19 June 2017*)
Mr. CHEN Jianzhong (*Resigned on 12 August 2016*)
Mr. HU Jinxing (*Resigned on 15 November 2016*)
Dr. HE Chengying (*Resigned on 1 April 2017*)

五年財務概要

本集團過去五個財政年度之業績、資產及負債概要載於本年報第 162 至 164 頁。

購買、出售或贖回本公司之證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之證券。

股本、購股權及可換股債券

本公司之已發行股本、購股權及可換股債券於本年度之變動詳情載於綜合財務報表附註 23 及 28。

本集團借貸

本集團於 2017 年 3 月 31 日之借貸詳情載於綜合財務報表附註 27。

董事

於本年度及截至本報告日期，本公司董事會之成員如下：

執行董事

朱曉軍先生(主席)
康建明先生
蔡佳櫻女士
殷苑蓀先生
王凌霄先生(於 2016 年 8 月 15 日辭任)
陳智先生(於 2017 年 5 月 15 日獲委任及於 2017 年 6 月 16 日辭任)
陳美雙女士(於 2016 年 4 月 26 日辭任)
喬維明先生(於 2016 年 4 月 26 日辭任)

非執行董事

陳鳴忠先生(於 2016 年 8 月 12 日辭任)

獨立非執行董事

趙竑女士
周偉興先生(於 2017 年 2 月 1 日獲委任)
梁文豪先生(於 2017 年 6 月 19 日獲委任)
陳建中先生(於 2016 年 8 月 12 日辭任)
胡錦星先生(於 2016 年 11 月 15 日辭任)
何誠穎博士(於 2017 年 4 月 1 日辭任)

Ms. CHAN Mei Sheung, Mr. KIU Wai Ming and Mr. WANG Lingxiao, resigned as executive Director of the Company on the dates mentioned as above. He has confirmed that he has no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

Mr. CHEN Mingzhong was resigned as Non-executive Director of the Company on the date mentioned as above. He has confirmed that he has no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

Dr. HE Chengying, Mr. CHEN Jianzhong and Mr. HU Jinxing were resigned as Independent Non-executive Director of the Company on the dates mentioned as above. They have confirmed that they have no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

In accordance with Article 87 of the Articles of Association, Mr. ZHU Xiaojun, Mr. KANG Jianming and Ms. CAI Jiaying, the Executive Director of the Company, will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company (“AGM”).

In accordance with Article 86(3) of the Articles of Association, Mr. CHAU Wai Hing and Mr. LEUNG Man Ho, who were appointed as Independent Non-executive Director of the Company with effect from 1 February 2017 and 19 June 2017 respectively, will hold office until the forthcoming AGM and, be eligible, will offer himself for re-election at the forthcoming AGM.

Change of Directors' Information

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of Directors required to be disclosed are set out in the section headed “Change in Composition of the Board and Board Committees” on pages 16 to 17 of this report.

Directors' Service Contracts

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries, which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

Biographical Details of Directors

Biographical details of the Directors of the Group are set out on pages 33 to 35 of this annual report.

陳美雙女士、喬維明先生及王凌霄先生於上述日期已辭任本公司執行董事。彼已確認與董事會並無任何意見分歧，亦無任何有關本公司之其他事宜須提請本公司股東注意。

陳鳴忠先生於上述日期已辭任本公司非執行董事。彼已確認與董事會並無任何意見分歧，亦無任何有關本公司之其他事宜須提請本公司股東注意。

何誠穎博士、陳建中先生及胡錦星先生均已於上述日期辭任本公司獨立非執行董事。彼等已確認與董事會並無任何意見分歧，亦無任何有關本公司之其他事宜須提請本公司股東注意。

根據組織章程細則第87條，本公司執行董事朱曉軍先生、康建明先生及蔡佳櫻女士將於本公司應屆股東周年大會（「股東周年大會」）輪值退任，並符合資格及願意於會上膺選連任。

根據組織章程細則第86(3)條，周偉興先生及梁文豪先生獲委任為本公司之獨立非執行董事，分別自2017年2月1日及2017年6月19日起生效，彼等之任期將至應屆股東周年大會為止，並符合資格及願意於應屆股東周年大會膺選連任。

董事資料變動

根據上市規則第13.51B(1)條，須披露之董事資料變動載列於本報告第16至17頁「董事會及董事會委員會組成部份之變動」一節。

董事服務合約

擬於應屆股東周年大會上膺選連任之董事概無與本公司或其任何附屬公司訂有不可由僱主公司於一年內免付賠償（法定補償除外）而終止之服務合約。

董事簡歷

本集團董事簡歷載於本年報第33至35頁。

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

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

董事及最高行政人員於股份、相關股份及債券證中之權益及淡倉

於2017年3月31日，按證券及期貨條例(「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(包括根據證券及期貨條例該等條文，董事及最高行政人員被視作或視為擁有之權益及淡倉)，或按證券及期貨條例第XV部第352條須予存置之登記冊所記錄，或按標準守則須知會本公司及聯交所，本公司各董事及最高行政人員及彼等之聯繫人於本公司及／或其任何相聯法團(定義見證券及期貨條例第XV部)之股份(「股份」)、相關股份及債券證中之權益及淡倉如下：

The Company

本公司

Name of Director 董事姓名	Class of shares 股份類別	Number of shares held 所持股份數目			Corporate interests 公司權益	Number of underlying shares held under equity derivatives (Note 2) 根據股本衍生 工具所持有之 相關股份數目 (附註2)	Total 總計	Approximate % of the Company's total issued share capital 佔本公司 已發行股本 總額之概約%
		Personal interests 個人權益	Family interests 家族權益					
ZHU Xiaojun 朱曉軍	Ordinary shares 普通股	—	—	480,737,002 (Note 1) (附註1)	—	480,737,002	67.12%	
KANG Jianming 康建明	Ordinary shares/share options 普通股/購股權	—	—	—	6,000,000	6,000,000	0.84%	
CAI Jiaying 蔡佳櫻	Ordinary shares/share options 普通股/購股權	—	—	—	6,000,000	6,000,000	0.84%	
YIN Wansun 殷菀蓀	Ordinary shares/share options 普通股/購股權	—	—	—	6,000,000	6,000,000	0.84%	
HE Chengying 何誠穎	Ordinary shares/share options 普通股/購股權	—	—	—	500,000 (Note 3) (附註3)	500,000	0.07%	
ZHAO Hong 趙竑	Ordinary shares/share options 普通股/購股權	—	—	—	500,000	500,000	0.07%	

Notes:

1. Mr. ZHU Xiaojun (“**Mr. Zhu**”) has beneficial interest in 480,737,002 Shares in the Company representing approximately 67.12% of entire issued share capital of the Company held by China Consume Elderly Care Holdings Limited, a controlling shareholder of the Company, wholly owned by Mr. Zhu.
2. These represent the number of shares which will be allotted or transferred to such Directors upon the exercise of the options granted to each of them under the share option scheme adopted by the Company on 21 May 2007.
3. 500,000 shares of option granted to Dr. HE Chengying (“**Dr. He**”) on 28 November 2016 under the Share Option Scheme adopted by the Company on 21 May 2007 (“**Options**”). Such Options has been lapsed on 1 April 2017 upon Dr. He resigned as an Independent Non-executive Director of the Company.

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

Directors’ Rights to Acquire Shares or Debentures

Save as disclosed in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above and in the section headed “Long Term Incentive Schemes” below, at no time during the Year was the Company or any of its subsidiaries a party to any arrangement to enable a Director or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares, or debentures, of the Company or other body corporate.

Directors’ Interest in Contracts

No contracts of significance in relation to the Group’s business to which the Company and its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during the Year.

Directors’ Interest in Competing Businesses

Pursuant to Rule 8.10 of the Listing Rules, each of the Directors confirmed that he/she does not have any interest in any business apart from the Group’s business, which competes or is likely to compete, either directly or indirectly, with the Group’s business.

附註：

1. 朱曉軍先生(「**朱先生**」)於中國消費養老控股有限公司(本公司之控股股東，由朱先生全資擁有)持有之**480,737,002**股本公司股份(相當於本公司全部已發行股本約**67.12%**)中擁有實益權益。
2. 此為根據本公司於2007年5月21日採納之購股權計劃授予每一名有關董事之購股權獲行使後將予配發或轉讓予有關董事之股份數目。
3. 根據本公司於2007年5月21日採納之購股權計劃，何誠穎博士(「**何博士**」)於2016年11月28日獲授**500,000**股購股權(「**購股權**」)。該等購股權已於何博士辭任本公司獨立非執行董事後於2017年4月1日失效。

除上文所披露者外，於2017年3月31日，本公司各董事及最高行政人員或彼等之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券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之權益或淡倉(包括根據證券及期貨條例該等條文，董事及最高行政人員被視作或視為擁有之權益或淡倉)，或按本公司根據證券及期貨條例第XV部第352條須予存置之登記冊所記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

董事收購股份或債券證之權利

除上文「董事及最高行政人員於股份、相關股份及債券證中之權益及淡倉」和下文「長期獎勵計劃」兩節所披露者外，於本年度任何時間，本公司或其任何附屬公司並無訂立任何安排，致使董事或彼等各自之配偶或18歲以下子女可藉購入本公司或其他法人團體之股份或債券證而獲益。

董事於合約之權益

於本年度，概無存續本公司及其附屬公司訂立對本集團業務而言屬重大及董事直接或間接於其中擁有重大權益之重大合約。

董事於競爭業務之權益

根據上市規則第8.10條，各董事已確認除本集團之業務外，彼並無於直接或間接地與本集團業務構成競爭或可能構成競爭之任何業務中擁有任何權益。

LONG TERM INCENTIVE SCHEMES

Share Option Scheme

The Company has adopted a share option scheme on 21 May 2007 (“Share Option Scheme”). A total of 41,000,000 shares of options were granted under the Share Option Scheme during the year ended 31 March 2017. Summary of the principal terms of the Share Option Scheme is set out below.

The Share Option Scheme shall be valid and effective for a period of 10 years from its adoption date, after which period no further options granted under the Share Option Scheme will be issued but any options then outstanding will continue to be exercisable in accordance with their terms of issue.

The Share Option Scheme is designed for the purpose of providing incentives to eligible participants to contribute to the Company and enabling the Company to recruit high-calibre employees and attract human resources that are valuable to the Group.

The total number of the Shares which may be issued upon exercise of all options and any other share option scheme of the Group shall not in aggregate exceed 10% of the total number of the Shares in issue as at the Listing Date, being 600,000,000 Shares.

The total number of the Shares issued and to be issued upon exercise of the options and any other share options granted and to be granted to each eligible participant in any 12-month period immediately preceding the date of grant of the options (“Grant Date”) shall not exceed 1% of the number of Shares in issue as at the Grant Date unless prior approval of the Company’s shareholders in general meeting is obtained.

The Options may be exercised during a period as notified by the Board and not exceeding 10 years from the Grant Date and expiring on the last day of the said 10-year period. Unless otherwise determined by the Board and specified in the letter of grant, there is no minimum period for which an option must be held before it can be exercised.

The subscription price of the Options shall be determined by the Board and shall be at least the highest of: (a) the nominal value of the Shares; (b) the average of the closing prices of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the Grant Date; and (c) the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets on the Grant Date.

On 28 November 2016, Options to subscribe for an aggregate of 41,000,000 Shares at an exercise price of HK\$1.45 per Share were granted under the Share Option Scheme (“Post-IPO Share Options”). The closing price of the Shares on 28 November 2016 was HK\$1.45.

長期獎勵計劃

購股權計劃

本公司已於2007年5月21日採納購股權計劃(「購股權計劃」)。截至2017年3月31日止年度，合共41,000,000股購股權根據購股權計劃授出。購股權計劃之主要條款概要載列於下文。

購股權計劃於採納日期起計之10年期內有效及生效，其後將不會根據購股權計劃進一步授出購股權，然而，當時尚未行使之任何購股權將繼續可根據其發行條款予以行使。

購股權計劃目的為向對本公司作出貢獻之合資格參與者提供獎勵，並令本公司得以聘用高質素僱員及吸引對本集團有價值之人力資源。

購股權獲悉數行使時及根據本集團任何其他購股權計劃可予發行之股份總數，合共不得超過於上市日期已發行股份總數之10%，即600,000,000股股份。

除非已獲本公司股東於股東大會上事先批准，否則因於緊接購股權之授出日期(「授出日期」)前任何12個月期間內向每名合資格參與者授出及將授出之購股權及任何其他購股權獲行使而已發行及將發行之股份總數，不得超過於授出日期之已發行股份數目之1%。

購股權可於董事會所知會之期間但不遲於授出日期起計10年內行使，並於所述之10年期間之最後一日屆滿。除非董事會另有決定及於授出函件內列明，否則購股權可予行使前並無最短持有期限。

購股權之認購價將由董事會釐定，並須最少為以下三項之最高者：(a) 股份面值；(b) 於緊接授出日期前五個交易日於聯交所每日報價表所列股份之平均收市價；及(c) 於授出日期於聯交所每日報價表所列股份之收市價。

於2016年11月28日，可認購合共41,000,000股股份之購股權根據購股權計劃按行使價每股1.45港元授出(「首次公開售股後購股權」)。股份於2016年11月28日之收市價為1.45港元。

Report of Directors

董事會報告書

The Post-IPO Share Options are granted in two tranches of A) a total of 31,000,000 share of options; and B) a total of 10,000,000 share of options subject to the terms set out in their respective letter of grant dated 28 November 2016. The Post-IPO Share Options granted on 28 November 2016 shall vest in the grantees in accordance with the timetable below:

首次公開售股後購股權分兩批授出，分別為A)合共31,000,000股購股權；及B)合共10,000,000股購股權，該等購股權受限於其各自日期為2016年11月28日之授出函件所載之條款所規限。於2016年11月28日授出之首次公開售股後購股權根據以下時間表歸屬予承授人：

Tranches 批次	Exercisable period 行使期	Percentage of Options to vest 將予歸屬之購股權之百分比
A	28 November 2017 – 27 November 2021 2017年11月28日 — 2021年11月27日 28 November 2018 – 27 November 2021 2018年11月28日 — 2021年11月27日	Up to 50% of the total number of options granted 不超過獲授購股權總數之50% Up to 50% of the total number of options granted 不超過獲授購股權總數之50%
B	28 November 2017 – 27 November 2021 2017年11月28日 — 2021年11月27日 28 November 2018 – 27 November 2021 2018年11月28日 — 2021年11月27日 28 November 2019 – 27 November 2021 2019年11月28日 — 2021年11月27日 28 November 2020 – 27 November 2021 2020年11月28日 — 2021年11月27日	Up to 25% of the total number of options granted 不超過獲授購股權總數之25% Up to 25% of the total number of options granted 不超過獲授購股權總數之25% Up to 25% of the total number of options granted 不超過獲授購股權總數之25% Up to 25% of the total number of options granted 不超過獲授購股權總數之25%

Details of movements of the Post-IPO Share Options during the Year are as follows:

於本年度，首次公開售股後購股權之變動詳情如下：

Name or category of grantee	承授人之姓名或類別	No. of the Post-IPO Share Options 首次公開售股後購股權數目					Balance as at 31 March 2017 於2017年3月31日之結餘
		Balance as at 1 April 2016 於2016年4月1日之結餘	Granted during the Year 於本年度授出	Exercised during the Year 於本年度行使	Cancelled during the Year 於本年度註銷	Lapsed during the Year 於本年度失效	
Directors	董事						
KANG Jianming	康建明	—	6,000,000	—	—	—	6,000,000
CAI Jiaying	蔡佳櫻	—	6,000,000	—	—	—	6,000,000
YIN Wansun	殷苑蓀	—	6,000,000	—	—	—	6,000,000
ZHAO Hong	趙竑	—	500,000	—	—	—	500,000
HE Chengying	何誠穎	—	500,000	—	—	—	500,000
							(Note) (附註)
Employees	僱員						
In aggregate	合共	—	22,000,000	—	—	—	22,000,000
Total	總計	—	41,000,000	—	—	—	41,000,000

Note:

Dr. HE Chengying (“Dr. He”) resigned as Independent Non-executive Director with effect from 1 April 2017 and his Post-IPO Share Options in full will lapse following his resignation.

附註：

何誠穎博士(「何博士」)自2017年4月1日起辭任獨立非執行董事，其首次公開售股後購股權於彼辭任後全數失效。

During the Year, none of the Post-IPO Share Options was exercised, cancelled and lapsed and a total of 41,000,000 Post-IPO Share Options were granted on 28 November 2016.

New Share Option Scheme

On 13 January 2017, the share option scheme adopted by the Company on 21 May 2007 was terminated and a new share option scheme was approved by the shareholders at the general meeting and adopted by the Company (“**New Share Option Scheme**”). Summary of the principal terms of the New Share Option Scheme is set out below.

The New Share Option Scheme shall be valid and effective for a period of 10 years from its adoption date, after which period no further options granted or to be granted under the New Share Option Scheme will be issued but any options then outstanding will continue to be exercisable in accordance with their terms of issue.

The total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the date of the approval of the New Share Option Scheme, being 646,190,000 Shares.

The total number of the Share issued and to be issued upon exercise of the options and any other share options granted and to be granted to each eligible participant in any 12-month period immediately preceding the date of grant of the options (“**Grant Date**”) shall not exceed 1% of the number of Shares in issue as at the Grant Date unless prior approval of the Company’s shareholders in general meeting is obtained.

The New Share Option Scheme may be exercised during the period determined and notified by the Board and not exceeding 10 years from the Grant Date but subject to the provisions for early termination of the New Share Option Scheme. Unless otherwise determined by the Board and specified in the letter of grant, there is no minimum period for which an option must be held before it can be exercised.

The subscription price for Shares under the New Share Option Scheme shall be determined by the Board at its absolute discretion but in any event will not be less than the highest of: (i) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the Grant Date; (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) business days immediately preceding the Grant Date; and (iii) the nominal value of the Share on the Grant Date.

於本年度，概無首次公開售股後購股權獲行使、註銷及失效，而合共41,000,000份首次公開售股後購股權於2016年11月28日獲授出。

新購股權計劃

於2017年1月13日，本公司於2007年5月21日採納之購股權計劃獲終止，而一項新購股權計劃已於股東大會上獲股東批准及獲本公司採納（「**新購股權計劃**」）。新購股權計劃之主要條款於下文載列。

新購股權計劃於採納日期起計之10年期內有效及生效，其後不得根據新購股權計劃進一步授出或將授出購股權，然而，當時尚未行使之任何購股權將繼續可根據其發行條款予以行使。

於根據新購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權獲悉數行使時將予發行之股份總數不得超過於新購股權計劃批准日期已發行股份總數（即646,190,000股股份）之10%。

除非已獲本公司股東於股東大會上批准，否則因向每名合資格參與者於緊接購股權之授出日期（「**授出日期**」）前之任何12個月期間內授出及將予授出之購股權及任何其他購股權而已發行及將予發行之股份總數，不得超過本公司於授出日期之已發行股份數目之1%。

新購股權計劃可於董事會所釐定及知會之期間但不遲於授出日期起計10年內行使，並受限於新購股權計劃提前終止條款。除非董事會另有決定及於授出函件內列明，否則購股權獲行使前並無最短持有期限。

新購股權計劃項下股份之認購價由董事會全權酌情釐定，惟於任何情況下將不得低於以下三項之最高者：(i) 股份於授出日期在聯交所每日報價表所示之收市價；(ii) 股份於緊接授出日期前五(5)個營業日在聯交所每日報價表所示之平均收市價；及(iii) 股份於授出日期之面值。

Report of Directors

董事會報告書

During the Year, no share option was granted by the Company and there were no outstanding share option under the New Share Option Scheme.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2017, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company), had the following interests and short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or required to be recorded in the register required to be kept under Section 336 of Part XV of the SFO:

Name of substantial shareholder 主要股東名稱	Capacity 身份	Number and nature of interests held 所持權益數目及性質	Approximate % of the Company's total issued share capital 佔本公司已發行股本總額之概約%
China Consume Elderly Care Holdings Limited (Note) 中國消費養老控股有限公司(附註)	Beneficial owner 實益擁有人	480,737,002	67.12%

Note:

China Consume Elderly Care Holdings Limited, the registered owner of 480,737,002 Shares, was owned as to 100% (1 share) by Mr. ZHU Xiaojun, an Executive Director of the Company, in the capacity of beneficial owners respectively.

All the interests disclosed above represents long positions in the Shares and underlying Shares.

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

於本年度，本公司並無授出購股權，且新購股權計劃項下並無未行使購股權。

主要股東於股份及相關股份之權益及淡倉

於2017年3月31日，就董事所深知，按根據證券及期貨條例第XV部第2及第3分部須向本公司披露，或根據證券及期貨條例第XV部第336條須予存置之登記冊所記錄，以下人士(並非本公司董事或最高行政人員)於本公司股份及相關股份之權益及淡倉如下：

附註：

中國消費養老控股有限公司為480,737,002股股份之登記擁有人，由本公司執行董事朱曉軍先生以實益擁有人身份擁有100%權益(1股)。

上文所披露之所有權益均為於股份及相關股份之好倉。

除上文所披露者外，於2017年3月31日，本公司並無獲任何人士(本公司董事及最高行政人員除外)知會，根據證券及期貨條例第XV部第2及第3分部須向本公司披露，或根據證券及期貨條例第XV部第336條須予存置之登記冊所記錄，任何有關人士於本公司股份或相關股份中擁有權益或淡倉。

Bonds Imposing Specific Performance Obligation on Controlling Shareholder of the Company

On 5 May 2017, the Company entered into a subscription agreement (“**Subscription Agreement**”) with an investor in relation to the bonds issue by the Company to the investor for subscribing in the principal amount of HK\$350 million and due 2019 (“**Bonds**”). Pursuant to the Subscription Agreement, a specific performance obligation is imposed on Mr. ZHU Xiaojun (“**Mr. Zhu**”), an executive Director and the controlling shareholder of the Company, that during the term of the Bonds, Mr. Zhu, together with parties acting in concert with him, should own directly or indirectly more than 50% of the voting shares of the Company. Any breach of the aforesaid specific performance obligation may constitute a breach under the Subscription Agreement, pursuant to which the investor is entitled to redeem the Bonds immediately in accordance with the terms and conditions of the Bonds.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

MAJOR SUPPLIERS AND CUSTOMERS

During the Year, all suppliers of the Group are independent third parties. The Group’s largest supplier accounted for approximately 9.7% of the Group’s total purchases and the Group’s five largest suppliers accounted for approximately 39% of the Group’s total purchases.

Our Group’s five largest customers accounted for less than 30% of the total turnover for the Year.

None of the Directors or any of their associates or any shareholders of the Company (which, to the best knowledge of the Directors, owns more than 5% of the Company’s issued share capital) had any beneficial interest in the Group’s major customers or suppliers noted above.

CONNECTED TRANSACTIONS

On 17 June 2017, the Company entered into the preliminary agreement with the vendor in relation to the acquisition of the properties situated at Milan, Italy from the vendor for a purchase price of Euro 34,000,000 (equivalent to approximately HK\$297,160,000). The vendor is beneficially owned as to 70% by Ms. CAI Jiaying, an executive Director of the Company, and hence the vendor is a connected person of the Company. As such, the acquisition constituted connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

對本公司控股股東施加特定履約責任之債券

於2017年5月5日，本公司與一名投資者訂立認購協議（「**認購協議**」），內容有關該投資者認購由本公司發行本金額為3.5億港元並於2019年到期之債券（「**債券**」）。根據認購協議，本公司執行董事兼控股股東朱曉軍先生（「**朱先生**」）須履行一項特定履約責任，該責任為於債券年內，朱先生連同其一致行動人士須直接或間接擁有本公司50%以上附帶投票權之股份。任何違反上述特定履約責任可能構成認購協議下之違約行為，據此，投資者有權根據債券條款及條件立即贖回債券。

管理合約

於本年度，概無訂立或存在任何有關本公司全部或任何重大部份業務之管理及行政管理合約。

主要供應商及客戶

於本年度，本集團全部供應商均為獨立第三方。本集團最大供應商佔本集團總採購額約9.7%，而本集團五大供應商則佔本集團總採購額約39%。

本集團五大客戶佔本年度總營業額低於30%。

董事、任何彼等之聯繫人或任何本公司股東（據董事所知擁有本公司已發行股本超過5%者）概無在上述本集團主要客戶或供應商中擁有任何實益權益。

關連交易

於2017年6月17日，本公司與賣方訂立初步協議，內容有關按購買價34,000,000歐元（相等於約297,160,000港元）收購賣方於意大利米蘭之該等物業。賣方由本公司執行董事蔡佳櫻女士實益擁有70%，故賣方為本公司之關連人士。因此，收購事項構成上市規則第14A章項下之關連交易或持續關連交易。

Report of Directors

董事會報告書

CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in Corporate Governance Report on pages 13 to 25 of this annual report.

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed with the management the Group's consolidated financial statements for the Year and the accounting principles and practices adopted by the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares as at the latest practicable date prior to the issuance of this annual report.

EVENTS AFTER THE DATE OF STATEMENT OF FINANCIAL POSITION

Details of events after the date of statement of financial position are set out in Note 36 to the consolidated financial statement.

PERMITTED INDEMNITY PROVISION

At no time during the financial year and up to the date of this report, there was or is, any permitted indemnity provision being in force for the benefits of any of the directors of the Company (whether made by the Company or otherwise) or an associated company.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is devoted to promoting and maintaining the environmental and social sustainable development of the regions where it operates. The Group takes into account of environmental protection issues in developing and designing new products. It uses materials which have passed relevant physical and safety tests and complied with the environmental laws and regulations. The Group concerns about the responsibilities of its suppliers on environmental protection.

企業管治

本公司之企業管治常規載於本年報第 13 至 25 頁之企業管治報告內。

經由審核委員會審閱

審核委員會已與管理層審閱本集團本年度之綜合財務報表，以及本集團採納之會計原則及常規。

足夠公眾持股量

根據本公司獲得之公開資料及據董事所知，本公司確認於本年報刊發前之最後可行日期維持不少於其已發行股份 25% 之足夠公眾持股量。

財務狀況表日期後事項

財務狀況表日期後事項之詳情載列於綜合財務報表附註 36。

獲准許的彌償條文

於本財政年度任何時間及截至本報告書日期，過去或現時概無涉及本公司或相聯公司之任何董事利益(不論由本公司或以任何方式作出)之有效獲准許的彌償條文。

環境政策及表現

本集團致力推廣及維持經營所在地區之環境及社會可持續發展。本集團於開發及設計新產品時會考慮環保因素，採用經通過相關物理及安全測試之物料，並遵守環境法律及法規。本集團關注其供應商對環保承擔之責任。

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are carried out by the Company's subsidiaries in the PRC, Hong Kong and Taiwan ("Regions") as well as the Company itself is listed on the Stock Exchange. Our operations accordingly shall comply with relevant laws and regulations in such Regions. During the year ended 31 March 2017, the Group did not breach any law and regulation that has a significant impact on the Company.

BUSINESS REVIEW

Further discussion and analysis of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business can be found in the "Management Discussion and Analysis" of this report. The above sections from part of this Report of Directors.

AUDITOR

The financial statements of the Company have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

ZHU Xiaojun
Chairman

Hong Kong
13 July 2017

遵守法律及法規

本集團之業務由本公司在中國、香港及台灣(「該等地區」)之附屬公司進行，而本公司則於聯交所上市。本集團之業務因此須遵守該等地區之相關法律及法規。於截至2017年3月31日止年度，本集團並無違反任何對本公司有重大影響之法律及法規。

業務回顧

關於本集團面對之主要風險及不明朗因素之進一步討論及分析以及本集團業務未來可能發展之指標載於本報告之「管理層討論及分析」。上述各節構成本董事會報告書之一部分。

核數師

本公司財務報表已經由羅兵咸永道會計師事務所審核，而其將退任，且符合資格並願意續聘連任。

代表董事會

主席
朱曉軍

香港
2017年7月13日



羅兵咸永道

To the Shareholders of Vestate Group Holdings Limited
(Formerly known as “Walker Group Holdings Limited”)
(incorporated in the Cayman Islands with limited liability)

致國投集團控股有限公司
(前稱「盈進集團控股有限公司」)股東
(於開曼群島註冊成立的有限公司)

OPINION

意見

What we have audited

我們已審計的內容

The consolidated financial statements of Vestate Group Holdings Limited (Formerly known as “Walker Group Holdings Limited”) (the “Company”) and its subsidiaries (the “Group”) set out on pages 55 to 161, which comprise:

國投集團控股有限公司(前稱「盈進集團控股有限公司」)(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第55至161頁的綜合財務報表，包括：

- the consolidated statement of financial position as at 31 March 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

- 於二零一七年三月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

Our opinion

我們的意見

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 (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the 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布的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及其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》的披露規定妥為擬備。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw your attention to Note 2.1.1 to the consolidated financial statements which indicates that the Group reported a net loss of HK\$210,196,000 during the year ended 31 March 2017 and had net cash outflow from operating activities of HK\$129,865,000. As at 31 March 2017, the Group's cash and cash equivalents amounted to HK\$32,839,000. These conditions, along with other matters as set forth in Note 2.1.1 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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. In addition to the matter described in the Material Uncertainty Related to the Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters identified in our audit are summarised as follows:

- Valuation and provision of inventory
- Purchase price allocation related to business combination

意見的基礎

我們已根據香港會計師公會頒布的《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。

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。

獨立性

根據香港會計師公會頒布的《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。

與持續經營有關之重大不確定性

我們籲請關注綜合財務報表附註2.1.1，當中表示貴集團截至2017年3月31日止年度錄得虧損淨額210,196,000港元，而經營活動產生之現金流出淨額為129,865,000港元。於2017年3月31日，貴集團之現金及現金等值項目為32,839,000港元。該等情況，連同綜合財務報表附註2.1.1所載之其他事項均顯示存在重大不確定性，可能對貴集團持續經營的能力構成重大疑慮。我們的意見未有就此事項作出修訂。

關鍵審計事項

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。除了「與持續經營有關的重大不確定性」部分所述事項外，我們確定以下事項為需要在報告中溝通的關鍵審計事項。

我們在審計中識別的關鍵審計事項概述如下：

- 存貨估值及撥備
- 有關業務合併的購買價分配

Independent Auditor's Report

獨立核數師報告

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>Valuation and provision of inventory</p> <p>Refer to Note 18 to the consolidated financial statements</p> <p>As at 31 March 2017, the carrying amount of the inventories amounted to HK\$132,594,000 which were carried at the lower of cost or net realisable value. The Group consistently applies a provisioning policy for slow moving inventory based on inventory ageing and specific product lines. We focused on this area because the estimation of provisioning ratio applied to different aged inventory categories involved significant judgement based on historical experience of selling products of similar nature through various sales channels as well as expectation of future sales under current market condition. These estimations are also subjected to change of market trends, customer taste and competitor actions.</p>	<p>We examined the basis of the methodology with respect to inventory provision and evaluated, amongst others, the outcome of management's estimations in prior year, and the policy over inventory provisions of the Group with respect to slow moving inventory by assessing the assumptions and estimates applied by management for establishing the provisioning ratio applicable to different aged inventory through comparing with historical sales trends of products with similar conditions and future sales plan.</p> <p>We tested, on a sample basis, the accuracy of the inventory ageing report and historical sales information used in establishing the provisioning ratio to historical purchase and sales records. We recalculated the inventory provision using the inventory ageing report as at 31 March 2017 and the provisioning ratio developed by management.</p> <p>Based on the procedures performed, we found management's judgement and estimates, which are the basis of the inventory provision, were supported by available evidence.</p>	<p>存貨估值及撥備</p> <p>請參閱綜合財務報表附註18</p> <p>於2017年3月31日，存貨之賬面值為132,594,000港元，以成本或可變現淨值之較低者入賬。貴集團根據存貨賬齡及指定產品線，對滯銷存貨貫徹採用撥備政策。我們專注於此領域，原因為應用於不同陳舊存貨類別之估計撥備比率涉及通過各種銷售渠道銷售類似性質產品之過往經驗及在當前市場況下對未來銷售之期望之重大判斷。該等估計亦將受市場趨勢、客戶品味及競爭對手行為變化所規限。</p>	<p>我們已通過將類似狀況及未來銷售計劃之產品之過往銷售趨勢作比較，以評核管理層就建立適用於不同陳舊存貨之撥備比率所採用之假設及估計，並評估(其中包括)去年管理層估計的結果以及貴集團有關滯銷存貨之存貨撥備政策，以審核有關存貨撥備方法的基礎。</p> <p>我們抽樣測試於建立撥備比率時使用之存貨賬齡報告及過往銷售資料之買賣記錄以評估其準確程度。我們使用2017年3月31日之存貨賬齡報告及管理層制定之撥備比率重新計算存貨撥備。</p> <p>根據已執行之程序，我們認為管理層判斷及估計(為存貨撥備之基準)受現有憑證支持。</p>

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>Purchase price allocation related to business combination</p> <p>Refer to Note 32 to the consolidated financial statements</p> <p>On 8 February 2017, the Group acquired the entire interest of China Consume Financial Holdings Company Limited (“China Consume”) at a total consideration of HK\$178,700,000 consisting of shares consideration of HK\$95,200,000 and cash consideration of HK\$83,500,000. The intangible asset and goodwill recognised from the acquisition amounted to approximately HK\$193,629,000 and HK\$36,153,000 respectively.</p> <p>The accounting of the business combination of China Consume requires fair value assessment for identifiable assets and liabilities. The provisional purchase price allocation of the transaction was calculated based on the valuation performed by an independent external valuer.</p> <p>Discounted cash flow method is used in the fair value assessment of the provisional purchase price allocation which involved unobservable inputs such as revenue growth rate, long term revenue growth rate, useful life of the intangible asset and discount rate.</p> <p>We focused on this area as the fair value assessment of the provisional purchase price allocation involved significant judgements and estimates made by management.</p>	<p>We assessed the competency, capabilities and objectivity of the independent external valuer.</p> <p>We understood the rationale and assessed the appropriateness of the chosen valuation methods applied in the valuation report with the involvement of our internal valuation expert. We assessed the assumptions involved in the valuation with the involvement of our internal valuation expert by comparing the data inputs such as revenue growth rate, long term revenue growth rate, useful life of the intangible asset and discount rate used in the valuation model to market data and industry research and benchmarking with the financial information of other market participants. We tested the mathematical accuracy of the underlying calculation of the discounted cash flow forecast used in the fair value assessment.</p> <p>Based on the procedures performed, we found the management's judgements and estimates used in the fair value assessment of the provisional purchase price allocation were supported by available evidence.</p>	<p>有關業務合併的購買價分配</p> <p>請參閱綜合財務報表附註 32</p> <p>於2017年2月8日，貴集團收購中國消費金融控股有限公司（「中國消費」）之全部權益，總代價為178,700,000港元，當中包括股份代價95,200,000港元及現金代價83,500,000港元。收購所確認的無形資產及商譽分別約193,629,000港元及36,153,000港元。</p> <p>中國消費之業務合併的會計處理要求就可識別資產及負債進行公平值評估。交易之臨時購買價分配乃根據獨立外聘估值師進行的估值計算。</p> <p>臨時採購價分配的公平值評估使用貼現現金流量法，當中涉及不可觀察輸入數據，如收益增長率、長期收益增長率以及無形資產及貼現率之可使用年期。</p> <p>我們專注於此領域，原因為臨時購買價分配之公平值評估涉及管理層作出重大判斷及估計。</p>	<p>我們已評估獨立外聘估值師之資格、能力及客觀性。</p> <p>我們理解該理由及評估涉及內部估值專家之估值報告所採用之估值方法之適當性。我們通過將估值模型所使用之輸入數據（如收益增長率、長期收益增長率、無形資產之可使用年期及貼現率）與市場數據及行業研究以及其他市場參與者之財務資料作比較，以評估涉及內部估值專家之估值之假設。我們已測試公平值評估中使用之貼現現金流量預測的相關計算的數學準確性。</p> <p>根據已執行之程序，我們認為管理層於臨時購買價分配之公平值評估之判斷及估計受現有憑證支持。</p>

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than 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.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE 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.

The audit committee is responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，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綜合財務報表或我們在審計過程中所了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。

董事及審核委員會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布的香港財務報告準則及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為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。

審核委員會須負責監督 貴集團的財務報告過程。

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. We report our opinion solely to you, as a body, 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 HKSAs 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.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism 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.

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，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。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滙總起來可能影響綜合財務報表使用者依賴綜合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。

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：

- 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。

Independent Auditor's Report

獨立核數師報告

- 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.

We communicate with the audit committee 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 the audit committee 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 the audit committee, 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 this independent auditor's report is Pang Ho Yin.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 13 July 2017

- 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中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便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。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、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。

我們還向審核委員會提交聲明，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。

從與審核委員會溝通的事項中，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項目合夥人是彭浩賢。

羅兵咸永道會計師事務所
執業會計師

香港，2017年7月13日

Consolidated Income Statement

綜合收益表

For the year ended 31 March 2017

截至2017年3月31日止年度

		Note	2017	(Restated)
		附註	HK\$'000	(經重列)
			千港元	2016
				HK\$'000
				千港元
Revenue	收益	5	561,557	840,658
Cost of sales	銷售成本	6	(272,996)	(357,342)
Gross profit	毛利		288,561	483,316
Selling and distribution costs	銷售及分銷成本	6	(377,530)	(545,336)
Administrative expenses	行政費用	6	(136,511)	(97,577)
Other losses, net	其他虧損，淨額	7	(400)	(394)
Other income	其他收入	8	4,747	4,277
Operating loss	經營虧損		(221,133)	(155,714)
Finance income	財務收入	10	25,213	224
Finance costs	財務費用	10	(14,106)	(748)
Finance income/(costs), net	財務收入／(費用)，淨額		11,107	(524)
Share of loss of an associate	應佔於聯營公司之虧損		(54)	—
Loss before income tax	未計所得稅前虧損		(210,080)	(156,238)
Income tax expense	所得稅開支	11	(116)	(656)
Loss for the year	本年度虧損		(210,196)	(156,894)
Attributable to:	下列項目應佔：			
Equity holders of the Company	本公司權益持有人		(209,501)	(155,892)
Non-controlling interests	非控股權益		(695)	(1,002)
			(210,196)	(156,894)
Loss per share for loss attributable to equity holders of the Company (expressed in HK cents per share)	本公司權益持有人應佔虧損之每股虧損(以每股港仙表示)			
— Basic	— 基本	12	(31.96)	(24.74)
— Diluted	— 攤薄	12	(31.96)	(24.74)

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

隨附之附註為本綜合財務報表之組成部份。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2017

截至2017年3月31日止年度

		2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元
Loss for the year	本年度虧損	(210,196)	(156,894)
Other comprehensive income	其他全面收益		
Items that have been reclassified or may be subsequently reclassified to profit or loss:	已重新分類或其後可重新分類至損益之項目：		
Revaluation gain of land and buildings	土地及樓宇之重估收益	88,737	—
Currency translation differences	貨幣換算差額	(13,722)	(11,503)
Total items that have been reclassified or may be subsequently reclassified to profit or loss	已重新分類或其後可重新分類至損益之項目總額	75,015	(11,503)
Total comprehensive income for the year	本年度全面收益總額	(135,181)	(168,397)
Attributable to:	由下列項目應佔：		
Equity holders of the Company	本公司權益持有人	(134,653)	(167,319)
Non-controlling interests	非控股權益	(528)	(1,078)
		(135,181)	(168,397)

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

隨附之附註為本綜合財務報表之組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2017

於2017年3月31日

		Note	2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元	(Restated) (經重列) 2015 HK\$'000 千港元
ASSETS	資產				
Non-current assets	非流動資產				
Investment in a joint venture	於合營公司之投資		510	—	—
Investments in associates	於聯營公司之投資	16	7,227	—	—
Property, plant and equipment	物業、廠房及設備	14	113,534	29,252	34,942
Intangible assets	無形資產	15	230,788	1,873	2,570
Deferred income tax assets	遞延所得稅資產	17	—	—	6,091
Long-term deposits and prepayments	長期按金及預付款項	20	27,354	12,588	10,995
			379,413	43,713	54,598
Current assets	流動資產				
Inventories	存貨	18	132,594	223,446	242,388
Trade receivables	應收貿易款項	19	39,751	72,939	115,024
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	20	32,014	27,081	40,044
Cash and cash equivalents	現金及現金等值項目	21	32,839	41,039	94,939
			237,198	364,505	492,395
Assets held for sale	持有作出售資產	22	14,730	13,900	26,660
			251,928	378,405	519,055
Total assets	資產總值		631,341	422,118	573,653
EQUITY	權益				
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備				
Share capital	股本	23	71,619	64,136	62,356
Share premium	股份溢價	23	673,503	576,561	562,600
Reserves	儲備	24	(529,037)	(408,208)	(235,828)
			216,085	232,489	389,128
Non-controlling interests	非控股權益		241	(2,014)	(2,316)
Total equity	權益總額		216,326	230,475	386,812

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2017

於2017年3月31日

		Note	2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元	(Restated) (經重列) 2015 HK\$'000 千港元
LIABILITIES	負債				
Non-current liabilities	非流動負債				
Convertible bonds	可換股債券	28	134,199	—	—
Obligation under finance lease	融資租賃承擔	25	225	9	115
Deferred income tax liabilities	遞延所得稅負債	17	36,739	351	5,990
			171,163	360	6,105
Current liabilities	流動負債				
Trade payables	應付貿易款項	26	79,576	104,026	101,396
Accruals and other payables	應計費用及其他應付款項	26	73,408	41,129	53,193
Borrowings	借貸	27	72,240	44,920	25,040
Obligation under finance lease	融資租賃承擔	25	105	106	106
Tax payable	應付稅項		973	1,102	1,001
Convertible bonds	可換股債券	28	17,550	—	—
			243,852	191,283	180,736
Total liabilities	負債總額		415,015	191,643	186,841
Total equity and liabilities	權益及負債總額		631,341	422,118	573,653

The consolidated financial statement on pages 55 to 161 were approved by the Board of Directors on 13 July 2017 and were signed on its behalf

第55至161頁之綜合財務報表經董事會於2017年7月13日批准，並由下列董事代表簽署：

ZHU Xiaojun

朱曉軍
Director
董事

KANG Jianming

康建明
Director
董事

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

隨附之附註為本綜合財務報表之組成部份。

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 equity holders of the Company					Non-controlling interests	Total equity
		本公司權益持有人應佔						
		Share capital and premium 股本及股份溢價 (Note 23) (附註23) HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元			
Balance at 1 April 2015 (As previously reported)	於2015年4月1日之結餘 (如先前報告)	624,956	130,893	(388,359)	367,490	(2,316)	365,174	
Effect of changes in accounting policy	會計政策變動之影響	—	10,049	11,589	21,638	—	21,638	
Balance at 1 April 2015 (Restated)	於2015年4月1日之結餘 (經重列)	624,956	140,942	(376,770)	389,128	(2,316)	386,812	
Comprehensive income	全面收益	—	—	(155,892)	(155,892)	(1,002)	(156,894)	
Loss for the year	本年度虧損	—	—	(155,892)	(155,892)	(1,002)	(156,894)	
Other comprehensive income	其他全面收益	—	—	—	—	—	—	
Currency translation differences	貨幣換算差額	—	(11,427)	—	(11,427)	(76)	(11,503)	
Release from revaluation reserve	重估儲備撥還	—	(4,411)	4,411	—	—	—	
Total comprehensive income, as restated	全面收益總額，經重列	—	(15,838)	(151,481)	(167,319)	(1,078)	(168,397)	
Transactions with owners:	擁有人交易：							
Exercise of share options (Note 23)	行使購股權(附註23)	15,741	(29,511)	24,450	10,680	—	10,680	
Capital injection from non-controlling interests	非控股權益注資	—	—	—	—	1,380	1,380	
Total transactions with owners	擁有人交易總額	15,741	(29,511)	24,450	10,680	1,380	12,060	
Balance at 31 March 2016 (Restated)	於2016年3月31日之結餘 (經重列)	640,697	95,593	(503,801)	232,489	(2,014)	230,475	
Balance at 31 March 2016 (As previously reported)	於2016年3月31日之結餘 (如先前報告)	640,697	89,955	(509,953)	220,699	(2,014)	218,685	
Effect of changes in accounting policy	會計政策變動之影響	—	5,638	6,152	11,790	—	11,790	
Balance at 31 March 2016 (Restated)	於2016年3月31日之結餘 (經重列)	640,697	95,593	(503,801)	232,489	(2,014)	230,475	
Comprehensive income	全面收益	—	—	(209,501)	(209,501)	(695)	(210,196)	
Loss for the year	本年度虧損	—	—	(209,501)	(209,501)	(695)	(210,196)	
Other comprehensive income	其他全面收益	—	—	—	—	—	—	
Currency translation differences	貨幣換算差額	—	(13,889)	—	(13,889)	167	(13,722)	
Revaluation gain on land and buildings (Note 14)	土地及樓宇之重估收益 (附註14)	—	88,737	—	88,737	—	88,737	
Total comprehensive income	全面收益總額	—	74,848	(209,501)	(134,653)	(528)	(135,181)	
Transactions with owners:	擁有人交易：							
Share option scheme — value of employee services (Note 23)	購股權計劃 — 僱員服務價值 (附註23)	—	6,808	—	6,808	—	6,808	
Issuance of shares (Note 23)	發行股份(附註23)	104,425	—	—	104,425	—	104,425	
Utilisation of statutory reserve	動用法定儲備	—	(59)	—	(59)	—	(59)	
Issuance of convertible bonds (Note 28)	發行可換股債券(附註28)	—	7,075	—	7,075	—	7,075	
Capital injection from non-controlling interests	非控股權益注資	—	—	—	—	2,137	2,137	
Non-controlling interests arising on acquisition	收購事項產生之非控股權益	—	—	—	—	346	346	
Changes in ownership interests in subsidiaries	附屬公司所有權權益變動	—	—	—	—	300	300	
Total transactions with owners	擁有人交易總額	104,425	13,824	—	118,249	2,783	121,032	
Balance at 31 March 2017	於2017年3月31日之結餘	745,122	184,265	(713,302)	216,085	241	216,326	

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

隨附之附註為本綜合財務報表之組成部份。

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

		Note 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash flows from operating activities	經營業務之現金流量			
Cash used in operations	經營所用之現金	29(a)	(128,242)	(80,935)
Interest paid	已付利息		(1,675)	(748)
Income tax refund	退回所得稅		119	3
Income tax paid	已付所得稅		(67)	(200)
Net cash used in operating activities	經營業務所用之現金淨額		(129,865)	(81,880)
Cash flows from investing activities	投資活動之現金流量			
Purchases of property, plant and equipment	購入物業、廠房及設備		(9,066)	(11,877)
Purchases of intangible assets	購入無形資產		(17)	(556)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	29(b)	463	62
Proceeds from disposal of assets held for sale	出售持有作出售資產之所得款項		—	12,760
Interest received	已收利息		63	224
Acquisition of subsidiaries net of cash acquired	收購附屬公司，扣除所獲現金		(83,359)	—
Investing in a joint venture	於合營公司之投資		(510)	—
Acquisition of available-for-sale financial assets	收購可供出售金融資產		(4,219)	—
Capital increment of associate	聯營公司之增資		(132)	—
Net cash (used in)/generated from investing activities	投資活動(所用)/所得之現金淨額		(96,777)	613
Cash flows from financing activities	融資活動之現金流量			
Proceeds from borrowings	借貸之所得款項		91,088	64,896
Repayment of borrowings	償還借貸		(42,207)	(44,896)
Repayment of interest of convertible bonds	償還可換股債券之利息		(9,796)	—
Repayment of expense issuance of convertible bonds	償還可換股債券之發行開支		(900)	—
Proceeds from issuance of new shares	發行新股之所得款項		—	10,680
Capital injection from non-controlling interests	非控股權益注資		2,137	1,380
Capital elements of finance lease payments	融資租賃付款之資本部份		(276)	(106)
Proceeds from issuance of convertible bonds	發行可換股債券之所得款項		180,000	—
Net cash generated from financing activities	融資活動所得之現金淨額		220,046	31,954
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額		(6,596)	(49,313)
Cash and cash equivalents at the beginning of the year	年初之現金及現金等值項目		41,039	94,939
Exchange differences	匯兌差額		(1,604)	(4,587)
Cash and cash equivalents at the end of the year	年終之現金及現金等值項目	21	32,839	41,039

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

隨附之附註為本綜合財務報表之組成部份。

1 GENERAL INFORMATION

一般資料

Vestate Group Holdings Limited and its subsidiaries are principally engaged in the retailing of footwear in Hong Kong, the People's Republic of China and Taiwan.

The Company was incorporated in the Cayman Islands on 10 November 2006 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands.

The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollar ("HK\$"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 13 July 2017.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

主要會計政策概要

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Companies Ordinance Cap. 622. They have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial liabilities (including derivative instruments) at fair value through profit or loss and investment properties classified as assets held for sale, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

國投集團控股有限公司及其附屬公司主要於香港、中華人民共和國及台灣從事鞋類零售。

本公司根據開曼群島公司法(1961年第3號法案第22章，經整合及修訂)於2006年11月10日於開曼群島註冊成立為獲豁免有限公司，其註冊辦事處之地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands。

本公司股份在香港聯合交易所有限公司上市。

除非另有所指，該等綜合財務報表乃以千港元(「港元」)為單位呈列。該等綜合財務報表已經董事會於2017年7月13日批准發佈。

2.1 編製基準

綜合財務報表已按照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)、聯交所證券上市規則及香港公司條例第622章之適用披露規定編製。綜合財務報表已按歷史成本慣例編製並經重估土地及樓宇、可供出售金融資產、按公平值計入損益之金融負債(包括衍生工具)及分類為持有作出售資產按公平值列賬之投資物業予以修訂。

編製符合香港財務報告準則之財務報表須採用若干關鍵會計估算。在應用本集團會計政策之過程中，管理層亦須行使其判斷。涉及高度判斷或複雜性之範疇，或其假設及估計對綜合財務報表屬重大之範疇於附註4披露。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis

During the year ended 31 March 2017, the Group reported a net loss of HK\$210,196,000 (2016: HK\$156,894,000) and had a net cash outflow from operating activities of HK\$129,865,000 (2016: HK\$81,880,000). As at 31 March 2017, the Group's cash and cash equivalents amounted to HK\$32,839,000. On 17 June 2017, the Group entered into a sales and purchase agreement with China Investment S.p.A. (the "Milan Properties Vendor"), a company with 70% interest owned by Ms. CAI Jiaying, an executive Director of the Company, to acquire certain properties in Milan at a total cash consideration of Euro34,000,000 (equivalent to approximately HK\$297,160,000) (the "Milan Properties"). The construction of the Milan Properties commenced in June 2017 and the construction is expected to be completed in June 2019. The first refundable advance payment of Euro10,200,000 (equivalent to approximately HK\$89,148,000) was paid by the Group in June 2017 and the remaining consideration will be payable by stages according to the progress of construction of the properties.

All the above events and conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern.

In view of these circumstances, the Directors of the Company ("Directors") have given careful consideration to the future liquidity, the construction progress of the Milan Properties and its available sources of financing in assessing whether the Group has sufficient financial resources to continue as a going concern. The Directors have reviewed the Group's cash flow projections prepared by management covering a period of twelve months from 31 March 2017. In order to improve the Group's financial position and alleviate the liquidity pressure, the Directors have been implementing various measures as follows:

- a. As at 31 March 2017, the Group had unutilised overdraft facilities of approximately HK\$5,000,000. The Group has communicated continuously with the principal banks on the Group's performance to ensure the existing banking facilities, which are fully secured by the Group's properties, to be continuously available to the Group. The Directors are of the opinion that such banking facilities will be renewed upon expiry in November 2017 and continue to be available to the Group for the next twelve months from 31 March 2017.

2.1 編製基準(續)

2.1.1 持續經營

截至2017年3月31日止年度，本集團錄得虧損淨額210,196,000港元(2016年：156,894,000港元)，而經營活動產生之現金流出淨額為129,865,000港元(2016年：81,880,000港元)。於2017年3月31日，本集團之現金及現金等值項目為32,839,000港元。於2017年6月17日，本集團與本公司執行董事蔡佳櫻女士擁有70%權益之公司China Investment S.p.A. (「米蘭物業賣方」)訂立買賣協議，以收購位於米蘭之若干物業，總現金代價為34,000,000歐元(相等於約297,160,000港元)(「米蘭物業」)。米蘭物業之建設於2017年6月展開，預期於2019年6月完成。首期可退還預付款項為10,200,000歐元(相等於約89,148,000港元)已由本集團於2017年6月支付，餘下代價將根據物業建設進度分階段支付。

所有上述事件及情況均顯示存在重大不確定性，可能對本集團持續經營之能力造成重大疑問。

鑑於上述情況，本公司董事(「董事」)於評估本集團是否有足夠財務資源繼續持續經營時，已審慎考慮未來流動資金、米蘭物業之建設進度及其可用融資來源。董事已審閱由管理層編製涵蓋2017年3月31日起計十二個月之本集團現金流量預測。為改善本集團之財務狀況及減輕流動資金壓力，董事已採取以下措施：

- a. 於2017年3月31日，本集團之未動用透支融資約5,000,000港元。本集團已持續與主要往來銀行就本集團之業績進行溝通，確保現有銀行融資(由本集團物業悉數擔保)將可持續提供予本集團。董事認為，該等銀行融資將於2017年11月屆滿時重續，並將於2017年3月31日起計未來十二個月內持續提供予本集團。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

- b. On 5 May 2017, the Group issued a two-year bond with principal amount of HK\$350,000,000 at interest rate of 12% per annum for the first year and 13% per annum for the second year. The bond is guaranteed by Mr. ZHU Xiaojun, Chairman of the Group and is pledged by the shares of the Milan Properties Vendor. The proceeds from the issuance of the bond were received by the Group in May 2017.
- c. On 27 June 2017, an independent third party has granted a stand-by revolving loan facilities of up to RMB100,000,000 to the Group, which is available to drawn down on or before 27 June 2018. The loan facility is guaranteed by Mr. ZHU Xiaojun, the Chairman of the Group and bears interest at 18% per annum. The Directors believe that this loan facility is available for draw down as additional working capital of the Group, as and when needed. The Directors are of the opinion that this facility will be renewed upon expiry on 27 June 2018.
- d. The Group is implementing various measures, such as optimizing its overall sales network by relocating certain of its outlets, and further developing e-Commerce business to improve its profit margin and operating cashflows of its footwear retailing business.
- e. In relation to the purchase of the Milan Properties, the Directors have considered a construction plan provided by the Milan Properties Vendor and considered that other than the refundable advance payment of HK\$89,148,000, there is no further payment due and payable within the next twelve months from 31 March 2017. The Group will negotiate with the Milan Property Vendor to defer the payment should any such amount became fall due within the next twelve months from 31 March 2017.

2.1 編製基準(續)

2.1.1 持續經營(續)

- b. 於2017年5月5日，本集團發行本金額為350,000,000港元之兩年期債券，年利率於第一年及第二年分別為12厘及13厘。該債券由本集團主席朱曉軍先生擔保，並由米蘭物業賣方股份作質押。本集團已於2017年5月收到發行債券之所得款項。
- c. 於2017年6月27日，獨立第三方向本集團授予最多為人民幣100,000,000元之備用循環貸款融資，其可在2018年6月27日或之前提取。貸款融資由本集團主席朱曉軍先生擔保，年利率為18%。董事認為，此貸款融資在需要時可作為本集團可供提取之額外營運資金。董事認為，該融資將於2018年6月27日屆滿時重續。
- d. 本集團正在實施各種措施，如通過搬遷若干零售點以改善整體銷售網絡，並進一步發展電子商務業務，提高鞋類零售業務之利潤率及經營現金流。
- e. 就收購米蘭物業而言，董事已考慮由米蘭物業賣方提供之建設計劃，並認為除可退還預付款項89,148,000港元以外，於2017年3月31日起計未來十二個月概無進一步到期及應付款項。如有任何該等款項於2017年3月31日起計未來十二個月到期，本集團將與米蘭物業賣方協商以延遲付款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

- f. In respect of the Group's money lending business which commenced subsequent to 31 March 2017, the Group has granted 1-year unsecured term loans to several third parties totalling HK\$74,000,000 up to the date of approval of the consolidated financial statements. The Group is closely monitoring the collection of these loans and the Directors are confident that these loans will be successfully collected upon maturity according to the terms of the relevant loan agreements. The Group will consider the liquidity position of the Group, the credit profile of the borrowers, the availability of securities and the loan terms carefully before granting any further loans.
- g. The Group will also continue to seek for other alternative financing and bank borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures.

The Directors are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from 31 March 2017. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Notwithstanding the above, significant uncertainty exists as to whether management of the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through achieving the following plans:

- (i) Successful negotiation with the bank to renew the Group's banking facilities upon its expiry in November 2017 such that the existing bank borrowings will continue to be available to the Group and the unutilised overdraft facilities will be available for draw down from time to time as and when needed;

2.1 編製基準(續)

2.1.1 持續經營(續)

- f. 就本集團於2017年3月31日後展開之放債業務而言，本集團於直至綜合財務報表之批准日期前已向若干第三方授予1年期無抵押定期貸款，總額為74,000,000港元。本集團正密切監察該等貸款之收回情況，董事有信心，該等貸款於到期時將根據相關貸款協議之條款收回。本集團在授出任何進一步貸款前，將考慮本集團之流動資金狀況、借款人的信用狀況、證券之可用程度及貸款年期。
- g. 本集團亦會繼續尋求其他融資方法及銀行借款，以撥支償付現有財務責任及未來經營以及資本支出。

董事認為，經考慮上述計劃及措施，本集團將有足夠營運資金撥支其營運，並於2017年3月31日起計未來十二個月到期時履行其財務責任。因此，綜合財務報表已根據持續經營基準編製。

儘管如此，本集團管理層能否實現上述計劃及措施存在重大不確定性。本集團能否繼續持續經營，將視乎本集團通過實施以下計劃產生足夠融資及經營現金流量之能力：

- (i) 與銀行成功磋商以於本集團銀行融資在2017年11月屆滿時予以重續，令現有銀行借款將可繼續提供予本集團，而未動用透支融資將可在有需要時隨時提取；

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

- (ii) Continuous compliance by the Group of the existing terms and conditions of all the convertible bonds and bond issued by the Group as at the date of approval of the consolidated financial statements such that these convertible bonds and bond will continue to be available to the Group and be repaid in accordance with the agreed repayment schedules;
- (iii) The independent third party will be able to provide the funding advance of up to RMB100,000,000 to the Group as and when needed which will be repayable beyond twelve months from 31 March 2017;
- (iv) Successful implementation of measures to improve the sales margin and operating cashflows of its footwear retailing business;
- (v) The construction of the properties under development in Milan will be progressed according to the construction plan provided by the Milan Properties Vendor; and successful negotiation with the Milan Property Vendor to defer any payment which might fall due within the next twelve months from 31 March 2017; and
- (vi) Obtaining additional sources of financing or bank borrowings as and when needed.

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

2.1 編製基準(續)

2.1.1 持續經營(續)

- (ii) 本集團持續遵守本集團於綜合財務報表批准日期發行之所有可換股債券及已發行債券之現有條款及條件，令該等可換股債券及債券將繼續提供予本集團，並根據協定還款時間表償還；
- (iii) 獨立第三方將能夠在有需要時向本集團提供最高人民幣100,000,000元之預付資金，其將於2017年3月31日起計未來十二個月後償還；
- (iv) 成功實施提高鞋類零售業務銷售利潤及經營現金流量之措施；
- (v) 米蘭之在建物業將根據米蘭物業賣方提供之施工方案進行建設；及與米蘭物業賣方成功磋商，延遲於2017年3月31日起計未來十二個月內可能到期之任何款項；及
- (vi) 在需要時獲得額外融資來源或銀行借款。

倘本集團無法持續經營，則必須進行調整，將本集團資產之賬面價值減至可收回金額，為可能產生之進一步負債作撥備，並將非流動資產及非流動負債分別重新分類為流動資產及流動負債。綜合財務報表未有反映該等調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

(a) New and amended standards adopted by the Group

The following new and amended standards have been adopted by the Group for the first time for the financial year beginning on or after 1 April 2016.

HKAS 1 (Amendment)	Disclosure initiative
HKAS 16 and HKAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortisation
HKAS 16 and HKAS 41 (Amendment)	Agriculture: bearer plants
HKAS 27 (Amendment)	Equity method in separate financial statements
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment entities: applying the consolidation exception
HKFRS 11 (Amendment)	Accounting for acquisitions of interests in joint operations
HKFRS 14	Regulatory deferral accounts
HKFRSs (Amendment)	Improvements to HKFRSs 2014

The adoption of the above new and amended standards did not have any significant impact on the Group's consolidated financial statements.

2.1 編製基準(續)

(a) 本集團所採納之新訂及經修訂準則

以下新訂及經修訂準則由本集團於2016年4月1日或之後開始之財政年度首次採納。

香港會計準則 第1號(修訂本)	披露計劃
香港會計準則 第16號及 香港會計準則第 38號(修訂本)	澄清折舊及 攤銷可接 受方法
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
香港會計準則 第27號(修訂本)	獨立財務 報表之 權益法
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： 避免合併 之應用
香港財務報告準則 第11號(修訂本)	收購共同 經營權益 之會計法
香港財務報告準則 第14號	監管遞延 賬戶
香港財務報告準則 (修訂本)	2014年之 香港財務 報告準則 之改進

採納以上新訂及經修訂準則並無對本集團之綜合財務報表產生任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

(b) New and amended standards have been issued but are not effective and have not been early adopted by the Group

The following new and amended standards are not effective for financial year beginning on 1 April 2016, and have not been applied in preparing these consolidated financial statements.

2.1 編製基準(續)

(b) 已頒佈但尚未生效且並無獲本集團提早採納之新訂及經修訂準則

以下新訂及經修訂準則於2016年4月1日開始之財政年度尚未生效且並無於編製該等綜合財務報表時獲採納。

		Effective for accounting periods beginning on or after 於以下日期或 之後開始之 會計期間生效
HKAS 7 (Amendment) 香港會計準則第7號(修訂本)	Statement of cash flows 現金流量表	1 January 2017 2017年1月1日
HKAS 12 (Amendment) 香港會計準則第12號(修訂本)	Recognition of deferred tax assets for unrealised losses 就未變現虧損確認遞延稅項資產	1 January 2017 2017年1月1日
HKFRS 2 (Amendment) 香港財務報告準則第2號(修訂本)	Clarification and measurement of share-based payment transactions 澄清及計量股份支付交易	1 January 2018 2018年1月1日
HKFRS 9 香港財務報告準則第9號	Financial instruments 金融工具	1 January 2018 2018年1月1日
HKFRS 15 香港財務報告準則第15號	Revenue from contracts with customers 客戶合約收入	1 January 2018 2018年1月1日
HKFRS 15 (Amendment) 香港財務報告準則第15號(修訂本)	Clarification to HKFRS 15 香港財務報告準則第15號澄清	1 January 2018 2018年1月1日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 2019年1月1日
HKFRS 10 and HKAS 28 (Amendment) 香港財務報告準則第10號及 香港會計準則第28號(修訂本)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營公司間之 資產出售或注資	To be determined 待定

The Group has already commenced an assessment of the likely impact of adopting the above new standards and amendments to existing standards but it is not yet in a position to state whether they will have a significant impact on its reported results of operations and financial position. The Group plans to adopt these new standards and amendments to existing standards when they become effective.

本集團已開始評估採納上述新訂準則及現有準則之修訂本可能造成之影響，但尚無法確定有關準則及修訂本會否將對其報告之經營業績及財務狀況造成重大影響。本集團計劃於該等新訂準則及現有準則之修訂本生效時加以採納。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

(c) Changes in accounting policies

In previous years, the Group's land and buildings and investment properties classified as assets held for sale were carried at historical cost less accumulated depreciation and impairment losses in the consolidated statement of financial position. The directors reassessed the appropriateness of these accounting policies during the year and concluded that by using the revaluation model and fair value model under HKAS 16 and HKAS 40 for land and buildings and investment properties respectively, the consolidated financial statements would provide more appropriate and relevant information about the Group's results and financial position.

Consequently, the Group changed its accounting policies on land and buildings and investment properties to follow the revaluation model and fair value model under HKAS 16 and HKAS 40 respectively with effective from 1 April 2016.

The change in accounting policy of land and buildings from the cost model to the revaluation model has been accounted for prospectively.

The change in accounting policy of investment properties, including investment properties classified in assets held for sale from the cost model to fair value model have been accounted for retrospectively. The comparative figures for 2016 have been restated to reflect the change in accounting policy.

2.1 編製基準(續)

(c) 會計政策之變更

於過往年度，本集團之土地及樓宇以及分類為持有作出售資產之投資物業於綜合財務狀況表中按歷史成本減累計折舊及減值虧損入賬。董事於本年度重新評估該等會計政策之適當性並決定分別就土地及樓宇以及投資物業使用香港會計準則第16號及香港會計準則第40號項下之重估模式及公平值模式，綜合財務報表將就本集團之業績及財務狀況提供更適當及相關之資料。

因此，本集團變更其土地及樓宇以及投資物業之會計政策，以分別採用香港會計準則第16號及香港會計準則第40號項下之重估模式及公平值模式，自2016年4月1日起生效。

土地及樓宇之會計政策由成本模式改為重估模式，有關變動已預先入賬。

投資物業(包括分類為持有作出售資產)之會計政策由成本模式改為公平值模式，有關變動已追溯入賬。2016年之比較數字已經重列，以反映會計政策之變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

(c) Changes in accounting policies (Continued)

The effect of the changes in accounting policies to the consolidated financial statements is as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Effect on consolidated statement of financial position	對綜合財務狀況表之影響			
Increase in property, plant and equipment	物業、廠房及設備之增加	86,163	—	—
Increase in assets held for sale	持有作出售資產之增加	12,620	11,790	21,638
Increase in revaluation reserve	重估儲備之增加	(94,375)	(5,638)	(10,049)
Increase in retained earnings	留存收益之增加	(6,152)	(16,000)	(13,715)
Effect on consolidated income statement	對綜合收益表之影響			
Increase in depreciation	折舊之增加	2,574	—	—
(Increase)/decrease in other gains	其他收益之(增加)/減少	(830)	9,848	2,126
Increase in loss attributable to equity holders of the Company	本公司權益持有人應佔虧損之增加	1,744	9,848	2,126
Increase in basic loss per share (HK cent per share)	每股基本虧損(每股港仙)之增加	0.27	1.56	0.34
Increase in diluted loss per share (HK cent per share)	每股攤薄虧損(每股港仙)之增加	0.27	1.56	0.34

2.2 Subsidiaries

(a) Consolidation

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

2.1 編製基準(續)

(c) 會計政策之變更(續)

綜合財務報表之會計政策變更之影響如下：

2.2 附屬公司

(a) 賬目合併

附屬公司指本集團對其擁有控制權之實體(包括結構性實體)。當本集團因參與該實體而承擔可變回報之風險或享有可變回報，並有能力透過其對該實體之權力影響此等回報時，本集團即被視為控制該實體。附屬公司於控制權轉移至本集團當日起綜合入賬，並於控制權終止當日解除綜合入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.2 Subsidiaries (Continued)

(a) Consolidation (Continued)

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

2.2 附屬公司(續)

(a) 賬目合併(續)

(i) 業務合併

本集團利用收購法將業務合併入賬。就收購附屬公司轉讓之代價為本集團所轉讓資產、被收購方前擁有人所產生負債及所發行股本權益之公平值。所轉讓代價包括因或然代價安排而產生之任何資產或負債之公平值。所收購可識別資產與於業務合併中承擔之可識別負債及或然負債初步按於收購日期之公平值計量。本集團根據就個別收購基準，按公平值或按非控股權益佔被收購方可識別淨資產已確認金額之比例確認於被收購方之任何非控股權益。

收購相關成本於產生時支銷。

倘業務合併乃分階段進行，則收購方先前持有之被收購方股本權益於收購日期之賬面值會按收購日期之公平值重新計量；有關重新計量所產生之任何盈虧會於損益確認。

將由本集團轉讓之任何或然代價按收購日期之公平值確認。被視作資產或負債之或然代價其後出現之公平值變動會按照香港會計準則第39號於損益或作為其他全面收益變動確認。分類為權益之或然代價不予重新計量，而其後結算會於權益入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.2 Subsidiaries (Continued)

(a) Consolidation (Continued)

(i) Business combinations (Continued)

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

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

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners of the subsidiary. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.2 附屬公司(續)

(a) 賬目合併(續)

(i) 業務合併(續)

所轉讓代價、被收購方任何非控股權益及被收購方任何先前股本權益於收購日期之公平值，超出所購入可識別淨資產公平值之數額列作商譽。就議價購買而言，倘所轉讓代價、所確認非控股權益及所計量先前持有之權益之總額少於所購入附屬公司淨資產之公平值，則該差額會直接於綜合收益表確認。

集團內公司間之交易、結餘及集團公司間之交易之未變現收益均予對銷。未變現虧損亦予對銷。如有必要，附屬公司呈報之金額已作調整，以與本集團之會計政策保持一致。

(ii) 不導致失去控制權之附屬公司擁有權權益變動

不導致失去控制權之非控股權益交易入賬列作權益交易 — 即以彼等作為附屬公司擁有人之身份與附屬公司擁有人進行之交易。任何已付代價公平值與相關應佔所收購附屬公司淨資產賬面金額之間之差額會於權益列賬。向非控股權益進行出售所產生之盈虧亦於權益列賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.2 Subsidiaries (Continued)

(a) Consolidation (Continued)

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(b) Separate financial statements

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

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

2.2 附屬公司(續)

(a) 賬目合併(續)

(iii) 出售附屬公司

當本集團不再擁有控制權，於該實體之任何保留權益按失去控制權當日之公平值重新計量，而賬面金額之變動會於損益確認。就其後將保留權益入賬列作聯營公司、合營公司或金融資產而言，公平值指初步賬面金額。此外，先前於其他全面收益確認有關該實體之任何金額按猶如本集團已直接出售有關資產或負債之方式列賬。

此可能表示先前於其他全面收益確認之金額會重新分類至損益。

(b) 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資之直接應佔成本。本公司按已收及應收股息之基準將附屬公司之業績入賬。

於收到附屬公司投資之股息後，倘股息超過附屬公司在股息宣派期間之全面收益總額，或在單獨財務報表之投資賬面金額超過被投資方淨資產(包括商譽)在綜合財務報表之賬面金額，則必須對有關投資進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.3 Associates

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

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

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

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit of investments accounted for using equity method' in the consolidated income statement.

2.3 聯營公司

聯營公司指本集團對其有重大影響而無控制權之實體，通常附帶有20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始以成本確認，將賬面值增加或減少以確認投資者應佔被投資者於收購日期後之溢利或虧損。本集團於聯營公司之投資包括收購時已識別之商譽。於收購聯營公司之所有者權益後，將聯營公司之成本與本集團應佔聯營公司可識別資產及負債之公平值淨額之差額確認為商譽。

倘於聯營公司之所有者權益減少但仍保留重大影響，僅需按比例將之前於其他全面收益中確認之金額重新分類至損益(如適當)。

本集團應佔收購後溢利或虧損於綜合收益表確認，而其應佔收購後其他全面收益變動則於其他全面收益確認，並相應調整投資賬面值。倘本集團應佔一間聯營公司之虧損等於或超過其於該聯營公司之權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團對聯營公司已產生法律或推定債務或已代聯營公司作出付款。

本集團於各報告日期釐定是否有客觀證據表明於聯營公司之投資已減值。如投資已減值，本集團計算之減值金額為聯營公司可收回金額與其賬面值之差額，並於綜合收益表內「按權益法入賬之應佔投資溢利」確認有關金額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.4 Joint arrangements

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

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

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

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors ("Executive Directors") that makes strategic decisions.

2.4 合營安排

本集團已就所有合營安排採納香港財務報告準則第11號。根據香港財務報告準則第11號，於合營安排之投資分類為合營業務或合營公司，視乎各投資者之合約權利及義務而定。本集團已評估其合營安排之性質並將其釐定為合營公司。合營公司按權益法入帳。

根據權益會計法，於合營公司之權益初始以成本確認，其後以確認本集團應佔收購後溢利或虧損及其他全面收益變動作出調整。本集團於合營公司之投資包括收購時確認之商譽。收購合營公司之所有權權益後，合營公司成本與本集團應佔該合營公司可識別資產及負債之公平淨值間之任何差額按商譽入賬。當本集團應佔某一合營公司之虧損等於或超過其於該合營公司之權益(包括任何其他無擔保應收款項)，本集團不會確認進一步虧損，除非本集團已產生義務或已代合營公司作出付款。

本集團與其合營公司間之未變現交易收益按本集團於合營公司之權益予以對銷。除非交易提供證據證明所轉讓之資產出現減值，否則未變現虧損亦予以對銷。合營公司之會計政策已按需要作出改變，以確保與本集團採用之政策一致。

2.5 分部報告

經營分部之呈報方式與向主要營運決策人提供之內部呈報方式一致。負責分配資源及評估經營分部表現之主要營運決策人，已確定為制定策略決定之執行董事(「執行董事」)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'finance costs, net'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'other gains, net'.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

2.6 外幣換算

(a) 功能貨幣及呈列貨幣

本集團旗下各實體財務報表所載之項目以該實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港元(本公司之功能貨幣及本集團之呈列貨幣)呈列。

(b) 交易及結餘

外幣交易利用交易日期之通用匯率換算為功能貨幣。因結算該等交易及因按年終匯率換算以外幣列值之貨幣資產及負債而產生之匯兌盈虧會於綜合收益表確認。

有關借貸以及現金及現金等值項目之外匯損益於綜合收益表呈列為「財務費用，淨額」。所有其他外匯損益均於綜合收益表內「其他收益，淨額」呈列。

(c) 集團公司

功能貨幣有別於呈列貨幣之所有集團實體(該等集團實體概無擁有嚴重通貨膨脹經濟之貨幣)之業績及財務狀況，均按以下方式換算為呈列貨幣：

- 於各財務狀況表呈列之資產及負債按該財務狀況表日期之收市匯率換算；

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.6 Foreign currency translation (Continued)

(c) Group companies (Continued)

- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

2.7 Investment properties

Investment properties, principally comprising leasehold land and buildings, that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the companies in the Group or for sale in the ordinary course of business, are classified as investment properties.

Investment properties are initially measured at its cost, including related transaction costs.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

Depreciation of investment properties are calculated using the straight-line method to allocate cost over their estimated useful life of 50 years.

2.6 外幣換算(續)

(c) 集團公司(續)

- 各收益表之收支按平均匯率換算(除非該平均匯率並非在有關交易日期之通行匯率累積影響之合理估計內,則在該情況下,收支於有關交易日期換算);及
- 所有因而產生之匯兌差額於其他全面收益確認。

於綜合賬目時,換算海外業務淨投資及借貸所產生之匯兌差額計入股東權益。當處置或出售部份海外業務,記錄於權益之匯兌差額於綜合收益表確認為銷售盈虧之一部份。

2.7 投資物業

持作長期租金收益或資本增值用途或同時可用作以上兩項用途,且並非由本集團旗下各公司佔用或持作於日常業務過程中銷售之投資物業(主要包括租賃土地及樓宇),均分類為投資物業。

投資物業初步按成本(包括相關交易成本)計量。

其後開支於項目相關之未來經濟利益將流入本集團,而項目之成本能可靠地計量時方會從資產賬面金額扣除。所有其他維修及保養成本於產生之財政期間於綜合收益表支銷。

投資物業之折舊按直線法計算,以於50年之估計可使用年內分配成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.7 Investment properties (Continued)

As described in note 2.1(c) above, the Group changed its accounting policy on investment property to the fair value model under HKAS 40 with effect from 1 April 2016. The change in accounting policy of the investment property has been accounted for retrospectively.

After changing of accounting policy, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated income statement as part of a valuation gain or loss in 'other gains – net'.

Gain or loss on disposal of an investment properties are determined by comparing the proceeds and the carrying amount of the investment property and is recognised in the consolidated income statement.

2.8 Property, plant and equipment

As described in note 2.1(c) above, the Group changed its accounting policy on land and buildings from cost model to the revaluation model under HKAS 16 with effect from 1 April 2016. The change in accounting policy on land and buildings has been accounted for prospectively.

Land and buildings comprise offices are carried at their revalued amounts less subsequent accumulated depreciation and impairment losses. Valuation of leasehold land and buildings in Hong Kong are valued by external independent value on a regular basis with an interval of not more than 1 years. In the intervening years, the directors review the carrying value of the land and buildings and adjustment is made where they consider that there has been a material change. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

2.7 投資物業(續)

誠如上文附註2.1(c)所述，本集團已變更投資物業之會計政策為香港會計準則第40號項下之公平值模式，由2016年4月1日起生效。投資物業之會計政策變動已追溯入賬。

會計政策變更後，投資物業乃按公平值入賬，其指由外聘估值師於各報告日期所釐定之公開市值。公平值根據活躍市場價格計算，如有必要則就個別資產之性質、地點或狀況之任何差異作出調整。倘並無有關資料，本集團則利用其他估值方法，例如較不活躍市場之近期價格或貼現現金流量預測。公平值變動乃於綜合收益表列賬為「其他收益 — 淨額」中估值盈虧之一部份。

出售投資物業之盈虧透過比較所得款項與投資物業之賬面金額釐定，並於綜合收益表確認。

2.8 物業、廠房及設備

誠如上文附註2.1(c)所述，本集團已將土地及樓宇之會計政策由成本模式變更為香港會計準則第16號項下之重估模式，由2016年4月1日起生效。土地及樓宇之會計政策變動已於未來賬目作會計處理。

土地及樓宇(包括辦公室)乃按其重估金額減其後累計折舊及減值虧損入賬。香港租賃土地及樓宇之估值由外聘獨立估值師最少每1年定期進行。於每次估值之間的年度，董事將審閱土地及樓宇之賬面值，並在認為出現重大變動時作出調整。於重估日期之任何累計折舊與資產賬面總值對銷，而淨額將重列為資產之重估金額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.8 Property, plant and equipment (Continued)

Increases in the carrying amount arising on revaluation of leasehold land and buildings are credited to other comprehensive income. Decreases that offset previous increases of the same asset are charged against other comprehensive income; all other decreases are expensed in the profit and loss account.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the income statement during the financial period in which they are incurred.

Depreciation on is calculated using the straight-line method to allocate cost over their estimated useful lives, as follows:

Leasehold land	Over the lease term
Buildings	50 years
Leasehold improvements	Over the lease term
Motor vehicles	25%
Furniture, fixtures and equipment	20%
Computer equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other gains, net' in the consolidated income statement.

2.8 物業、廠房及設備(續)

重估租賃土地及樓宇產生之賬面值增加乃於其他全面收益入賬。抵銷過往相同資產賬面值增加之減少於其他全面收益扣除；所有其他減少於損益賬支銷。

所有其他物業、廠房及設備按歷史成本減累計折舊及累計減值虧損列賬。歷史成本包括直接來自收購項目之支出。其後成本僅於與該項目相關之日後經濟利益有可能流入本集團及該項目之成本能可靠計算時，方始計入資產賬面值或確認為獨立資產(如適用)。已更換零件之賬面值已終止確認。所有其他維修及保養費用在產生之財政期間自收益表扣除。

本集團利用直線法計算折舊，以於下列估計可使用年期分配成本：

租賃土地	租期內
樓宇	50年
租賃物業裝修	租期內
汽車	25%
傢俬、裝置及設備	20%
電腦設備	20%

資產之剩餘價值及可使用年期於各結算日檢討及調整(如適用)。

倘資產之賬面金額高於估計可收回金額，則資產賬面金額即時撇減至可收回金額(附註2.10)。

出售之盈虧透過比較所得款項與賬面金額釐定，並於綜合收益表內之「其他收益，淨額」確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.9 Intangible assets

(a) Acquired trademark

Acquired trademark that have definite useful life of 5 years are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is calculated using the straight-line method to allocate the costs of acquired trademark over its estimated useful life.

(b) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years.

Computer software development costs recognised as assets are amortised over their estimated useful lives of not exceeding 5 years.

(c) Licence

Separately acquired licence is shown at historical cost.

Licence acquired in a business combination is recognised at fair value at the acquisition date. Licence has a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of licence over its estimated useful lives of 25 years.

Impairment assessment is undertaken annually or more frequently if events or change in circumstances indicate a potential impairment.

(d) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

2.9 無形資產

(a) 已購入商標

具有限可使用年期(5年)之已購入商標按成本減累計攤銷及減值虧損(如有)列賬。本集團利用直線法計算攤銷，以於已購入商標之估計可使用年期内分配成本。

(b) 電腦軟件

已購入電腦軟件特許使用權乃根據購入至使用特定軟件時產生之成本撥充資本。該等成本按估計可使用年期(5年)攤銷。

確認為資產之電腦軟件開發成本按不多於5年之估計可使用年期攤銷。

(c) 特許使用權

分開購入之特許使用權按歷史成本列賬。

在業務合併中購入之特許使用權按購買日的公平價值列賬。特許使用權均有限定之可使用年期，並按成本減累計攤銷列賬。攤銷利用直線法將特許使用權之成本分攤至其估計可使用年期25年計。

減值評估須每年進行，倘有事件或改變顯示可能發生減值時，則會更頻密地進行減值評估。

(d) 商譽

商譽產生自收購附屬公司，並相當於所轉讓對價，被收購方的非控制性權益金額以及享有的被收購方過往的權益在收購日的公平價值超過獲得的被收購方的已識別淨資產公平值的數額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.9 Intangible assets (Continued)

(d) Goodwill (Continued)

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

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

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 無形資產(續)

(d) 商譽(續)

就減值測試而言，在業務合併中購入的商譽會分配至每個現金產生單位或現金產生單位組(預期可從合併中獲取協同利益)。商譽被分配的每個單位或單位組指在實體內就內部管理目的監察商譽的最底層面。

商譽在經營分部層次進行監控。商譽減值檢討每年進行，或如事件或情況轉變顯示可能存在減值，則作出更頻密檢討。包含商譽的現金產生單位的賬面值與可收回數額(使用價值與公平值減出售成本較高者)比較。任何減值須即時確認為開支，且其後不得撥回。

2.10 非金融資產之減值

具無限可使用年期或尚未供使用之資產毋須攤銷及每年進行減值測試。每當發生事件或情況出現變化顯示可能無法收回賬面金額，即就資產進行減值檢討。倘資產賬面金額超過其可收回金額，則會按有關差額確認減值虧損。可收回金額乃資產公平值減出售成本與使用價值兩者之間之較高者。就評估減值而言，資產按有獨立可識別現金流量(現金產生單位)之最低層級分類。倘商譽以外之非金融資產出現減值，則須於各報告日期就可能出現之減值撥回進行檢討。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets and liabilities as loans and receivables, available-for-sale financial assets and financial liabilities at amortised costs. The classification depends on the purposes for which the financial assets and liabilities were acquired. Management determines the classification of its financial assets and liabilities at initial recognition.

(a) Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. Loans and receivables are classified as 'trade receivables', 'deposits, prepayments, and other receivables' and 'cash and cash equivalents' in the consolidated statement of financial position.

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.11 金融資產

2.11.1 分類

本集團將其金融資產及負債分類為貸款及應收款項、可供出售金融資產及按攤銷成本之金融負債。分類視乎購入金融資產及負債之目的而定。管理層於初步確認時釐定其金融資產及負債之分類。

(a) 貸款及應收款項

貸款及應收款項為享有固定或可酌情釐定付款(並非在活躍市場上報價)之非衍生金融資產。此等項目均列作流動資產，惟年期由報告日期結束起計超過12個月之項目則分類為非流動資產。貸款及應收款項乃分類為綜合財務狀況表內之「應收貿易款項」、「按金、預付款項及其他應收款項」及「現金及現金等值項目」。

(b) 可供出售金融資產

可供出售金融資產乃指定歸入本類別或未歸入任何其他類別之非衍生工具。除非有關投資到期或管理層計劃於報告期末起計12個月內出售有關資產，否則將計入非流動資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.11 Financial assets and liabilities (Continued)

2.11.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

2.11.3 Offsetting financial instruments

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

2.12 Inventories

Inventories representing merchandising stocks are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted-average costing method.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.11 金融資產及負債(續)

2.11.2 確認及計量

金融資產之常規買賣在交易日(即本集團承諾購買或出售資產之日期)確認。所有並非按公平值計入損益之金融資產之投資初步以公平值加交易成本確認。當從投資收取現金流量之權利已屆滿或已轉移及本集團已將所有權之絕大部份風險及回報轉移,本集團會終止確認金融資產。貸款及應收款項利用實際利息法以攤銷成本列值。

2.11.3 抵銷金融工具

金融資產及負債於擁有可依法強制執行之權利抵銷已確認金額及於擬按淨值基準結算或同時變現資產及結算負債時抵銷;有關淨額則於財務狀況表內呈報。可依法強制執行之權利不得取決於未來事件而定,且必須於正常業務過程中及倘公司或對手方出現違約、無力償債或破產時,亦必須為可強制執行。

2.12 存貨

存貨(即銷售庫存)按成本及可變現淨值兩者中之較低者列賬。成本(包括所有採購成本及(如適用)兌換成本及使存貨達致現時地點及狀況而產生之其他成本)利用加權平均成本法計算。

可變現淨值指於日常業務過程中之估計售價減估計完成成本及進行銷售所需之估計成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.13 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated income statement within selling and distribution costs. When a trade receivable is uncollectible, it is written off against the allowance accounts for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and distribution costs in the consolidated income statement.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturity of three months or less.

2.15 Assets held for sale

Non-current assets are re-classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell, except for investment properties. Investment properties, if held for sale, continued to be measured in accordance with the policies set out in Note 2.7.

2.16 Share capital

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

2.13 應收貿易款項及其他應收款項

應收貿易款項及其他應收款項初步按公平值確認，其後則以實際利息法按攤銷成本扣除減值撥備計量。當有客觀憑證顯示本集團將無法按照應收款項之原有條款收回所有到期款項時，即就應收貿易款項及其他應收款項設立減值撥備。債務人出現嚴重財政困難、債務人可能破產或進行財務重組，以及無力償款或拖欠賬款，均被視為應收貿易款項之減值跡象。撥備金額為資產賬面金額與按實際利率貼現之估計未來現金流量之現值兩者之差額。資產之賬面金額透過使用備抵賬扣減，而虧損之金額於綜合收益表內之銷售及分銷成本確認。當貿易應收款項不可收回，會用以撇銷應收貿易款項之備抵賬。其後收回先前撇銷之金額於綜合收益表內計入銷售及分銷成本。

2.14 現金及現金等值項目

現金及現金等值項目包括手頭現金、銀行通知存款及原到期日為三個月或以下之其他短期高流通投資。

2.15 持有作出售資產

當非流動資產之賬面金額將主要透過出售交易收回而該項出售被視為極有可能，本集團會將非流動資產重新分類為持有作出售資產。該等資產按賬面金額及公平值減出售成本兩者之較低者列賬，惟投資物業則除外。投資物業(如持作銷售)將繼續根據附註2.7所載之政策計量。

2.16 股本

普通股分類為權益。發行新股份或購股權直接應佔之遞增成本於權益列為所得款項之扣減(已扣除稅項)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.17 Trade payables

Trade payables are obligations to pay for goods that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.17 應付貿易款項

應付貿易款項為日常業務過程中向供應商購買貨品之付款責任。倘付款乃於一年內或以下(或正常業務營運周期中(倘較長))到期，則應付款項會分類為流動負債，否則會呈列為非流動負債。

應付貿易款項初步按公平值確認，其後則利用實際利息法按攤銷成本計量。

2.18 借貸

借貸初步按公平值扣除所產生交易成本確認。借貸其後按攤銷成本列賬，而所得款項(扣除交易成本)與贖回價值間之間之任何差額於借貸期間利用實際利息法於綜合收益表確認。

在貸款將很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

借貸分類為流動負債，除非本集團具無條件權利將負債清償期遞延至報告日期結束起計最少12個月則作別論。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.19 Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component, which is included in shareholders' equity in other reserves. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

The liability component of a convertible instrument is classified as current unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.20 Current and deferred income tax

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

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2.19 複合金融工具

本集團發行之複合金融工具包括可按持有人之選擇轉換為股本之可換股票據，將予發行之股份數目並不隨其公平值變動。

複合金融工具之負債部分初步按無股本轉換權之同類負債之公平值確認。權益部分初步按複合金融工具整體公平值與其負債部分公平值間之差額予以確認，並計入其他儲備項下之股東權益。任何應計直接交易成本按初步賬面值比例分配至負債及權益部分。

經初步確認後，複合金融工具之負債部分採用實際利率法按攤銷成本計量。複合金融工具之權益部分於初步確認後不會重新計量，惟於轉換或到期時則除外。

除非本集團有權無條件將債務遞延至報告期間結算日後至少十二個月方始償還，否則可換股工具之負債部分將分類為流動負債。

2.20 即期及遞延所得稅

本年度稅項開支包括即期及遞延稅項。稅項於綜合收益表確認，惟與於其他全面收益確認或直接於權益確認之項目有關者除外。在該情況下，稅項亦分別於其他全面收益確認或直接於權益確認。

(a) 即期所得稅

即期所得稅支出按本公司及其附屬公司經營及產生應課稅收入之國家於報告日期結束時已制定或大致上已制定之稅法計算。管理層就受適用稅規詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下按預期須向稅務機關支付之金額設定撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.20 Current and deferred income tax (Continued)

(b) Deferred income tax

(i) Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(ii) Outside basis differences

Deferred income tax is provided on temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.20 即期及遞延所得稅(續)

(b) 遞延所得稅

(i) 內在基準差異

本集團利用負債法就資產及負債之稅基與其於綜合財務報表賬面金額之間之暫時差額確認遞延所得稅。然而，倘於初步確認一項交易(業務合併除外)之資產或負債所產生之遞延所得稅於交易時不會對會計或應課稅損益造成影響，則本集團不會將該等遞延所得稅入賬。本集團利用於報告日期結束時已制定或大致上已制定，且預期相關遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率(及法例)釐定遞延所得稅。

遞延所得稅資產於日後可能產生動用暫時差額備抵之應課稅溢利時方會確認。

(ii) 外部基準差異

本集團按附屬公司投資所產生之暫時差額計提遞延所得稅撥備，惟暫時差額撥回之時間可由本集團控制及暫時差額可能不會於可見未來撥回者除外。

(c) 抵銷

當有依法可強制執行權利抵銷即期稅項資產與即期稅項負債，且遞延所得稅資產及負債涉及由同一稅務機關對相同應課稅實體或有意以淨額基準結算所得稅結餘之不同應課稅實體，本集團會抵銷遞延所得稅資產與負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.21 Employee benefits

(a) Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for long service leave as a result of services rendered by employees up to the statement of financial position date.

(b) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(c) Pension obligations

The group companies in the PRC participate in defined contribution retirement benefit plans organised by relevant government authorities for its employees in the PRC and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant government authorities. The government authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans.

The group companies in Hong Kong participate in a mandatory provident fund ('MPF Scheme') for its employees in Hong Kong. MPF Scheme is a defined contribution scheme in accordance with the Mandatory Provident Fund Scheme Ordinance. Under the rules of MPF Scheme, the employer and its employees are required to contribute 5% of the employees' salaries, up to a maximum of HK\$1,500 per employee per month. The assets of MPF Scheme are held separately from those of the Group in an independently administered fund.

2.21 僱員福利

(a) 僱員應享假期

僱員應享之年假及長期服務休假在僱員應享時確認。本集團為截至結算日止僱員已提供之服務而產生之長期服務休假之估計負債計提撥備。

(b) 應享花紅

當本集團因僱員提供服務而產生現有法律或推定責任，而有關責任能可靠地估計，本集團會將支付花紅之預期成本確認為負債。

花紅負債預期於12個月內清償，並按清償時預期支付之數額計量。

(c) 退休金責任

位於中國之集團公司為其中國僱員參與有關政府機關營辦之定額供款退休福利計劃，並依照僱員薪金之若干百分比按月向該等計劃供款不超過有關政府機關規定之最高固定貨幣金額。根據該等計劃，該等政府機關承擔應付所有現有及未來退休僱員之退休福利責任。

位於香港之集團公司為其香港僱員參與強制性公積金(「強積金計劃」)。按照強制性公積金計劃條例，強積金計劃為定額供款計劃。根據強積金計劃規則，僱主及其僱員須按僱員薪金之5%供款，最高為每月每名僱員1,500港元。強積金計劃之資產與本集團之資產分開，由獨立管理之基金持有。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.21 Employee benefits (Continued)

(d) Share-based compensation

The Group operates a number of equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.22 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.21 僱員福利(續)

(d) 股份補償

本集團設有多個按股權結算之股份補償計劃。以僱員服務換取授出購股權之公平值乃確認為開支。於歸屬期內支銷之總額乃參照已授出購股權之公平值釐定，惟不包括任何非市場歸屬條件之影響(例如盈利能力及銷售增長目標)。於假設預期將歸屬之購股權數目時亦會考慮非市場歸屬條件。於各結算日，實體會修改其估計預期將歸屬之購股權數目，並於綜合收益表確認修改原來估計(如有)之影響，以及須對權益作出之相應調整。

當購股權獲行使，已收所得款項(扣除任何直接應佔交易成本)會計入股本(面值)及股份溢價。

2.22 撥備

當本集團因過往事件而產生現有法律或推定責任，並可能須動用資源以履行有關責任，且有關金額已可靠地估計，即確認撥備。重組撥備包括終止租賃罰款及解僱賠償。本集團不會確認未來經營虧損撥備。

倘出現多項類似責任，則本集團會透過考慮整體責任所屬類別釐定清償責任會否導致資源流出。即使同一類別責任中任何一項可能流出資源之機會不大，仍會確認撥備。

本集團按履行責任預計所須產生之開支現值，利用反映當前市場對貨幣時間價值及該責任特有風險之稅前貼現率計量。時間流逝導致撥備增加乃確認為利息開支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.23 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, rebates, returns and discounts and after eliminated sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods — retail

The Group operates a chain of retail outlets for selling footwear. Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card.

(b) Sales of goods — wholesale

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

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.23 收益確認

收益包括於本集團日常業務過程中就銷售貨品及服務已收或應收代價之公平值。收益於扣除增值稅、回扣、退款及折扣並抵銷本集團內部銷售後入賬。

當收益金額能可靠地計量，可能未來有經濟利益將會流入實體及下述本集團各項業務已符合特定標準，本集團會確認收益。於有關銷售之所有或然事項已解決前，本集團不會視收益金額為能可靠地計量。本集團根據歷史業績進行估計，當中會考慮客戶類型、交易類型及每項安排之特性。

(a) 銷售貨品 — 零售

本集團為銷售鞋類經營零售連鎖店。當集團實體銷售產品予客戶時確認銷售貨品。零售銷售一般以現金或信用卡結算。

(b) 銷售貨品 — 批發

本集團於批發市場上銷售多種鞋類產品。當集團實體交付產品予批發商，而批發商對出售產品之渠道及價格有充分酌情權，且並無未履行之責任可影響批發商接納該等產品，本集團會確認銷售貨品。於產品付運至指定地點、陳舊過時及損失風險已轉移予批發商及批發商已按照銷售合約接納產品、接納條文已失效或有客觀憑證顯示接納之所有標準均已達致前，本集團不會確認交付。

(c) 利息收入

利息收入利用實際利息法按時間比例基準確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.23 Revenue recognition (Continued)

(d) Licence fee and royalty

Licence fee and royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

(e) Rental income

Operating lease rental income is recognised on a straight-line basis over the lease period.

2.24 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2.25 Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentive received from the lessor and exclusive of any turnover rental payments which are calculated by reference to a pre-determined percentage of a tenant's monthly sales) are expensed in the income statement on a straight-line basis over the period of the lease. Turnover rental payments are recognised on an accrual basis.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.23 收益確認(續)

(d) 特許使用費及專利費

特許使用費及專利費收入按照有關協議之內容按應計基準確認。

(e) 租金收入

經營租賃租金收入於租期內以直線法確認。

2.24 政府補助

倘能夠合理保證將可收取政府補助及本集團將遵守所有附帶條件，則會按公平值確認補助。

2.25 租賃

出租人保留擁有權之絕大部份風險及回報之租賃分類為經營租賃。根據經營租賃支付之款項(扣除收取任何由出租人提供之優惠後，亦不包括任何參考承租人每月銷售額之某一預定百分比按營業額計算之租金)於租期內以直線法在收益表支銷。按營業額計算之租金按應計基準確認。

本集團出租若干物業、廠房及設備。如本集團擁有物業、廠房及設備擁有權之絕大部份風險及回報，則該等租賃會分類為融資租賃。融資租賃在租賃開始時按租賃物業之公平值與最低租賃付款現值兩者之較低者撥充資本。

每筆租賃付款均分攤為負債及財務支出，以達到佔融資結欠額之一個固定比率。相應租賃責任在扣除財務支出後計入其他短期及其他長期應付款項。財務費用之利息部份於租期內在綜合收益表扣除，以達到利息佔各期間負債餘額之一個固定比率。根據融資租賃購入之物業、廠房及設備按資產之可使用年期或租期之較短者折舊。

3 FINANCIAL RISK MANAGEMENT 財務風險管理

3.1 Financial risk factors

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

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

(a) Foreign currency risk

The Group operates principally in Hong Kong and the PRC. Transactions are mainly conducted in the functional currency of each group entity and therefore the foreign currency risk is considered to be minimal.

The conversion of Renminbi into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing asset. The Group's interest rate risk arises from borrowings. Borrowings at variable rates expose the Group to cash flow interest-rate risk. Borrowings at fixed rates expose the Group to fair value interest-rate risk.

At 31 March 2017, one of the Group's borrowings denominated in New Taiwan dollar was carried at fixed rate but exposed the Group to a minimal fair value interest rate risk. Borrowings denominated in HK dollar were carried at variable rate. As at 31 March 2017, if interest rate of borrowings denominated in HK dollar had increased/decreased by 50 basis points (2016: 50 basis points) with all other variables constant, the Group's loss after tax and accumulated losses would have been approximately HK\$28,000 (2016: HK\$167,000) higher/lower.

3.1 財務風險因素

本集團業務面對多種財務風險：市場風險(包括外匯風險及利率風險)、信貸風險、價格風險及流動資金風險。本集團之整體風險管理程序專注於金融市場之不可預測性，並尋求將對本集團財務表現之潛在不利影響降至最低。

管理層定期管理本集團之財務風險。由於本集團財務架構及現時營運簡單，故管理層並未進行任何重大對沖活動。

(a) 外幣風險

本集團主要於香港及中國營運。交易主要以各集團實體之功能貨幣進行，因此外幣風險極低。

將人民幣兌換成外幣須遵守中國政府所頒布之外匯管制規則及法規。

(b) 利率風險

由於本集團並無重大計息資產，故本集團之收入及經營現金流量大致上不受市場利率變動所影響。本集團之利率風險主要源自借貸。按可變利率計息之借貸令本集團面對現金流量利率風險。按固定利率計息之借貸令本集團面對公平值利率風險。

於2017年3月31日，本集團其中一項以新台幣計值之借貸以固定利率計息，惟使本集團面對之公平值利率風險極低。以港元計值之借貸以浮動利率計息。於2017年3月31日，倘以港元計值之借貸利率上升/下降50個基點(2016年：50個基點)，而所有其他變數維持不變，則本集團之除稅後虧損及累計虧損將增加/減少約28,000港元(2016年：167,000港元)。

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(c) Credit risk

The Group's credit risk arises from cash and cash equivalents, as well as credit exposures to trade and other receivables. Management has policies in place to monitor the exposures to these credit risks on an on-going basis. Deposits are placed with major and sizeable banks with high credit ratings and management expects no losses from non-performing banks.

Sales to retail customers are made in cash or via major credit cards. The Group's concessionaire sales through department stores are generally collectible within 60 days from the invoice date. Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past.

The Group has put in place policies to ensure that wholesale sales of products are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

The Group also makes deposits (current and non-current) for rental of certain of its retail sales point with the relevant landlords. Management does not expect any loss arising from non-performance by these counterparties.

The maximum exposure to credit risk at the reporting dates is the fair value of each class of cash and cash equivalents, trade and other receivables.

3.1 財務風險因素(續)

(c) 信貸風險

本集團之信貸風險來自現金及現金等值項目，以及應收貿易款項及其他應收款項所面對之信貸風險。管理層設有政策持續監察該等信貸風險。存款存放於具規模及高信貸評級之主要銀行，而管理層預期不會自不良銀行產生損失。

對零售客戶之銷售以現金方式或透過主要信用卡結算。本集團透過百貨公司進行之特許經營銷售一般可於由發票日期起計60日內收回。一般而言，本集團並無就貿易應收款項收取抵押品。現有債務人於過往並無重大欠款。

本集團設有政策確保向具有適當信貸紀錄之客戶進行產品批發銷售，並會對客戶進行定期信貸評估。

本集團亦向有關業主支付其若干零售點之租金按金(流動及非流動)。管理層預期不會因該等交易對手不履約而招致任何損失。

於報告日期面對之最大信貸風險乃各類現金及現金等值項目以及應收貿易款項及其他應收款項之公平值。

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(d) Liquidity risk

During the year ended 31 March 2017, the Group reported a net loss of HK\$210,196,000 (2016: HK\$156,894,000) and had a net cash outflow from operating activities of HK\$129,865,000 (2016: HK\$81,880,000). As at 31 March 2017, the Group's cash and cash equivalents amounted to HK\$32,839,000. On 17 June 2017, the Group entered into a preliminary sales and purchase agreement with China Investment S.p.A. (the "Milan Properties Vendor"), a company with 70% interest owned by Ms CAI Jiaying, an executive director of the Company, to acquire certain properties in Milan at a total cash consideration of Euro34,000,000 (equivalent to approximately HK\$297,160,000) (the "Milan Properties"). The construction of the Milan Properties commenced in June 2017 and the construction is expected to be completed in June 2019. The first refundable advance payment of Euro10,200,000 (equivalent to approximately HK\$89,148,000) was paid by the Group in June 2017 and the remaining consideration will be payable by stages according to the progress of construction of the properties.

In view of these advance factors, a series of remedial measures to mitigate the liquidity pressure have been taken to improve its financial and liquidity position of the Group as a whole.

- a. As at 31 March 2017, the Group had unutilised overdraft facilities of approximately HK\$5,000,000. The Group has communicated continuously with the principal banks on the Group's performance to ensure the existing banking facilities, which are fully secured by the Group's properties, to be continuously available to the Group. The directors of the Company are of the opinion that such banking facilities will be renewed upon expiry in November 2017 and continue to be available to the Group for the next twelve months from 31 March 2017.

3.1 財務風險因素(續)

(d) 流動資金風險

截至2017年3月31日止年度，本集團錄得虧損淨額210,196,000港元(2016年：156,894,000港元)，而經營活動產生之現金流出淨額為129,865,000港元(2016年：81,880,000港元)。於2017年3月31日，本集團之現金及現金等值項目為32,839,000港元。於2017年6月17日，本集團與本公司執行董事蔡佳櫻女士擁有70%權益之公司China Investment S.p.A. (「米蘭物業賣方」)訂立初步買賣協議，以收購位於米蘭之若干物業，總現金代價為34,000,000歐元(相等於約297,160,000港元)(「米蘭物業」)。米蘭物業之建設於2017年6月展開，預期於2019年6月完成。首期可退還預付款項為10,200,000歐元(相等於約89,148,000港元)已由本集團於2017年6月支付，餘下代價將根據物業建設進度分階段支付。

鑑於上述因素，已採取一系列之補救措施以減輕流動資金壓力，提升本集團整體之財務及流動資金狀況。

- a. 於2017年3月31日，本集團之未動用透支融資約5,000,000港元。本集團已持續與主要銀行就本集團之業績進行溝通，確保現有銀行融資(由本集團物業悉數擔保)將可持續提供予本集團。本公司董事認為，該等銀行融資將於2017年11月屆滿時重續，並將於2017年3月31日起計未來十二個月內持續提供予本集團。

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

- b. On 5 May 2017, the Group issued a two-year bond with principal amount of HK\$350,000,000 at interest rate of 12% per annum for the first year and 13% per annum for the second year. The bond is guaranteed by Mr ZHU Xiaojun, Chairman of the Group and is pledged by the shares of the Milan Properties Vendor. The proceeds from the issuance of the bond were received by the Group in May 2017.
- c. On 27 June 2017, an independent third party has granted a stand-by revolving loan facilities of up to RMB100,000,000 to the Group, which is available to drawn down on or before 27 June 2018. The loan facility is guaranteed by Mr ZHU Xiaojun, the Chairman of the Group and bears interest at 18% per annum. The directors of the Company believe that this loan facility is available for draw down as additional working capital of the Group, as and when needed. The directors of the Company are of the opinion that this facility will be renewed upon expiry on 27 June 2018.
- d. The Group is implementing various measures, such as optimizing its overall sales network by relocating certain of its outlets, and further developing e-Commerce business to improve its profit margin and operating cashflows of its footwear retailing business.
- e. In relation to the purchase of the Milan Properties, the directors of the Company have considered a construction plan provided by the Milan Properties Vendor and considered that other than the refundable advance payment of HK\$89,148,000, there is no further payment due and payable within the next twelve months from 31 March 2017. The Group will negotiate with the Milan Property Vendor to defer the payment should any such amount became fall due within the next twelve months from 31 March 2017.

3.1 財務風險因素(續)

(d) 流動資金風險(續)

- b. 於2017年5月5日，本集團發行本金額為350,000,000港元之兩年期債券，年利率於第一年及第二年分別為12厘及13厘。該債券由本集團主席朱曉軍先生擔保，並由米蘭物業賣方股份作質押。本集團已於2017年5月收到發行債券之所得款項。
- c. 於2017年6月27日，獨立第三方向本集團授予最多為人民幣100,000,000元之備用循環貸款融資，其可在2018年6月27日或之前提取。貸款融資由本集團主席朱曉軍先生擔保，年利率為18%。本公司董事認為，此貸款融資在需要時可作為本集團可供提取之額外營運資金。本公司董事認為，該融資將於2018年6月27日屆滿時重續。
- d. 本集團正在實施各種措施，如通過搬遷若干零售點以改善整體銷售網絡，並進一步發展電子商務業務，提高鞋類零售業務之利潤率及經營現金流。
- e. 就收購米蘭物業而言，本公司董事已考慮由米蘭物業賣方提供之建設計劃，並認為除可退還預付款項89,148,000港元以外，於2017年3月31日起計未來十二個月概無進一步到期及應付款項。如有任何該等款項於2017年3月31日起計未來十二個月到期，本集團將與米蘭物業賣方協商以延遲付款。

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

- f. In respect of the Group's money lending business which commenced subsequent to 31 March 2017, the Group has granted 1-year unsecured term loans to several third parties totalling HK\$74,000,000 up to the date of approval of the consolidated financial statements. The Group is closely monitoring the collection of these loans and the directors of the Group are confident that these loans will be successfully collected upon maturity according to the terms of the relevant loan agreements. The Group will consider the liquidity position of the Group, the credit profile of the borrowers, the availability of securities and the loan terms carefully before granting any further loans.
- g. The Group will also continue to seek for other alternative financing and bank borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures.

3.1 財務風險因素(續)

(d) 流動資金風險(續)

- f. 就本集團於2017年3月31日展開之放債業務而言，本集團於直至綜合財務報表之批准日期前已向若干第三方授予1年期無抵押貸款，總額為74,000,000港元。本集團正密切監察該等貸款之收回情況，本公司董事有信心，該等貸款於到期時將根據相關貸款協議之條款收回。本集團在授出任何進一步貸款前，將考慮本集團之流動資金狀況、借款人的信用狀況、證券之可用程度及貸款年期。
- g. 本集團亦會繼續尋求其他融資方法及銀行借款，以撥支償付現有財務責任及未來經營以及資本支出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The accounts disclosed in the table are the contractual undiscounted cash flows based on the earliest date on which the Group can be required to pay.

3.1 財務風險因素(續)

(d) 流動資金風險(續)

下表依照於結算日至合約到期日餘下期間之有關到期組別分析本集團之金融負債。表中所披露之金額為依照本集團可被要求付款之最早日期計算之合約未貼現現金流量。

		Within 1 year 1年內 HK\$'000 千港元	Between 1 to 5 years 1年至5年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2017:	於2017年3月31日：			
Borrowings	借貸	72,302	—	72,302
Trade payables	應付貿易款項	79,576	—	79,576
Other payables, accruals and other liabilities	其他應付款項、應計 費用及其他負債	73,525	251	73,776
Convertible bonds	可換股債券	17,550	229,903	247,453
		242,953	230,154	473,107
As at 31 March 2016:	於2016年3月31日：			
Borrowings	借貸	44,948	—	44,948
Trade payables	應付貿易款項	104,026	—	104,026
Other payables, accruals and other liabilities	其他應付款項、應計 費用及其他負債	41,246	10	41,256
		190,220	10	190,230

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's capital structure is being reviewed annually to ensure these objectives are to be achieved.

During the Year, the Group's strategy was to maintain a gearing ratio within 40%. The gearing ratios at 31 March 2017 and 2016 were as follows:

		2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元
Borrowings (Note 27)	借貸(附註27)	72,240	44,920
Convertible bonds	可換股債券	151,749	—
Obligation under finance lease (Note 25)	融資租賃承擔 (附註25)	330	115
Total debts	債項總額	224,319	45,035
Total assets	資產總值	631,341	422,118
Gearing ratio	資產負債比率	35.5%	10.7%

Note: The calculation of gearing ratio is based on the total debts divided by total assets as at 31 March.

3.2 資本風險管理

本集團管理其資本之目標為確保本集團能夠持續經營，以為股東提供回報及為其他持份者提供利益，同時保持最佳之資本結構以降低資本成本。

為保持或調整資本結構，本集團或會調整派付予股東之股息金額、退回資本予股東、發行新股或出售資產以減低債務。

本集團會每年檢討資本結構，以確保達到該等目標。

於本年度，本集團之策略為將資產負債比率維持於40%內。於2017年及2016年3月31日之資產負債比率如下：

附註：資產負債比率乃按3月31日之債項總額除以資產總值計算。

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 March 2017 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Please refer to Note 14 and Note 22 for details of the land and building and assets held for sales measured at fair value respectively.

The following table presents the Group's financial liabilities that are measured at fair value.

		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Liabilities	負債				
Convertible bonds (CB-II)	可換股債券 (可換股債券II)				
— financial liabilities at fair value through profit or loss	— 按公平值計入損益之金融負債	—	—	127,590	127,590
Total financial assets measured at fair value	按公平值計量之金融資產總額	—	—	127,590	127,590

The valuation techniques used for the valuation of fair value of convertible bonds is disclosed in Note 28. The movement of the convertible bonds recognised as financial liabilities at fair value through profit or loss during the Year is disclosed in Note 28.

3.3 公平值估計

下表載列按計量公平值所用估值技術輸入數據等級分析本集團於2017年3月31日按公平值列賬之金融工具。有關輸入數據按以下三個公平值等級分類：

- 相同資產或負債在活躍市場之報價(未經調整)(第1級)。
- 第1級所包括報價以外之輸入數據，有關輸入數據為資產或負債可從觀察中直接(即價格)或間接(即源自價格)得出(第2級)。
- 並非以可觀察市場數據為根據之資產或負債輸入數據(即不可觀察輸入數據)(第3級)。

有關分別按公平值計量之土地與樓宇及持有作出售之資產之詳情，請參閱附註14及附註22。

下表呈列本集團按公平值計量之金融負債。

用於估量可換股債券公平值之估值技術披露於附註28。於年內已按公平值於綜合收益表中確認為金融負債之可換股債券之變動披露於附註28。

3 FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.3 Fair value estimation (Continued)

There is no financial assets and liabilities that are measured at fair value at 31 March 2016.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying values less impairment provision of trade and other receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. There were no transfers between level 1, 2 and 3 during the year.

3.3 公平值估計(續)

於2016年3月31日，並無按公平值計量之金融資產及負債。

於活躍市場交易之金融工具之公平值乃按於報告日期之市場報價計算得出。活躍市場乃指可輕易地及定期從交易所、經銷商、經紀人、行業集團、報價服務或規管機構取得報價之市場，而有關報價乃在經常進行之真實公平交易之基礎上呈列。該等工具乃列入第1級。

並非於活躍市場交易之金融工具之公平值乃以估值方法釐定。該等估值方法充分利用可獲得之可觀察市場數據，從而盡量減少依賴實體之特定估計數據。倘按公平值計量之工具之所有重大數據均可從觀察所得，則該工具乃列入第2級。

倘一項或多項重大輸入數據並非根據可觀察市場數據，則該工具列入第3級。

應收貿易款項及其他應收款項以及應付款項之賬面值減減值撥備，為其公平值之合理近似值。就披露而言，金融負債之公平值之估計按未來合約現金流量以本集團類似金融工具可得之現有市場利率貼現計算。於本年度，第1級、第2級及第3級間概無轉撥。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS 重大會計估計及判斷

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual residual value and useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of any future management determination of shop relocation or renovation. Management will increase the depreciation charge where residual value or useful lives are less than previously estimated, or it will write-off or write-down non-strategic assets that have been abandoned or sold.

(b) Estimated write-downs of inventories to net realisable value

The Group writes down inventories to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of inventories and write-downs of inventories in the years in which such estimates have been changed.

估計及判斷會不斷評估，並按過往經驗及其他因素(包括於有關情況下相信為合理之未來事件之預測)而作出。

本集團對未來作出估計及假設。顧名思義，由此產生之會計估計，極少與有關實際結果相同。存在重大風險導致須對下個財政年度之資產及負債之賬面金額作出重大調整之估計及假設論述如下。

(a) 物業、廠房及設備之可使用年期

本集團管理層釐定本集團之物業、廠房及設備之估計可使用年期及有關折舊費用。此估計乃根據性質及功能相若之物業、廠房及設備之實際剩餘價值及可使用年期之過往經驗計算。管理層有關店舖搬遷或翻新之任何未來決定，均可能對估計造成重大變動。倘剩餘價值或可使用年期低於先前之估計，管理層將增加折舊費用，或將撇銷或撇減已棄置或出售之非策略性資產。

(b) 估計撇減存貨至可變現淨值

本集團根據存貨之可變現性之評估將存貨撇減至可變現淨值。當出現事件或情況有變，顯示結餘可能無法變現時，對存貨作撇減記賬。撇減之識別須運用判斷及估計。當預期不同於原先估計時，該等差額將影響存貨之賬面值及存貨於該等估計變動之年度內之撇減。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

重大會計估計及判斷(續)

(c) Income taxes

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

(d) Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or market valuations. The calculations require the use of judgements and estimates.

(e) Impairment of receivables

The policy of impairment assessment for receivables of the Group is based on the current market condition and the credit history of its customers and department stores. Management reassesses the provision at each date of statement of financial position.

(c) 所得稅

本集團須繳納香港及中國所得稅。在釐定所得稅撥備時須作出重大判斷。於日常業務過程中，不少交易及計算之最終稅項不能明確釐定。本集團根據對是否將有額外稅項到期支付之估計對預期稅項審核事宜確認負債。當該等事項之最終稅項結果不同於最初入賬之金額時，該等差額將影響作出稅項釐定期間之所得稅及遞延稅項撥備。

(d) 物業、廠房及設備及無形資產之減值

物業、廠房及設備及無形資產在出現事件或情況有變，顯示可能無法收回賬面金額時進行減值檢討。可收回金額乃根據使用價值計算或市場估值釐定。該等計算須運用判斷及估計。

(e) 應收款項之減值

本集團應收貿易款項之減值評估政策乃根據現行市況及其客戶及百貨公司之信貸歷史而定。管理層於各財務狀況表日期重新評估撥備。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

重大會計估計及判斷(續)

(f) Fair values of investment properties and land and buildings

The Group carries its investment properties and leasehold land and building at fair value with changes in the fair values recognised in income statement. The Group obtains independent valuations at least annually. At the end of each reporting period, the management update their assessment of the fair value of each property, taking into account the most recent independent valuations.

(g) Fair values of available-for-sales financial assets and convertible bonds

The fair values of financial assets that are traded in an active market are determined by the quoted market prices. For fair values of financial assets not traded in an active market, the methodologies, models, assumptions used in determining the fair value of financial assets not traded in an active market and derivative financial instruments require judgement, which are mainly based on market conditions existing at each reporting date.

The fair value of financial instruments and other financial liabilities (including embedded derivative components of convertible bonds) that are not traded in an active market is determined by using appropriate valuation techniques and making assumptions that are based on market conditions existing at each reporting date. The fair values of the embedded derivative components of convertible bonds are determined using the Binomial Option Pricing Model adjusted for specific terms and conditions of the respective instruments. Major inputs into the model include quoted market prices, risk free rates, expected volatility, dividend yields and the option's life.

(f) 投資物業及土地及樓宇之公平值

本集團按公平值將投資物業及租賃土地及樓宇列賬，而公平值變動於收益表確認。本集團最少每年取得獨立估值。於各報告期末，管理層在考慮最近期之獨立估值後更新彼等對各項物業之公平值評估。

(g) 可供出售金融資產及可換股債券之公平值

於活躍市場交易之金融資產之公平值乃按市場報價釐定。就並非於活躍市場交易之金融資產之公平值而言，用以釐定並非於活躍市場交易之金融資產之公平值之方法、模式、假設及衍生金融工具須作出判斷，其主要按各報告日期之現有市場條件釐定。

沒有在活躍市場買賣之金融工具及其他金融負債(包括可換股債券嵌入衍生工具)之公平值，乃按合適的估值方法和根據每個匯報日期的市況，作出不同的假設而釐定。可換股債券內嵌入式衍生工具之公平值乃使用二項期權定價模式釐定，以適應各自工具的特定條款及條件。該模式所輸入之主要數據包括所報市價、無風險利率、預期波動、股息回報率及期權期限。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

重大會計估計及判斷(續)

(h) Share-based compensation

The Group operates equity-settled, share-based compensation plans under which the Group receives services from employees as consideration for equity instruments of the Company. The plan comprises a share option scheme. The fair value of the employee services received in exchange for the grant of the options or shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options or shares granted as at the date of grant: (i) including any market performance conditions; (ii) excluding the impact of any service and non-market performance vesting conditions (for example, profitability and sales growth targets); and (iii) including the impact of any non-vesting conditions. Non-market vesting conditions are included in assumptions about the number of options or shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options or shares that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

(i) Fair value of identifiable assets and liabilities acquired through business combinations and fair value of consideration at the date of acquisition

The Group applies the acquisition method to account for business combinations, which requires the Group to record assets acquired and liabilities assumed at their fair values on the date of acquisition. Significant judgment and estimate are used to determine the completion date and fair value of the assets acquired and liabilities assumed. The valuation involves estimating future cash flows from the acquired business, determining appropriate discount rates, asset lives and other assumptions.

(h) 以股份為基礎之報酬計劃

本集團設有股本結算以股份為基礎之報酬計劃，據此，本集團獲取僱員提供之服務作為本公司之股本工具之代價。該計劃包括購股權計劃。就僱員所提供服務以換取授出購股權或股份之公平值確認為開支。將予支銷之總金額乃參考於授出日期所授出購股權或股份之公平值釐定：(i) 包括任何市場表現情況；(ii) 不包括任何服務及非市場表現歸屬條件之影響(例如：盈利能力及銷售增長目標)；及(iii) 包括任何非歸屬條件的影響。非市場歸屬條件乃納入預計將予歸屬之購股權或股份數目之假設中。總開支於歸屬期內確認，歸屬期為所有指定之歸屬條件須達成之期間。於各報告期末，本集團會根據非市場歸屬條件修改其預期將歸屬之估計購股權或股份數目。修改原來估計數字之影響(如有)將於收益表內確認，並於權益中作出相應調整。

(i) 於業務合併中所收購可識別資產及負債之公平值及於收購當日之或然代價公平值

本集團採用收購法作為業務合併之入賬方法，即該方法規定本集團按收購當日之公平值記錄收購之資產及承擔之負債。重大判斷及估計用作釐定完成日期及所收購資產及所承擔負債之公平值。有關估值涉及估計收購業務所產生之未來現金流量、釐定適當貼現率、資產年限及其他假設。

5 SEGMENT INFORMATION

分部資料

The Group is principally engaged in the retailing of footwear in Hong Kong, the PRC and Taiwan.

The chief operating decision-maker has been identified as the Executive Directors. The Executive Directors review the Group's financial information to assess the performance and allocate resources. Management has determined the operating segments based on these reports.

The Executive Directors assess the performance of the operating segments based on a measure of segment loss without allocation of administrative expenses, other gains, other income and finance income/(costs), which is consistent with that in the financial statements. In current year, the Executive Directors continue to identify the business segment based on geographic basis, as the acquisition of China Consume was completed in February 2017, its contribution to the Group is insignificant for the year ended 31 March 2017.

Segment assets exclude deferred income tax assets.

Segment liabilities exclude tax payable, deferred income tax liabilities, convertible bonds and obligation under finance lease.

In respect of geographical segment reporting, sales are based on the country in which the customer is located, and total assets and capital expenditure are based on the country where the assets are located.

本集團主要於香港、中國及台灣從事鞋類零售。

執行董事已獲確定為主要營運決策人。執行董事審閱本集團之財務資料以評估表現及分配資源。管理層根據該等報告釐定經營分部。

執行董事根據分部虧損(未分配任何行政費用、其他收益、其他收入及財務收入/(費用))之計量評估經營分部之表現，其與財務報表所載者一致。於本年度，執行董事繼續按地區基準識別業務分部，原因為中國消費之收購事項已於2017年2月完成，於截至2017年3月31日止年度對本集團之貢獻微不足道。

分部資產不包括遞延所得稅資產。

分部負債不包括應付稅項、遞延所得稅負債、可換股債券及融資租賃承擔。

就地區分部報告而言，銷售乃按客戶所在國家作出，而資產總值及資本開支乃按資產所在國家作出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

分部資料(續)

From next financial year, management tentatively plans to review the Group's financial performance base on its business nature.

自下個財政年度起，管理層暫擬按業務性質基準審閱本集團財務表現。

The segment results for the year ended 31 March 2017 are as follows:

截至2017年3月31日止年度之分部業績如下：

		For the year ended 31 March 2017 截至2017年3月31日止年度						
		Retailing of footwear 鞋類零售			e-Commerce and e-Payment			
		Hong Kong 香港	The PRC 中國	Taiwan 台灣	Subtotal 小計	電子商務及 電子支付	Unallocated 未分配	Total 總計
		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
Revenue from sales of footwear, fashion wears and accessories	來自鞋類、流行服裝及配飾銷售之收益	119,368	434,382	7,807	561,557	—	—	561,557
Segment loss	分部虧損	(37,208)	(51,354)	(407)	(88,969)	—	(132,164)	(221,133)
Finance income	財務收入							25,213
Finance costs	財務費用							(14,106)
Share of loss of an associate	應佔於聯營公司之虧損							(54)
Income tax expense	所得稅開支							(116)
Loss for the year	本年度虧損							(210,196)
Other segment items are as follows:	其他分部項目如下：							
Capital expenditure	資本開支	3,223	6,277	74	9,574	—	—	9,574
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	5,530	6,162	89	11,781	—	—	11,781
Amortisation of intangible assets	無形資產之攤銷	113	693	—	806	—	—	806
Impairment of property, plant and equipment	物業、廠房及設備之減值	871	234	—	1,105	—	—	1,105
Write back of inventories, net	存貨撥回，淨額	(1,381)	(5,267)	(21)	(6,669)	—	—	(6,669)

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

分部資料(續)

The segment results for the year ended 31 March 2016 are as follows:

截至2016年3月31日止年度之分部業績如下：

		(Restated) (經重列)						
		For the year ended 31 March 2016 截至2016年3月31日止年度						
		Retailing of footwear 鞋類零售			e-Commerce and e-Payment			
		Hong Kong 香港	The PRC 中國	Taiwan 台灣	Subtotal 小計	電子商務及 電子支付	Unallocated 未分配	Total 總計
		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
Revenue from sales of footwear, fashion wears and accessories	來自鞋類、流行服裝及配飾銷售之收益	182,972	646,486	11,200	840,658	—	—	840,658
Segment loss	分部虧損	(28,963)	(32,193)	(864)	(62,020)	—	(93,694)	(155,714)
Finance income	財務收入							224
Finance costs	財務費用							(748)
Income tax expense	所得稅開支							(656)
Loss for the year	本年度虧損							(156,894)
Other segment items are as follows:		其他分部項目如下：						
Capital expenditure	資本開支	2,303	9,934	196	12,433	—	—	12,433
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	5,208	10,002	183	15,393	—	—	15,393
Amortisation of intangible assets	無形資產之攤銷	229	944	—	1,173	—	—	1,173
Impairment of property, plant and equipment	物業、廠房及設備之減值	1,586	—	—	1,586	—	—	1,586
(Write-back of)/provision for inventories, net	存貨(撥回)/撥備淨額，淨額	(5,519)	5,043	(323)	(799)	—	—	(799)

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 SEGMENT INFORMATION (Continued)

分部資料(續)

The segment assets and liabilities at 31 March 2017 are as follows:

截至2017年3月31日止年度之分部業績如下：

		Retailing of footwear 鞋類零售			Subtotal 小計	e-Commerce and e-Payment	Total 總計
		Hong Kong 香港	The PRC 中國	Taiwan 台灣		電子商務及 電子支付	
		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	
Segment assets	分部資產	169,706	195,202	6,027	370,935	260,406	631,341
Total assets	資產總值						631,341
Segment liabilities	分部負債	126,854	90,207	7,091	224,152	1,072	225,224
Unallocated liabilities	未分配負債						189,791
Total liabilities	負債總額						415,015

The segment assets and liabilities at 31 March 2016 are as follows:

於2016年3月31日之分部資產及負債如下：

		Retailing of footwear 鞋類零售			Subtotal 小計	e-Commerce and e-Payment	Total 總計
		Hong Kong 香港	The PRC 中國	Taiwan 台灣		電子商務及 電子支付	
		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	
Segment assets	分部資產	105,615	311,242	5,261	422,118	—	422,118
Total assets	資產總值						422,118
Segment liabilities	分部負債	73,869	109,479	6,727	190,075	—	190,075
Unallocated liabilities	未分配負債						1,568
Total liabilities	負債總額						191,643

(Restated)
(經重列)

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 EXPENSES BY NATURE

按性質分類之開支

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Purchase of and changes in inventories	購入存貨及存貨變動	279,665	358,141
Auditor's remuneration	核數師酬金		
— Audit service	— 核數服務	2,550	1,500
— Non-audit service	— 非核數服務	91	662
Depreciation of property, plant and equipment	物業、廠房及設備之折舊		
— owned assets	— 擁有之資產	11,637	15,281
— leased assets	— 租賃之資產	144	112
Impairment of property, plant and equipment	物業、廠房及設備之減值	1,105	1,586
Provision for impairment of trade receivables	應收貿易款項之減值撥備	—	1,134
Amortisation of intangible assets	無形資產之攤銷	806	1,173
Written off of other receivables	其他應收款項之撇銷	—	769
Operating lease rental in respect of leasehold land and buildings	租賃土地及樓宇之經營租賃租金		
— minimum lease payments	— 最低租賃款項	29,747	31,206
— turnover rental expenses	— 按營業額計算之租金開支	170,436	269,952
Advertising and promotion expenses	廣告及宣傳開支	14,234	19,563
Write-back of inventories, net	存貨撥回，淨額	(6,669)	(799)
Employee benefit expenses	僱員福利開支	206,551	217,391
Other expenses	其他開支	76,740	82,584
Total cost of sales, selling and distribution costs and administrative expenses	銷售成本、銷售及分銷成本及行政費用總額	787,037	1,000,255

Expenses by nature of the Group has been presented in the consolidated income statement as follows:

於綜合收益表呈列之本集團按性質分類之開支如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cost of sales	銷售成本	272,996	357,342
Selling and distribution costs	銷售及分銷成本	377,530	545,336
Administrative expenses	行政費用	136,511	97,577
		787,037	1,000,255

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 OTHER LOSSES, NET 其他虧損，淨額

		2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元
Loss on disposal of available for sales financial assets	出售可供出售金融資產之虧損	(2)	—
Fair value gain on revaluation of assets held for sale	持有作出售資產之重估公平值收益	830	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(1,051)	(194)
Net foreign exchange losses	外匯虧損淨值	(177)	(200)
		(400)	(394)

8 OTHER INCOME 其他收入

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Licence fee and royalty income	特許使用費及專利費收入	426	811
Government subsidies	政府補助	1,879	718
Others	其他	2,442	2,748
		4,747	4,277

Government subsidies represent incentives received from the PRC tax authority for investment in Waigaoqiao Free Trade Zone in the PRC.

政府補助指就投資中國外高橋保稅區從中國稅務機關收到之獎勵。

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) 僱員福利開支(包括董事酬金)

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Salaries, wages and bonuses	薪金、工資及花紅	161,904	182,816
Pension costs — defined contribution plans	退休金成本 — 界定供款計劃	24,926	29,696
Welfare and other expenses	福利及其他開支	3,879	4,879
Share based compensation expenses	股份補償開支	9,034	—
Share options expenses	購股權開支	6,808	—
		206,551	217,391

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

僱員福利開支(包括董事酬金)(續)

(a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year include two directors (2016: three) whose emoluments are reflected in the analysis presented in Note 31. The emoluments payable to the remaining individuals are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	基本薪金、住房津貼、其他津貼及實物利益	6,894	2,017
Share option expense	購股權開支	604	—
Share based compensation expense	股份補償開支	9,034	—
Contributions to pension plans	退休金計劃供款	36	18
		16,568	2,035

The emoluments fell within the following bands:

酬金所屬組別如下：

		2017	2016
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,000,001 to HK\$2,000,000	1,000,001港元至 2,000,000港元	—	1
HK\$4,000,001 to HK\$5,000,000	4,000,001港元至 5,000,000港元	1	—
HK\$5,000,001 to HK\$6,000,000	5,000,001港元至 6,000,000港元	1	—
HK\$6,000,001 to HK\$7,000,000	6,000,001港元至 7,000,000港元	1	—
		3	2

Notes to the Consolidated Financial Statements

綜合財務報表附註

10 FINANCE INCOME/(COSTS), NET

財務收入／(費用)，淨額

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Finance income	財務收入		
— Fair value gain on convertible bonds	— 可換股債券之公平值收益	22,911	—
— Interest income from bank deposits	— 銀行存款之利息收入	63	224
— Interest income — others	— 利息收入 — 其他	2,239	—
		25,213	224
Finance costs	財務費用		
— Amortisation of unrealised fair value of convertible bonds	— 可換股債券未變現公平值之攤銷	(9,390)	—
— Interest on convertible bonds	— 可換股債券之利息	(3,041)	—
— Interest on bank borrowings	— 銀行借貸之利息	(1,444)	(736)
— Interest expense — others	— 利息開支 — 其他	(216)	—
— Interest on obligation under finance lease	— 融資租賃承擔之利息	(15)	(12)
		(14,106)	(748)
Finance income/(costs), net	財務收入／(費用)，淨額	11,107	(524)

11 INCOME TAX EXPENSE

所得稅開支

The amount of income tax expense charged to the consolidated income statement represents:

於綜合收益表扣除之所得稅開支金額為：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Current income tax	即期所得稅		
— Hong Kong profits tax	— 香港利得稅	—	—
— PRC corporate income tax	— 中國企業所得稅	—	157
— (Over)/under-provision in respect of prior year	— 過往年度(超額撥備)／撥備不足	(119)	185
		(119)	342
Deferred income tax	遞延所得稅	235	314
		116	656

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 INCOME TAX EXPENSE (Continued)

所得稅開支(續)

Taxation has been provided at the appropriate rates prevailing in the countries in which the Group operates. Hong Kong profits tax has not been provided for as the Group has no assessable profit for the years ended 31 March 2017 and 2016.

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

稅項乃按本集團經營所在國家之現行適當稅率計算。由於本集團於截至2017年及2016年3月31日止年度並無應課稅溢利，故並無就香港利得稅計提撥備。

本集團未計所得稅前虧損之稅項與使用適用於綜合實體溢利之加權平均稅率計算之理論金額之差額如下：

		(Restated) (經重列)	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Loss before income tax	未計所得稅前虧損	(210,080)	(156,238)
Tax calculated at domestic tax rates applicable to profits in the respective countries	按各個國家適用於溢利之當地稅率計算之稅項	(44,160)	(37,476)
Income not subject to tax	毋須課稅之收入	(4,570)	(672)
Expenses not deductible for tax purposes	不可作稅項抵扣之開支	4,529	315
Deductible temporary differences not recognised	未確認可抵扣暫時差額	1,048	1,015
Tax losses not recognised	並無確認之稅項虧損	43,388	37,068
Reversal of deferred tax assets recognised in prior year	過往年度確認之遞延稅項資產撥回	—	5,925
(Over)/under-provision in respect of prior year	過往年度(超額撥備)/撥備不足	(119)	185
Reversal of withholding tax on unremitted earnings	撥回未匯款盈利之預扣稅	—	(5,704)
Tax charge	稅項支出	116	656

The weighted average applicable tax rate was 21% (2016: 24%) for the year. The decrease is caused by a change in the distribution of profitability of the Group's subsidiaries in the respective countries.

There is no tax charge relating to components of other comprehensive income for the year (2016: Nil).

本年度之加權平均適用稅率為21%(2016年：24%)。該減少乃由於本集團附屬公司於各個國家之盈利能力分佈有變所致。

本年度並無有關其他全面收益組成部份之稅項支出(2016年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 LOSS PER SHARE 每股虧損

(a) Basic

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

(a) 基本

每股基本虧損乃按照本年度本公司權益持有人應佔虧損除以年內已發行普通股之加權平均數目計算。

		2017	(Restated) (經重列) 2016
Loss attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔之虧損(千港元)	(209,501)	(155,892)
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數目(千股)	655,560	630,076
Loss per share attributable to equity holders of the Company (HK cents per share)	本公司權益持有人應佔之每股虧損(每股港仙)	(31.96)	(24.74)

(b) Diluted

Diluted loss per share is the same as basic loss per share for the year ended 31 March 2017 and 2016 as there were no dilutive potential ordinary share outstanding during the year.

(b) 攤薄

由於截至2017年及2016年3月31日止年度並無發行在外攤薄潛在普通股，故兩個年度之每股攤薄虧損與每股基本虧損相同。

13 DIVIDEND 股息

The Board has recommended not to declare dividend for the year ended 31 March 2017 (2016: Nil).

董事會建議不宣派截至2017年3月31日止年度之股息(2016年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2015	於2015年4月1日						
Cost	成本	29,782	68,442	5,642	17,092	17,543	138,501
Accumulated depreciation and impairment	累計折舊及減值	(10,751)	(56,887)	(5,324)	(16,138)	(14,459)	(103,559)
Net book amount	賬面淨額	19,031	11,555	318	954	3,084	34,942
Year ended 31 March 2016	截至2016年3月31日止年度						
Opening net book amount	年初賬面淨額	19,031	11,555	318	954	3,084	34,942
Exchange differences	匯兌差額	—	(224)	(2)	(12)	(94)	(332)
Additions	添置	—	11,431	—	356	90	11,877
Disposals	出售	—	(206)	(4)	(19)	(27)	(256)
Depreciation	折舊	(597)	(13,009)	(112)	(422)	(1,253)	(15,393)
Impairment	減值	—	(1,586)	—	—	—	(1,586)
Closing net book amount	年終賬面淨額	18,434	7,961	200	857	1,800	29,252
At 31 March 2016	於2016年3月31日						
Cost	成本	29,782	64,974	5,541	16,122	17,222	133,641
Accumulated depreciation and impairment	累計折舊及減值	(11,348)	(57,013)	(5,341)	(15,265)	(15,422)	(104,389)
Net book amount	賬面淨額	18,434	7,961	200	857	1,800	29,252
At 31 March 2017	截至2017年3月31日止年度						
Opening net book amount	年初賬面淨額	18,434	7,961	200	857	1,800	29,252
Exchange differences	匯兌差額	—	(280)	(2)	(25)	(79)	(386)
Additions	添置	—	7,430	641	1,299	187	9,557
Acquisition of subsidiaries (Note 32)	收購附屬公司(附註32)	—	724	—	5	45	774
Disposals	出售	—	(1,510)	—	(2)	(2)	(1,514)
Depreciation	折舊	(3,171)	(7,069)	(152)	(528)	(861)	(11,781)
Impairment	減值	—	(1,105)	—	—	—	(1,105)
Revaluation surplus	重估盈餘	88,737	—	—	—	—	88,737
Closing net book amount	年終賬面淨額	104,000	6,151	687	1,606	1,090	113,534
At 31 March 2017	於2017年3月31日						
Cost or valuation	成本或估值	104,000	52,424	4,014	17,123	17,013	194,574
Accumulated depreciation and impairment	累計折舊及減值	—	(46,273)	(3,327)	(15,517)	(15,923)	(81,040)
Net book amount	賬面淨額	104,000	6,151	687	1,606	1,090	113,534
Analysis of cost or valuation	成本或估值分析						
At cost	按成本	—	6,151	687	1,606	1,090	9,534
At 2017 valuation	按2017年估值	104,000	—	—	—	—	104,000
		104,000	6,151	687	1,606	1,090	113,534

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

物業、廠房及設備(續)

Impairment loss arises from the recoverable amount of the leasehold improvement is lower than the carrying amount. The recoverable amount has been determined based on value-in-use calculation, which involves estimating the future cash inflows and outflows to be derived from continuing use of the asset and applying the appropriate discount rate of those future cash flows.

Bank borrowing are secured on land and building for the value of HK\$104,000,000 (2016: HK\$18,434,000) (note 27).

The Group's land and buildings were revalued individually on 31 March 2017 by DTZ Debenham Tie Leung Limited, an independent professional qualified valuer, at an aggregate open market value of HK\$104,000,000. A revaluation surplus totalling HK\$88,737,000, resulting from the above valuations, has been credited to revaluation reserve. If the land and building not stated at fair value, the amounts would be as follows:

因租賃物業裝修可收回金額低於賬面金額而產生減值虧損。可收回金額乃根據使用價值計算方式釐定，當中涉及估計持續使用資產所產生之未來現金流入及流出以及應用該等未來現金流量之適當貼現率。

銀行借貸以價值104,000,000港元(2016年：18,434,000港元)之土地及樓宇作擔保(附註27)。

本集團之土地及樓宇於2017年3月31日由獨立專業合資格估值師戴德梁行有限公司單獨重估，公開總市值為104,000,000港元。由上述估值而導致之重估盈餘合共88,737,000港元，已計入重估儲備。倘有關土地及樓宇並非以公平值列賬，有關金額將為如下：

		2017 HK\$'000 千港元
Land and buildings	土地及樓宇	
Cost	成本	29,782
Accumulated depreciation	累計折舊	(11,945)
Net book value	賬面淨額	17,837

(a) Depreciation of the Group's property, plant and equipment has been charged to the consolidated income statement as follows:

(a) 已於綜合收益表中扣除之本集團物業、廠房及設備折舊如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Selling and distribution costs	銷售及分銷成本	7,544	13,282
Administrative expenses	行政費用	4,237	2,111
		11,781	15,393

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

物業、廠房及設備(續)

(b) Property, plant and equipment held under finance lease

Motor vehicles include the following amounts of which the Group is a lessee under a finance lease:

(b) 根據融資租賃持有之物業、廠房及設備

汽車包括以下本集團根據融資租賃為承租人之金額：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cost — capitalised finance lease	成本 — 已資本化之融資租賃	942	451
Accumulated depreciation	累計折舊	(435)	(291)
		507	160

The Group leased a motor vehicle under non-cancellable finance lease agreement. The lease term is 4 years and ownership of the asset lies with the Group.

本集團根據不可撤銷融資租賃協議租賃汽車。租期為4年，而資產所有權歸本集團所有。

(c) Fair value hierarchy

(c) 公平值等級

Fair value measurements at 31 March 2017

於2017年3月31日之公平值計量

Description	Quoted prices in active markets for identical assets (Level 1) 相同資產在活躍市場之報價 (第1級)	Significant other observable inputs (Level 2) 其他重大可觀察輸入數據 (第2級)	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第3級)
Recurring fair value measurements	經常性公平值計量		
Land and building under property, plant and equipment — Hong kong	物業、廠房及設備項下之土地及樓宇 — 香港	—	104,000

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

物業、廠房及設備(續)

(c) Fair value hierarchy (Continued)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between Levels 1, 2 and 3 during the year.

Valuation process of the Group

The fair value of land & buildings at 31 March 2017 were determined on the basis of a valuation by a qualified valuer in accordance with the "HKIS Valuation Standards on Properties (2012 Edition)" published by the Hong Kong Institute of Surveyors, RICS Valuation – Professional Standards of the Royal Institution of Chartered Surveyors and the International Valuation Standards (IVS).

As at 31 March 2017, the valuation of the commercial units located in Hong Kong, was determined by using the sale comparison approach (Level 3 approach). Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

(c) 公平值等級(續)

本集團之政策為於導致轉撥之事件或情況變化發生當日確認公平值層級之轉入及轉出。

於本年度，第1級、第2級及第3級之間概無轉撥。

本集團之估值程序

土地及樓宇於2017年3月31日之公平值乃由合資格估值師根據香港測量師學會出版之《香港測量師學會物業估值準則》(2012年版)、英國皇家特許測量師學會之《英國皇家特許測量師學會估值—專業準則》及國際估值準則按估值基準而釐定。

於2017年3月31日，位於香港之商用單位之估值乃利用銷售比較法(第3級方法)而釐定。於鄰近地區可比較物業之銷售價格乃就主要屬性(例如物業面積)之差異作出調整。此估值方法之最重大輸入數據為每平方米價格。

本集團之政策為於導致轉撥之事件或情況變化發生當日確認公平值層級之轉入及轉出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 INTANGIBLE ASSETS 無形資產

		Goodwill 商譽 HK\$'000 千港元	Trademark 商標 HK\$'000 千港元	Licence 使用權費 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2015	於2015年4月1日					
Cost	成本	—	69,566	318	18,157	88,041
Accumulated amortisation and impairment	累計攤銷及減值	—	(69,566)	(318)	(15,587)	(85,471)
Net book amount	賬面淨額	—	—	—	2,570	2,570
Year ended 31 March 2016	截至2016年3月31日					
	止年度					
Opening net book amount	年初賬面淨額	—	—	—	2,570	2,570
Exchange differences	匯兌差額	—	—	—	(80)	(80)
Additions	添置	—	—	—	556	556
Amortisation	攤銷	—	—	—	(1,173)	(1,173)
Closing net book amount	年終賬面淨額	—	—	—	1,873	1,873
At 31 March 2016	於2016年3月31日					
Cost	成本	—	69,566	318	18,491	88,375
Accumulated amortisation and impairment	累計攤銷及減值	—	(69,566)	(318)	(16,618)	(86,502)
Net book amount	賬面淨額	—	—	—	1,873	1,873
Year ended 31 March 2017	截至2017年3月31日					
	止年度					
Opening net book amount	年初賬面淨額	—	—	—	1,873	1,873
Exchange differences	匯兌差額	—	—	—	(78)	(78)
Acquisition of subsidiaries (Note 32)	收購附屬公司 (附註32)	36,153	—	193,629	—	229,782
Additions	添置	—	—	—	17	17
Amortisation	攤銷	—	—	—	(806)	(806)
Closing net book amount	年終賬面淨額	36,153	—	193,629	1,006	230,788
At 31 March 2017	於2017年3月31日					
Cost	成本	36,153	69,566	193,947	18,195	317,861
Accumulated amortisation and impairment	累計攤銷及減值	—	(69,566)	(318)	(17,189)	(87,073)
Net book amount	賬面淨額	36,153	—	193,629	1,006	230,788

15 INTANGIBLE ASSETS (Continued)

無形資產(續)

Impairment tests for goodwill

In February 2017, the Group acquired a provisional licence through acquisition of China Consume. The licence is a provisional licence issued by UnionPay International Co., Ltd (“UPI”) which allows the holder to conduct payment processing services for UPI credit cards in Hong Kong, Japan, Korea, Italy and France. Management projected that China Consume would commenced its acquiring business from 2019 onwards in above five regions.

Goodwill is recognised through the acquisition of China Consume during the year.

Management tentatively plans to review the business performance based on business nature. It has tentatively identified retail of footwear and e-Commerce and e-Payment as the main businesses for future operation. Goodwill arising from the acquisition of China Consume is tentatively allocated to e-Commerce and e-Payment business segment.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a twenty five-year period. Cash flows beyond the twenty five-year period are extrapolated using the estimated growth rates stated below. For the impairment test for goodwill, the key assumptions, revenue growth rate, long term growth rate and discount rate used in the value-in-use calculations in 2017 are disclosed below.

Revenue growth rate	10% to 128%
Long term growth rate	3%
Discount rate (Note (i))	21.23%

Notes: (i) Discount rate applied to the pre-tax cash flow forecast.

Amortisation of intangible assets has been charged to the consolidated income statement as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Selling and distribution costs	銷售及分銷成本	83	159
Administrative expenses	行政費用	723	1,014
		806	1,173

商譽減值測試

於2017年2月，本集團透過收購中國消費取得臨時特許使用權。該特許使用權由銀聯國際有限公司(「銀聯國際」)發出之臨時特許使用權，允許持有人於香港、日本、韓國、意大利及法國進行銀聯國際信用卡付款處理服務。管理層預計，中國消費將於2019年起於上述五個地區開始其收單業務。

於本年度，商譽通過收購中國消費確認。

管理層暫擬按業務性質基準審閱業務表現。初步擬定鞋履零售業務、電子商務及電子支付業務為未來經營之主要業務。收購中國消費所產生商譽擬分配至電子商務及電子支付業務分部。

現金產生單位的可收回金額乃基於使用價值的計算釐定。該等計算使用了基於管理層批准的二十五年期間財務預算之稅前現金流量預測。超過二十五年期間的現金流量乃使用如下文所述的估計增長率推測。對於商譽減值測試，二零一七年使用價值計算法中使用之主要假設、收益增長率、長期增長率及貼現率於下文披露。

收益增長率	10% 至 128%
長期增長率	3%
貼現率(附註(i))	21.23%

附註：(i) 貼現率適用於稅前現金流量預測。

已於綜合收益表中扣除之無形資產攤銷如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 INVESTMENTS IN ASSOCIATES

於聯營公司之投資

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At 1 April	於4月1日	—	—
Acquisition of subsidiaries	收購附屬公司	1,192	—
Acquisition from investment in available-for-sales financial assets	收購於可供出售金融資產之投資	5,948	—
Capital injection	注資	132	—
Exchange differences	匯兌差額	9	—
Loss for the year	本年度虧損	(54)	—
At 31 March	於3月31日	7,227	—

In February 2017, the Group acquired 8.64% interest in Shanghai New World Information Industry Company Limited (“**Shanghai New World Information**”) through acquisition of China Consume. It was recognised as available for sales financial assets.

On 27 March 2017, China Consume’s interest in Shanghai New World Information increased to 34.13%. Shanghai New World Information became an associate of the Group. The entire interest of the Group in Shanghai New World Information was then re-measured at fair value on 27 March 2017 and the fair value loss of HK\$2,000 has been recognised in other losses in the consolidated income statement.

Set out below are the associates of the Group as at 31 March 2017, which, in the opinion of the directors, are material to the Group. The associates as listed below have share capital consisting solely of ordinary shares, which are held indirectly by the Group.

於2017年2月，本集團透過收購中國消費收購上海新世界信息產業股份有限公司（「上海新世界信息」）之8.64%權益。其獲確認為可供出售金融資產。

於2017年3月27日，中國消費於上海新世界信息之權益增加至34.13%。上海新世界信息成為本集團之聯營公司。本集團於上海新世界信息之全部權益於2017年3月27日按公平值重新計量，且公平值虧損2,000港元已於綜合收益表中確認為其他虧損。

以下載列董事認為於2017年3月31日對本集團屬重大之聯營公司。下列聯營公司擁有僅由普通股組成之股本，其由本集團間接持有。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 INVESTMENTS IN ASSOCIATES (Continued)

於聯營公司之投資(續)

Nature of investment in material associates as at 31 March 2017:

於2017年3月31日於重大聯營公司之投資之性質：

Name of entity	Place of establishment	% of interest held indirectly	Nature of the relationship	Measurement method	Principal activity
實體名稱	設立地點	間接持有權益之%	關係之性質	計量方法	主要業務
Guangzhou Guoxin Guanfu Information Technology Company Limited ¹ (“Guoxin Guanfu”)	The PRC	43.35%	Associate	Equity	Settlement services of acquiring business
廣州國信冠付資訊科技有限公司(「國信冠付」)	中國	43.35%	聯營公司	權益法	收單業務結算服務
Shanghai New World Information Industry Co. Ltd ¹	The PRC	29.01%	Associate	Equity	e-Commerce
上海新世界信息產業股份有限公司	中國	29.01%	聯營公司	權益法	電子商務

¹ English translation is for identification purpose only.

¹ 英文翻譯僅作識別用途。

Guoxin Guanfu is an unlisted limited liability company in the PRC and there is no quoted market price available for its shares.

國信冠付為中國一間未上市有限責任公司，其股份並無可用之市場報價。

As at 31 March 2017, the carrying amount of the group’s interest in Shanghai New World Information, which is listed on the Shanghai Equity Exchange, was HK\$6,078,000.

於2017年3月31日，上海新世界信息(於上海股權托管交易中心上市)集團權益之賬面值為6,078,000港元。

As at 31 March 2017, there are no significant contingent liabilities relating to the Group’s interest in the associate. The Group was contracted to inject HK\$576,000 as investment capital in investment in an associate in the future.

於2017年3月31日，概無有關本集團於聯營公司之權益之重大或然負債。本集團已就注資576,000港元作為將來投資於聯營公司之投資資本簽訂契約。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 DEFERRED INCOME TAX

遞延所得稅

The analysis of deferred tax assets and deferred tax liabilities is as follows:

遞延稅項資產及遞延稅項負債之分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	—	—
Deferred income tax liabilities	遞延所得稅負債	(36,739)	(351)
		(36,739)	(351)

The gross movement on the deferred income tax account is as follows:

遞延所得稅賬之總變動如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At the beginning of the year	於年初	(351)	101
Exchange differences	匯兌差額	—	(138)
Acquisition of subsidiaries	收購附屬公司	(36,153)	—
Charged to the consolidated income statement (Note 11)	已於綜合收益表中扣除 (附註 11)	(235)	(314)
At the end of the year	於年終	(36,739)	(351)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

年內遞延所得稅資產及負債之變動(不計及同一稅務司法權區結餘之相互抵銷)如下：

Deferred income tax assets:

遞延所得稅資產：

		Provision 撥備 HK\$'000 千港元
As at 1 April 2015	於 2015 年 4 月 1 日	6,091
Exchange differences	匯兌差額	(166)
Charged to the consolidated income statement	已於綜合收益表中扣除	(5,925)
As at 31 March 2016, 1 April 2016 and 31 March 2017	於 2016 年 3 月 31 日、2016 年 4 月 1 日及 2017 年 3 月 31 日	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 DEFERRED INCOME TAX (Continued)

遞延所得稅(續)

Deferred income tax assets are recognised for tax losses carry forward to the extent that realisation of the related tax benefit through the future taxation profits is probable.

The Group has unrecognised tax losses and unrecognised temporary differences of approximately HK\$894,253,000 (2016: HK\$712,903,000) to carry forward against future taxable income. These tax losses are subject to approval by Hong Kong Inland Revenue Department and the PRC tax authority respectively, approximately HK\$443,917,000 (2016:HK\$354,031,000) of unrecognised tax losses have no expiry date and the remaining loss of HK\$330,871,000 (2016:HK\$226,579,000) will expire in 5 years.

Deferred income tax liabilities:

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。

本集團之未確認稅項虧損及未確認暫時差額約為894,253,000港元(2016年:712,903,000港元)，可結轉扣減未來應課稅收入。該等稅項虧損須分別取得香港稅務局及中國稅務當局之批准，約443,917,000港元(2016年:354,031,000港元)之未確認稅項虧損不設屆滿日期，餘下330,871,000港元(2016年:226,579,000港元)之虧損將於5年內屆滿。

遞延所得稅負債：

		Fair value gain	Withholding tax on dividend for undistributed profits	Tax depreciation allowance	Total
		公平值收益	未分派溢利股息預扣稅	稅項折舊免稅額	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 1 April 2015	於2015年4月1日	—	5,732	258	5,990
Exchange difference	匯兌差額	—	(28)	—	(28)
(Credited)/charged to the consolidated income statement	已於綜合收益表中(計入)/扣除	—	(5,704)	93	(5,611)
As at 31 March 2016	於2016年3月31日	—	—	351	351
Acquisition of subsidiaries (Note 32)	收購附屬公司(附註32)	36,153	—	—	36,153
Charged to the consolidated income statement	已於綜合收益表中扣除	—	—	235	235
As at 31 March 2017	於2017年3月31日	36,153	—	586	36,739

As at 31 March 2017, deferred income tax liabilities of HK\$4,352,000 (2016: HK\$3,537,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries in the PRC. The unremitted earnings are to be used for reinvestment. The income tax liability is not recognised where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

於2017年3月31日，並無就若干中國附屬公司之未匯出盈利之應付預扣稅確認遞延所得稅負債4,352,000港元(2016年:3,537,000港元)。未匯出盈利將用於再投資。倘本集團可控制暫時差額之撥回時間，且暫時差額不大可能於可見未來撥回，則所得稅負債不予確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 INVENTORIES

存貨

Inventories represent merchandising stock.

存貨指銷售庫存。

The cost of inventories recognised as expenses and included in cost of sales during the year amounted to HK\$279,665,000 (2016: HK\$358,141,000).

年內確認為開支並計入銷售成本之存貨成本為279,665,000港元(2016年：358,141,000港元)。

19 TRADE RECEIVABLES

應收貿易款項

Retail sales are in cash, by credit cards or collected by department stores on behalf of the Group. The department stores normally settle the proceeds to the Group within 2 months from the date of sales.

零售銷售乃以現金、信用卡或由百貨公司代表本集團收取。百貨公司一般於自銷售日期起計2個月內向本集團清償所得款項。

Wholesales are generally on credit terms ranging from 0 to 30 days.

批發之信貸期一般介乎0至30日。

Ageing analysis of trade receivables by invoice date at the statement of financial position date is as follows:

應收貿易款項於財務狀況表日期按發票日期計算之賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0 — 30 days	0 — 30 日	25,926	50,649
31 — 60 days	31 — 60 日	6,558	10,440
61 — 90 days	61 — 90 日	2,069	2,866
Over 90 days	90 日以上	5,710	10,102
		40,263	74,057
Less: Provision for impairment of trade receivables	減：應收貿易款項之減值撥備	(512)	(1,118)
		39,751	72,939

As of 31 March 2017, trade receivables of HK\$13,362,000 (2016: HK\$21,546,000) were past due but not impaired. These relate to a number of independent customers and department stores for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

於2017年3月31日，應收貿易款項13,362,000港元(2016年：21,546,000港元)已逾期但並無減值。該等款項與多名並無近期欠款紀錄之獨立客戶及百貨公司有關。該等應收貿易款項之賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
1 — 30 days	1 — 30 日	6,109	9,696
31 — 60 days	31 — 60 日	2,069	2,866
61 — 90 days	61 — 90 日	1,593	1,671
Over 90 days	90 日以上	3,591	7,313
		13,362	21,546

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 TRADE RECEIVABLES (Continued)

應收貿易款項(續)

As of 31 March 2017, trade receivables of HK\$512,000 (2016: HK\$1,118,000) were considered impaired and were provided in full. The individually impaired receivables mainly relate to department stores. An aging analysis of these receivables is as follows:

於2017年3月31日，應收貿易款項512,000港元(2016年：1,118,000港元)被視為已減值，並已計提全數撥備。個別已減值應收款項主要與百貨公司有關。該等應收貿易款項之賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Over 90 days	90日以上	512	1,118

Movements in the provision for impairment of trade receivables are as follows:

應收貿易款項減值撥備之變動如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
At beginning of the year	於年初	1,118	—
Written-off on provision of trade receivables	應收貿易賬款撥備撇銷	(551)	—
Provision for Impairment of trade receivables (Note 6)	應收貿易賬款減值撥備 (附註6)	—	1,134
Exchange differences	匯兌差額	(55)	(16)
At end of the year	於年終	512	1,118

The creation and release of provision for impaired receivables have been included in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

綜合收益表中已計入新增及撥回已減值應收款項撥備。列於撥備賬之金額一般於預期無法收回額外現金時撇銷。

The other classes within trade and other receivables do not include a provision for impairment of other receivables.

應收貿易款項及其他應收款項中之其他類別並不包括其他應收款項之減值撥備。

The maximum exposure to credit risk at the reporting date is the fair values of trade receivables disclosed above. The Group did not hold any collateral as security.

於報告日期之最高信貸風險為上文披露之應收貿易款項公平值。本集團並無持有任何抵押品作抵押。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 TRADE RECEIVABLES (Continued)

應收貿易款項(續)

The carrying amounts of trade receivables are denominated in the following currencies:

應收貿易款項之賬面金額按以下貨幣計值：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Hong Kong dollar	港元	350	676
Renminbi	人民幣	38,558	71,144
New Taiwan dollar	新台幣	843	1,119
		39,751	72,939

The carrying amount of trade receivables approximates its fair value.

應收貿易款項之賬面金額與其公平值相若。

The Group does not hold any collateral as security.

本集團並無持有任何抵押品作擔保。

20 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

按金、預付款項及其他應收款項

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current portion:	非流動部分：		
Rental deposits	租金按金	10,712	11,588
Prepayments	預付款項	16,642	1,000
		27,354	12,588
Current portion:	流動部分：		
Deposits	按金	12,220	14,814
Prepayments	預付款項	6,144	4,285
Other receivables	其他應收款項	9,471	1,091
Value-added tax recoverable	可收回增值稅	4,179	6,891
		32,014	27,081
		59,368	39,669
Denominated in:	按以下貨幣計值：		
Hong Kong dollar	港元	32,268	22,641
Renminbi	人民幣	26,679	16,421
New Taiwan dollar	新台幣	418	602
Others	其他	3	5
		59,368	39,669

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

(Continued)

按金、預付款項及其他應收款項(續)

The carrying amounts of deposits, prepayments and other receivables approximate their fair values. The Group does not hold any security. No written-off have been made for the year ended 31 March 2017 (2016: HK\$769,000). No impairment provision has been made for both years.

按金、預付款項及其他應收款項之賬面金額與其公平值相若。本集團並無持有任何抵押。截至2017年3月31日止年度並無作出撇銷(2016年：769,000港元)。兩個年度均無作出減值撥備。

21 CASH AND CASH EQUIVALENTS

現金及現金等值項目

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash at banks and on hand	銀行及手頭現金	32,839	41,039
Cash and cash equivalents	現金及現金等值項目	32,839	41,039

Cash and cash equivalents in the statement of financial position are denominated in the following currencies:

於財務狀況表內之現金及現金等值項目按以下貨幣計值：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Hong Kong dollar	港元	5,416	10,028
Renminbi	人民幣	24,873	29,335
United States dollar	美元	124	397
Others	其他	2,426	1,279
		32,839	41,039

The Group's cash and bank balances denominated in Renminbi are placed with banks in the PRC. The conversion of these Renminbi denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

本集團以人民幣計值之現金及銀行結餘存放於中國之銀行。將此等以人民幣計值之結餘兌換為外幣須遵守中國政府所頒布之外匯管制規則及規例。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 ASSETS HELD FOR SALE 持有作出售資產

		2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元	(Restated) (經重列) 2015 HK\$'000 千港元
At the beginning of the year (as previously reported)	於年初(如先前報告)	2,110	5,022	—
Effect of changes in accounting policy	會計政策變動之影響	11,790	21,638	—
At the beginning of the year (Restated)	於年初(經重列)	13,900	26,660	—
Acquisition of subsidiaries (Note 32)	收購附屬公司(附註32)	3,360	—	—
Transfer from properties, plant and equipment	轉撥自物業、廠房及設備	—	—	5,630
Transfer from investment properties	轉撥自投資物業	—	—	21,030
Disposals	出售	(3,386)	(12,760)	—
Exchange difference	匯兌差額	26	—	—
Fair value gain (Note 7)	公平值收益(附註7)	830	—	—
At the end of the year (Restated)	於年終(經重列)	14,730	13,900	26,660

On 20 March 2017, China Consume, entered into an agreement to dispose the entire interest in Guotai Hui Tong Information Technology (Beijing) Limited, a company incorporated in the PRC at a consideration of RMB3,000,000, the transaction has been completed on 20 March 2017.

Investment properties classified as assets held for sale were revalued at 31 March 2017 by independent, professionally qualified valuers, DTZ Debenham Tie Leung Limited. Valuations were based on current prices in an active market for the properties.

The Group's interests in investment properties classified as assets held for sale, are held on leases up to 2047 in Hong Kong.

At 31 March 2017, investment properties classified as assets held for sale situated in Hong Kong with carrying value of HK\$14,730,000 were pledged as a security for bank borrowings made available to the Group (note 27).

An independent valuation of investment properties classified as assets held for sale was performed by the valuer, DTZ Debenham Tie Leung Limited to determine the fair value of assets held for sale as at 31 March 2017. The following table analyses assets held for sale carried at fair value, by valuation method.

於2017年3月20日，中國消費訂立一份協議，以代價為人民幣3,000,000元出售於國泰匯通信息技術(北京)有限公司(一間於中國註冊成立之公司)的股權，該交易已於2017年3月20日完成。

分類為持有作出售資產之投資物業於2017年3月31日由獨立專業資格估值師戴德梁行有限公司重估。估值乃根據物業之活躍市場現行價格計算。

本集團於香港持有作出售資產之權益乃持有至2047年為止。

於2017年3月31日，位於香港、賬面值為14,730,000港元之分類為持有作出售資產之投資物業，已抵押作為本集團獲授銀行借貸之擔保(附註27)。

分類為持有作出售資產之投資物業之獨立估值由戴德梁行有限公司進行，以確定持有作出售資產於2017年3月31日之公平值。下表按估值方法分析以公平值計量之持有作出售資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 ASSETS HELD FOR SALE (Continued)

持有作出售資產(續)

Fair value hierarchy

公平值等級

(Restated)
(經重列)

Fair value measurements
at 31 March 2016

於2016年3月31日之公平值計量

Description 描述	Quoted prices in active markets for identical assets (Level 1) 相同資產在活躍市場之報價 (第1級) HK\$'000 千港元	Significant other observable inputs (Level 2) 其他重大可觀察輸入數據 (第2級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第3級) HK\$'000 千港元
Recurring fair value measurements		經常性公平值計量	
Investment properties classified as assets held for sale: — Hong Kong		分類為持有作出售資產之投資物業: — 香港	— — 13,900

Fair value measurements
at 31 March 2017

於2017年3月31日之公平值計量

Description 描述	Quoted prices in active markets for identical assets (Level 1) 相同資產在活躍市場之報價 (第1級) HK\$'000 千港元	Significant other observable inputs (Level 2) 其他重大可觀察輸入數據 (第2級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第3級) HK\$'000 千港元
Recurring fair value measurements		經常性公平值計量	
Investment properties classified as assets held for sale: — Hong Kong		分類為持有作出售資產之投資物業: — 香港	— — 14,730

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 ASSETS HELD FOR SALE (Continued)

持有作出售資產(續)

Fair value hierarchy (Continued)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between Levels 1, 2 and 3 during the year.

Valuation process of the Group

The fair value of the assets held for sale at 31 March 2017 were determined on the basis of a valuation by a qualified valuer in accordance with the "HKIS Valuation Standards on Properties (2012 Edition)" published by the Hong Kong Institute of Surveyors, RICS Valuation – Professional Standards of the Royal Institution of Chartered Surveyors and the International Valuation Standards (IVS).

As at 31 March 2017, the valuation of the commercial units located in Hong Kong, was determined by using the sale comparison approach (Level 3 approach). Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant unobservable input into this valuation approach is price per square meter.

公平值等級(續)

本集團之政策為於導致轉撥之事件或情況變化發生當日確認公平值層級之轉入及轉出。

於本年度，第1級、第2級及第3級之間概無轉撥。

本集團之估值程序

持有作出售資產於2017年3月31日之公平值乃由合資格估值師根據香港測量師學會出版之《香港測量師學會物業估值準則》(2012年版)、英國皇家特許測量師學會之《英國皇家特許測量師學會估值—專業準則》及國際估值準則按估值基準而釐定。

於2017年3月31日，位於香港之商用單位之估值乃利用銷售比較法(第3級方法)而釐定。於鄰近地區可比較物業之銷售價格乃就主要屬性(例如物業面積)之差異作出調整。此估值方法之最重大不可觀察輸入數據為每平方米價格。

23 SHARE CAPITAL AND PREMIUM

股本及溢價

		Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Authorised	法定				
At 1 April 2015, 31 March 2016 and 2017	於2015年4月1日以及2016年及2017年3月31日	9,000,000,000	900,000	—	900,000
Issued and fully paid	已發行及繳足				
At 1 April 2015	於2015年4月1日	623,560,000	62,356	562,600	624,956
Exercise of share option	行使購股權	17,800,000	1,780	13,961	15,741
At 31 March 2016	於2016年3月31日	641,360,000	64,136	576,561	640,697
Issurance of shares (Note a and Note b)	發行股份(附註a及附註b)	74,830,000	7,483	96,942	104,425
At 31 March 2017	於2017年3月31日	716,190,000	71,619	673,503	745,122

23 SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Note:

- (a) On 22 March 2016, Walker Group International Company Limited, a wholly owned subsidiary of the Company entered into the sale and purchase agreement with Claes-Goeran Fride Hoeglund, David Arellano, and Vicente Arellano (together the “Vendors”) to acquire the entire issued share in Design Management Hong Kong Limited (the “Target Company”) and the employee services of certain key employee of the Target Company. On 31 August 2016, all the conditions precedent set out in the sale and purchase agreement had been fulfilled. Consequently, Target Company has become a subsidiary of the Group with effect from 31 August 2016.

The consideration amounted approximately HK\$12,225,000, which was settled in cash by HK\$3,000,000 and by issuance of 4,830,000 consideration shares of the Company to the Vendors which amounted approximately HK\$9,225,000 as at 31 August 2016. Out of the total consideration, approximately HK\$12,033,000 was recognised as consideration for employee services, while the remaining portion of approximately HK\$192,000 were recognised as the consideration for the acquisition of the Target Company.

As at the 31 August 2016, the net identified assets of the Target Company amounted approximately HK\$192,000, which is approximates to the consideration paid.

The consideration shares for the employee services have a vesting period of 2 years, of which HK\$483,000 was credited to share capital and the balance of HK\$8,742,000 was credited to share premium account.

Walker Shop Footwear Limited subsequently entered into an agreement to accelerate the vesting period with the employees. All remaining share based payment has been vested. During the year, share based payment expense HK\$9,034,000 was recognised in the consolidated income statement.

- (b) On 10 January 2017, Silver Summit Ventures Limited, a wholly owned subsidiary of the Company entered into the sales and purchase agreement with Golden Ahead International Limited to acquire China Consume.

On 8 February 2017, all the conditions precedent set out in the sale and purchase agreement had been fulfilled. Consequently, China Consume has become a subsidiary of the Group with effect from 8 February 2017.

The consideration amounted approximately HK\$178,700,000, which was settled in cash by HK\$83,500,000 and by issuance of 70,000,000 consideration shares of the Company to the vendors which amounted approximately HK\$95,200,000 as at 8 February 2017.

Detail of the transaction is disclosed in Note 32.

附註：

- (a) 於2016年3月22日，盈進集團(國際)有限公司(本公司之全資附屬公司)與Claes-Goeran Fride Hoeglund、David Arellano及Vicente Arellano(統稱「該等賣方」)訂立買賣協議，以收購於Design Management Hong Kong Limited(「目標公司」)之全部已發行股份及目標公司若干主要僱員之僱員服務。於2016年8月31日，買賣協議載列之全部先決條件已獲達成，而目標公司已自2016年8月31日起成為本集團之附屬公司。

有關代價約為12,225,000港元，以現金3,000,000港元及向賣方發行4,830,000股本公司代價股份(於2016年8月31日約為9,225,000港元)支付。總代價當中，約12,033,000港元已確認為僱員服務之代價，其餘約192,000港元則確認為收購目標公司之代價。

於2016年8月31日，目標公司之已識別資產淨額約為192,000港元，約等於已付代價。

僱員服務之代價股份設有2年之歸屬期，其中483,000港元已列入股本，而餘額8,742,000港元則已列入股份溢價賬。

Walker Shop Footwear Limited隨後訂立一份協議，以加快僱員的歸屬期。所有按餘下股份之付款已經歸屬。年內，股份付款開支9,034,000港元已於綜合收益表內確認。

- (b) 於2017年1月10日，銀峰創投有限公司(本公司之全資附屬公司)及金創國際有限公司已訂立買賣協議，以收購中國消費。

於2017年2月8日，買賣協議所載之所有先決條件經已達成。因此，中國消費已成為本集團之附屬公司，由2017年2月8日生效。

代價約178,700,000港元乃以現金83,500,000港元及透過向賣方發行70,000,000股本公司代價股份(於2017年2月8日約為95,200,000港元)進行清償。

該交易之詳情於附註32披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Post - IPO share option scheme

A share option scheme (“Share Option Scheme”) was adopted by the shareholders’ written resolution of the Company dated 21 May 2007. On 28 November 2016, share options were granted to directors and to selected employees under the Share Option Scheme.

The subscription price determined by the board shall be at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheets on the grant date, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange’s daily quotations sheets for the 5 business days immediately preceding the grant date; and (c) the nominal value of the shares. Options are conditional on the employee completing 1 to 4 year’s service (the vesting period). The options are exercisable starting 1 years from the grant date. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

首次公開售股後購股權計劃

一項購股權計劃已根據本公司日期為2007年5月21日之股東書面決議案獲得採納(「購股權計劃」)。於2016年11月28日，本公司根據購股權計劃向董事及經挑選僱員授出購股權。

認購價由董事會釐定，必須最少為以下各項之最高者：(a) 股份於授出日期(必須為營業日)於聯交所每日報價表所報之收市價；(b) 股份於緊接授出日期前5個營業日於聯交所每日報價表所報之平均收市價；及(c) 股份之面值。購股權須待僱員完成1至4年服務後(歸屬期)方可作實。購股權可於自授出日期起計1年後行使。本公司並無法定或推定責任以現金購回或結算購股權。

尚未行使之購股權數目之變動及其相關加權平均行使價如下：

		Average exercise price in Hong Kong dollar per share 每股股份之 港元平均行使價	Options (’000) 購股權 (千份)
At 1 April 2015	於2015年4月1日	0.60	19,020
Lapsed	已失效	0.60	(1,220)
Exercised	已行使	0.60	(17,800)
At 31 March 2016	於2016年3月31日	—	—
Granted on 28 November 2016	於2016年11月28日授出	1.45	41,000
At 31 March 2017	於2017年3月31日	1.45	41,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Movement in the number of share option vested are as follows:

已歸屬購股權數目之變動如下：

		2017	2016
Number of share option vested ('000)	已歸屬之購股份數目(千份)		
At 1 April	於4月1日	—	19,020
Granted	已授出	41,000	—
Lapsed	已失效	—	(1,220)
Exercised	已行使	—	(17,800)
At 31 March	於3月31日	41,000	—

The shares option outstanding under the Post-IPO share option scheme (in thousands) at the end of the year have the following vesting date, expiry date and exercise price:

於年終根據首次公開售股後購股權計劃尚未行使之購股權(千份)之歸屬日期、屆滿日期及行使價如下：

Grant date	Vesting date	Expiry date	Exercise price in Hong Kong dollar per share	Number of share options ('000) outstanding at 31 March	
授出日期	歸屬日期	屆滿日期	每股股份之港元行使價	於3月31日尚未行使之購股權數目(千份)	
				2017	2016
28 November 2016	28 November 2017	27 November 2021	1.45	18,000	—
2016年11月28日	2017年11月28日	2021年11月27日			
28 November 2016	28 November 2018	27 November 2021	1.45	18,000	—
2016年11月28日	2018年11月28日	2021年11月27日			
28 November 2016	28 November 2019	27 November 2021	1.45	2,500	—
2016年11月28日	2019年11月28日	2021年11月27日			
28 November 2016	28 November 2020	27 November 2021	1.45	2,500	—
2016年11月28日	2020年11月28日	2021年11月27日			
				41,000	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Share option expenses charged to the consolidated income statement are based on valuation determined using binomial lattice model. Share options granted were valued based on the following assumptions:

Date of grant	Option value	Share price at the date of grant	Exercise price	Expected volatility	Annual risk-free interest	Life of option	Dividend yield
授出日期	購股權價值	授出日期之股份價格	可行使價	預期波幅	年度無風險利率	可使用年期	所賺取之股息
28 November 2016 2016年11月28日	0.6610 – 0.8400	1.45	1.45	72.03%	1.11%	5 years 5年	0.00%

Expected volatility of the Group's share price was based on the historical volatility of the share as at the date of grant.

Share option expenses of HK\$6,808,000 (2016: Nil) was recognised in the consolidated income statement.

Share award

For the purpose of the Company's initial public offering in June 2007, the controlling shareholder of the Company and immediate holding company of the Group, Smart Presto Holdings Limited ("Smart Presto") had granted 1,235,000 shares from its own shareholding to a director and employees where the grantees had paid HK\$1.00 by way of consideration before the listing in order to provide reward to the director and employees who have contributed to the Group's business development.

The shares granted as aforesaid represent approximately 0.20% of the Company's total issued share capital immediately after the date of Listing.

Share Purchase Option Scheme

A share purchase option scheme was adopted by Smart Presto in August 2009 (the "Share Purchase Option Scheme"). Smart Presto established a scheme to provide for the grant of options to purchase shares beneficially owned by Smart Presto to certain employees, officers, consultants, including any executive or non-executive directors, of any member of the Group who in the opinion of the Remuneration Committee have contributed or will contribute to the achievement of the economic objectives of the Group.

計入綜合收益表之購股權開支乃按使用二項式點陣模型釐定之估值計算。已授出購股權之估值乃依據下列假設計算：

本集團股價之預期波幅乃根據股份於授出日期之歷史波幅而釐定。

購股權開支 6,808,000 港元於綜合收益表中確認(2016年：零)。

股份獎勵

為本公司2007年6月首次公開發售之目的，本公司控股股東及本集團直接控股公司傲捷控股有限公司(「傲捷」)於上市前向其董事及員工授出自有股份 1,235,000 股，而代價方式為受讓人支付 1.00 港元，以向為本集團業務發展作出貢獻之董事及僱員提供獎勵。

上述授出之股份佔本公司於上市日後之已發行股本總額約 0.20%。

股份購買權計劃

傲捷於2009年8月採納股份購買權計劃(「股份購買權計劃」)。傲捷設立一項計劃，向薪酬委員會認為已對或將對本集團之經濟目標有所貢獻之本集團任何成員公司之若干僱員、行政人員或顧問(包括任何執行或非執行董事)授出購股權，以購買傲捷實益擁有之股份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Share Purchase Option Scheme (Continued)

Options to purchase a total of 10,000,000 shares, representing approximately 1.6% of the Company's total issued share capital immediately after the date of grant, at the exercise price of HK\$0.6 per share were granted under the share purchase scheme.

The maximum number of share available for purchase on the exercise of options shall be 30,000,000 shares, representing approximately 4.82% of the Company's total issued share capital immediately after the date of grant.

Share purchase options do not confer rights on the holders to dividends or to vote at shareholder's meetings.

Movements in the number of share purchase options outstanding and their weighted average exercise prices are as follows:

		Average exercise price in Hong Kong dollar per share 每股股份之 港元平均行使價	Options ('000) 購股權 (千份)
1 April 2015	於 2015 年 4 月 1 日	0.60	6,000
Lapsed	已失效	(0.60)	(6,000)
At 31 March 2016 and 31 March 2017	於 2016 年 3 月 31 日 及 2017 年 3 月 31 日	—	—

Movement in the number of share option vested are as follows:

股份購買權計劃(續)

可購買合共 10,000,000 股股份(相當於本公司於緊隨授出日期後之已發行股本總額約 1.6%)之購股權已根據股份購買計劃授出，行使價為每股 0.6 港元。

行使購股權時可購買之股份數目最高為 30,000,000 股，相當於本公司於緊隨授出日期後之已發行股本總額約 4.82%。

股份購買權並無賦予持有人享有股息或於股東大會上投票之權利。

尚未行使之購股權數目之變動及其加權平均行使價如下：

已歸屬之購股權數目之變動如下：

		2017	2016
Number of share option vested ('000)	已歸屬之購股權數目 (千份)		
At 1 April	於 4 月 1 日	—	6,000
Lapsed	已失效	—	(6,000)
At 31 March	於 3 月 31 日	—	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 RESERVES 儲備

		Merger reserve (Note i) 合併儲備 (附註i) HK\$'000 千港元	Statutory reserves (Note ii) 法定儲備 (附註ii) HK\$'000 千港元	Foreign currency translation reserve 外匯 兌換儲備 HK\$'000 千港元	Share-based compen- sation reserve 股份 補償儲備 HK\$'000 千港元	Convertible bonds reserve 可換股債券 儲備 HK\$'000 千港元 (Note 28) (附註28)	Revaluation reserve 重估儲備 HK\$'000 千港元	Accum- lated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 April 2015 (as previously reported)	於2015年4月1日之結餘 (如先前報告)	22,002	23,954	55,426	29,511	—	—	(388,359)	(257,466)
Effect of changes in accounting policy (Note 2.1(c))	會計政策變動之影響 (附註2.1(c))	—	—	—	—	—	10,049	11,589	21,638
Balance at 1 April 2015 (restated)	於2015年4月1日之結餘 (經重列)	22,002	23,954	55,426	29,511	—	10,049	(376,770)	(235,828)
Currency translation differences	匯兌差額	—	—	(11,427)	—	—	—	—	(11,427)
Loss for the year	本年度虧損	—	—	—	—	—	—	(155,892)	(155,892)
Release from revaluation reserve	重估儲備撥還	—	—	—	—	—	(4,411)	4,411	—
Exercise of share options (Note 23)	行使購股權(附註23)	—	—	—	(29,511)	—	—	24,450	(5,061)
Balance at 31 March 2016 (restated)	於2016年3月31日之 結餘(經重列)	22,002	23,954	43,999	—	—	5,638	(503,801)	(408,208)
Balance at 31 March 2016 (as previously reported)	於2016年3月31日之 結餘(如先前報告)	22,002	23,954	43,999	—	—	—	(509,953)	(419,998)
Effect of changes in accounting policy (Note 2.1(c))	會計政策變動之影響 (附註2.1(c))	—	—	—	—	—	5,638	6,152	11,790
Balance at 31 March 2016 (restated)	於2016年3月31日之 結餘(經重列)	22,002	23,954	43,999	—	—	5,638	(503,801)	(408,208)
Revaluation on land and buildings (Note 14)	重估土地及樓宇 (附註14)	—	—	—	—	—	88,737	—	88,737
Currency translation differences	匯兌差額	—	—	(13,889)	—	—	—	—	(13,889)
Loss for the year	本年度虧損	—	—	—	—	—	—	(209,501)	(209,501)
Share option scheme — value of employee service (Note 23)	購股權計劃 — 僱員 服務價值 (附註23)	—	—	—	6,808	—	—	—	6,808
Issuance of convertible bonds (Note 28)	發行可換股債券 (附註28)	—	—	—	—	7,075	—	—	7,075
Utilisation of statutory reserves	動用法定儲備	—	(59)	—	—	—	—	—	(59)
Balance at 31 March 2017	於2017年3月31日之 結餘	22,002	23,895	30,110	6,808	7,075	94,375	(713,302)	(529,037)

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 RESERVES (Continued)

儲備(續)

Notes:

- (i) The merger reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the share capital of the subsidiaries transferred to the Company in connection with the reorganisation for the listing of the shares of the Company.
- (ii) Companies which are established in the PRC are required to make appropriations to certain statutory reserves from profit for the year after offsetting accumulated losses from prior years and before profit distribution to equity holders. The percentages to be appropriated to such statutory reserve funds are determined according to the relevant regulations in the PRC or at the discretion of the board of the respective companies. Such statutory reserves can only be used to offset accumulated losses, to increase capital, or for special bonus or collective welfare of employees. These statutory reserves cannot be distributed to equity holders of the Company.

附註：

- (i) 本集團合併儲備指本公司已發行股本面值與就籌備本公司股份上市進行重組而轉撥予本公司之附屬公司股本面值之差額。
- (ii) 於中國成立之公司須於抵銷往年累計虧損後並於向權益持有人作出溢利分派前，從本年度溢利中撥款至若干法定儲備。撥款至該等法定儲備金之百分比乃按中國相關法規或按相關公司董事會酌情釐定。該等法定儲備僅可用作抵銷累計虧損、增加資本，或作為特別花紅或僱員之集體福利。該等法定儲備不得分派予本公司之權益持有人。

25 OBLIGATION UNDER FINANCE LEASE

融資租賃承擔

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Gross finance lease liabilities — minimum lease payments:	融資租賃負債總額 — 最低租賃付款：		
Within one year	一年內	117	118
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	251	10
		368	128
Less: Future finance charges	減：未來融資費用	(38)	(13)
Present value of obligation under finance lease	融資租賃承擔現值	330	115
The present value of finance lease liabilities is as follows:	融資租賃承擔現值如下：		
Within one year	一年內	105	106
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	225	9
Present value of obligation under finance lease	融資租賃承擔現值	330	115

Notes to the Consolidated Financial Statements

綜合財務報表附註

25 OBLIGATION UNDER FINANCE LEASE (Continued)

融資租賃承擔(續)

The weighted average effective interest rates per annum of the obligation under finance lease was 2.5% (2016: 2.5%).

Interest rates are fixed at contract date. The lease was on a fixed repayment basis. The obligation under finance lease is secured by the lessor's charge over the leased asset. The carrying amount of the obligation under finance lease approximates its fair value and is denominated in Hong Kong dollars.

融資租賃承擔之加權平均實際年利率為2.5% (2016年：2.5%)。

利率於合約日期釐定。租約按固定還款基準訂立。融資租賃承擔以出租人之租賃資產押記作抵押。融資租賃承擔之賬面金額與其公平值相若，並以港元計值。

26 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

應付貿易款項、應計費用及其他應付款項

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Trade payables	應付貿易款項	79,576	104,026
Accruals and other payables	應計費用及其他應付款項	73,408	41,129
		152,984	145,155

The ageing analysis of trade payables by invoice date is as follows:

按發票日期劃分之應付貿易款項之賬齡分析如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
0 — 30 days	0 — 30日	26,351	48,359
31 — 60 days	31 — 60日	17,127	32,030
61 — 90 days	61 — 90日	2,525	13,820
Over 90 days	90日以上	33,573	9,817
		79,576	104,026

The amounts are repayable according to normal trade terms from 30 to 90 days.

該等款項按一般貿易條款應於30至90日內償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

(Continued)

應付貿易款項、應計費用及其他應付款項(續)

The carrying amounts of the trade payables, accruals and other payables are denominated in the following currencies:

應付貿易款項、應計費用及其他應付款項之賬面金額按以下貨幣計值：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Hong Kong dollar	港元	60,750	33,585
Renminbi	人民幣	90,207	109,478
New Taiwan dollar	新台幣	1,851	1,807
Others	其他	176	285
		152,984	145,155

27 BORROWINGS

借貸

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Short-term bank loan — secured	短期銀行貸款 — 有抵押	72,240	44,920

The carrying amounts of the borrowings are denominated in the following currencies:

借貸之賬面金額按以下貨幣計值：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Hong Kong dollar	港元	67,000	40,000
New Taiwan dollar	新台幣	5,240	4,920
		72,240	44,920

The bank loans are repayable in range of 30 days to 90 days from the date of issuance.

銀行貸款須於自發行日期起計30至90天內償還。

At 31 March 2017, a bank loan of HK\$5,240,000 (2016: HK\$4,920,000) is interest bearing at a fixed rate of 2.2% (2016: 2.75%) and secured by the Group's standby letter of credit amounting to US\$1 million, a promissory note of New Taiwan dollar 28 million co-made by the Group and the non-controlling shareholder.

於2017年3月31日，銀行貸款5,240,000港元(2016年：4,920,000港元)按固定利率2.2%(2016年：2.75%)計息，並以本集團之1,000,000美元備用信用狀，以及本集團與非控股股東共同作出之28,000,000新台幣之承付票作擔保。

27 BORROWINGS (Continued) 借貸(續)

At 31 March 2017, a bank loan of HK\$67,000,000 (2016: HK\$40,000,000) is interest bearing at Hong Kong Inter Bank Offered Rate (the “HIBOR”) plus 2% (2016: HIBOR plus 2%) per annum and secured by the Group’s property, plant and equipment and assets held for sale (Notes 14 and 22).

The fair value of the bank loan equals its carrying amount, as the impact of discounting is not significant due to its short maturity.

28 CONVERTIBLE BONDS 可換股債券

The Group issued 2 (31 March 2016: Nil) convertible bonds for the year ended 31 March 2017. On 5 July 2016, the Group issued a 6% convertible bonds (“CB-I”) at a par value of HK\$30,000,000. The convertible bonds mature four years from the issue date at their nominal value of HK\$30,000,000 or can be converted into the Group’s shares at the bondholder’s option at a conversion price of HK\$1.81 per share. The bondholder has right to redeem the bonds after two years from the issue date at 108% of the principal amount. The value of the liability component of HK\$22,025,000 and the equity conversion component of HK\$7,075,000, net of transaction cost of HK\$900,000 being allocated proportionally to the liability and equity components, were determined at issuance of the bond. The fair value of the liability component included in long-term borrowings was calculated using a market interest rate for an equivalent non-convertible bond. The liability component is subsequently states at amortised cost until extinguished on conversion or maturity of the bond. The residual amount, representing the value of the equity conversion component, is included in shareholders’ equity in other reserves.

On 24 August 2016, the Group issued a 10.5% convertible bonds (“CB-II”) at a par value of HK\$150,000,000. The convertible bonds mature three years from the issue date at their nominal value of HK\$150,000,000 or can be converted into the Group’s shares at the bondholder’s option at a conversion price of HK\$1.845 per share. Since the conversion features of CB-II fail the fixed-to fixed requirement for equity classification, it was recognised as two components, liabilities component and derivative component with a conversion option derivative of the holders and a redemption option derivative of the holders. The liability component and derivative component are recognised initially at the fair value of the compound financial instrument as a whole. Subsequent to initial recognition, the compound financial instrument is measured at fair value as a whole, with changes in fair value presented to the consolidated income statement in the period in which they arise. CB-II is under personal guarantee of Mr. ZHU Xiaojun, the Chairman of the Group.

於2017年3月31日，銀行貸款67,000,000港元(2016年：40,000,000港元)按香港銀行同業拆息加2%年利率(2016年：香港銀行同業拆息加2%年利率)計息，並以本集團之物業、廠房及設備及持有作出售之資產作擔保(附註14及22)。

銀行貸款之公平值相等於其賬面金額，此乃由於在短期內到期，故貼現影響並不重大所致。

本集團於截至2017年3月31日止年度發行2次(2016年3月31日：無)可換股債券。於2016年7月5日，本集團發行面值30,000,000港元之6厘可換股債券(「可換股債券I」)。可換股債券自發行日期起計四年後到期，屆時面值為30,000,000港元或可按債券持有人選擇以每股1.81港元之兌換價轉換為本集團之股份。債券持有人有權於發行日期兩年後按本金額之108%贖回債券。負債部份之價值22,025,000港元及權益轉換部份之價值7,075,000港元，經按比例分配至負債及權益部份扣除交易費用900,000港元後，乃於發行債券時釐定。計入長期借貸之負債部份公平值乃使用等同不可換股債券之市場利率計算。負債部份其後按攤銷成本列賬直至於債券獲轉換或到期時消失為止。剩餘金額反映權益轉換部份之價值，乃列入其他儲備之股東權益。

於2016年8月24日，本集團發行面值150,000,000港元之10.5厘可換股債券(「可換股債券II」)。可換股債券自發行日期起計三年後到期，屆時面值為150,000,000港元或可按債券持有人選擇以每股1.845港元之兌換價轉換為本集團之股份。由於可換股債券II之轉換特色不符合權益分類之固定對固定規定，故獲確認為兩個部分，即負債部份以及設有持有人轉換選擇權衍生工具及持有人贖回選擇權衍生工具之衍生部份。負債部份及衍生部份初步按複合金融工具整體之公平值予以確認。於初步確認後，該複合金融工具乃按公平值整體計量，而公平值變動乃於其產生之期間於綜合收益表內呈列。可換股債券II由本集團主席朱曉軍先生作出個人擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 CONVERTIBLE BONDS (Continued)

可換股債券(續)

The convertible bonds recognised in the consolidated statement of financial position are as follows:

於綜合財務狀況表內確認之可換股債券如下：

		Financial liabilities at amortised costs (“CB-I”)	Financial liabilities at fair value through profit or loss (“CB-II”)	Total
		按攤銷成本計量之金融負債 (「可換股債券I」)	按公平值計入損益之金融負債 (「可換股債券II」)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 April 2016	於2016年4月1日	—	—	—
Fair value of convertible bond issued	已發行可換股債券之公平值	30,000	196,950	226,950
Arrangement fee	安排費	(900)	—	(900)
Equity component	權益部份	(7,075)	—	(7,075)
Unrealised fair value loss on issuance	發行時產生之未變現公平值虧損	—	(46,950)	(46,950)
Interest accretion	利息增值	3,041	—	3,041
Amortisation of unrealised fair value loss of issuance of convertible bonds	發行可換股債券時產生之未變現公平值虧損攤銷	—	9,390	9,390
Fair value gain recognised	已確認公平值收益	—	(22,911)	(22,911)
Interest paid	已付利息	(907)	(8,889)	(9,796)
As at 31 March 2017	於2017年3月31日	24,159	127,590	151,749

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 CONVERTIBLE BONDS (Continued)

可換股債券(續)

The fair values measurement of the derivative embedded to the convertible bonds were determined by using binomial model, with the following key assumption:

可換股債券包含之衍生工具公平值計量乃使用二項式模型按下列主要假設釐定：

		CB-I 可換股債券 I	CB-II 可換股債券 II
On inception date	於設立日期		
Valuation techniques	估值技術	Market approach 市場法	Market approach 市場法
Discount rate	貼現率	31.86%-32.07%	29.23%-29.42%
Risk free interest rate	無風險利率	0.21%-0.42%	0.36%-0.55%
Time to maturity (years)	到期時間(年)	4	3
Expected volatility	預期波幅	58.397%	58.397%
As at 31 March 2017	於 2017 年 3 月 31 日		
Valuation techniques	估值技術	Not applicable 不適用	Market approach 市場法
Discount rate	貼現率	Not applicable 不適用	25.76%-26.47%
Risk free interest rate	無風險利率	Not applicable 不適用	0.62%-1.06%
Time to maturity (years)	到期時間(年)	Not applicable 不適用	2.4
Expected volatility	預期波幅	Not applicable 不適用	80.39%

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

(a) Reconciliation of loss before income tax to cash used in operations

(a) 未計所得稅前虧損與經營業務所用之現金之對賬

		(Restated) (經重列)	
		2017	2016
		HK\$'000	HK\$'000
		千港元	千港元
Loss before income tax	未計所得稅前虧損	(210,080)	(156,238)
Adjustments for:	就下列各項作出調整：		
— Depreciation of property, plant and equipment	— 物業、廠房及設備之折舊	11,781	15,393
— Impairment of property, plant and equipment	— 物業、廠房及設備之減值	1,105	1,586
— Net write-back of inventories	— 存貨撥回淨額	(6,669)	(799)
— Provision of trades receivables	— 應收貿易賬款撥備	—	1,134
— Amortisation of intangible assets	— 無形資產之攤銷	806	1,173
— Loss on disposal of property, plant and equipment	— 出售物業、廠房及設備之虧損	1,051	194
— Loss on disposal of available for sales financial assets	— 出售可供出售金融資產之虧損	2	—
— Fair value gain on revaluation of assets held for sale	— 持有作出售資產之重估公平值收益	(830)	—
— Finance income	— 財務收入	(25,213)	(224)
— Finance expense	— 財務開支	14,106	748
— Share option expenses	— 購股權開支	6,808	—
— Share-based compensation expenses	— 股份補償開支	9,034	—
— Share of loss in an associate	— 應佔於聯營公司之虧損	54	—
Changes in working capital:	營運資金變動：		
— Inventories	— 存貨	88,327	13,979
— Trade receivables	— 應收貿易款項	29,734	37,217
— Deposits, prepayments and other receivables	— 按金、預付款項及其他應收款項	21,610	10,816
— Trade payables	— 應付貿易款項	(20,011)	4,956
— Accruals and other payables	— 應計費用及其他應付款項	(49,857)	(10,870)
Cash used in operations	經營所用之現金	(128,242)	(80,935)

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

綜合現金流量表(續)

(b) Proceeds from disposal of property, plant and equipment

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

(b) 出售物業、廠房及設備之所得款項

於綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Net book amount (Note 14)	賬面淨額(附註14)	1,514	256
Loss on disposal of property, plant and equipment (Note 7)	出售物業、廠房及設備之虧損(附註7)	(1,051)	(194)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	463	62

(c) Proceeds from disposals of assets held for sale

In the consolidated statement of cash flows, proceeds from disposals of assets held for sale:

(c) 出售持有作出售資產之所得款項

於綜合現金流量表中，出售持有作出售資產之所得款項包括：

		2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元
Net book amount (Note 22)	賬面淨額(附註22)	3,360	2,912
Effect on changing of accounting policy	會計政策變動之影響	—	9,848
Fair value	公平值	3,360	12,760
Exchange difference	匯兌差額	26	—
Proceeds from disposals of assets held for sale	出售持有作出售資產之所得款項	3,386	12,760
Representing	指		
Cash received during the year	本年度已收現金	—	12,760
Cash received subsequent to 31 March	3月31日後已收現金	3,386	—
		3,386	12,760

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

		As at 31 March 於3月31日	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
	Note 附註		
ASSETS	資產		
Non-current asset	非流動資產		
Interests in subsidiaries	於附屬公司之權益	378,820	342,701
		378,820	342,701
Current assets	流動資產		
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	216	267
Amounts due from subsidiaries	應收附屬公司款項	2,167	2,167
Cash and cash equivalents	現金及現金等值項目	789	416
		3,172	2,850
Total assets	資產總值	381,992	345,551
EQUITY	權益		
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備		
Share capital	股本	71,619	64,136
Share premium	股份溢價	673,503	576,561
Convertible bond reserve	可換股債券儲備	7,075	—
Share-based compensative reserve	股份補償儲備	6,808	—
Accumulated losses	累計虧損	(533,267)	(298,385)
Total equity	權益總額	225,738	342,312

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 STATEMENT OF FINANCIAL POSITION AND RESERVES

MOVEMENT OF THE COMPANY (Continued)

本公司之財務狀況表及儲備變動(續)

(a) Statement of financial position of the Company
(Continued)

(a) 本公司之財務狀況表(續)

		As at 31 March 於3月31日	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
	Note 附註		
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Convertible bonds	可換股債券	134,199	—
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	4,505	3,239
Convertible bond	可換股債券	17,550	—
		22,055	3,239
		156,254	3,239
Total equity and liabilities	權益及負債總額	381,992	345,551

The financial statements were approved by the Board of Directors on 13 July 2017 and were signed on its behalf.

財務報表於2017年7月13日經董事會批准，並由其代表簽署。

ZHU Xiaojun
朱曉軍
Director
董事

KANG Jianming
康建明
Director
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY (Continued)

本公司之財務狀況表及儲備變動(續)

(b) Reserves movement of the Company

(b) 本公司之儲備變動

		Other reserves 其他儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2015	於2015年4月1日	29,511	(186,230)	(156,719)
Loss for the year	本年度虧損	—	(136,605)	(136,605)
Exercise of share options (Note 23)	行使購股權(附註23)	(29,511)	24,450	(5,061)
At 31 March 2016	於2016年3月31日	—	(298,385)	(298,385)
Loss for the year	本年度虧損	—	(234,882)	(234,882)
Issuance of convertible bonds	發行可換股債券	7,075	—	7,075
Share option scheme — value of employee service (Note 23)	購股權計劃 — 僱員服務 價值(附註23)	6,808	—	6,808
At 31 March 2017	於2017年3月31日	13,883	(533,267)	(519,384)

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定之披露)

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive for the year ended 31 March 2017 and 2016 is set out below:

For the year ended 31 March 2017:

(a) 董事及最高行政人員之酬金

截至2017年及2016年3月31日止年度，各董事及最高行政人員之薪酬載列如下：

截至2017年3月31日止年度：

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking
就擔任董事(不論本公司或其附屬公司)之人士獲支付或應收之酬金

Name	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefit (Note a)	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the company or its subsidiary undertaking	Total
								董事就管理本公司或其附屬公司事務提供之其他服務獲支付或應收之酬金	
姓名	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	住房津貼 HK\$'000 千港元	其他福利之估計貨幣價值 (附註a) HK\$'000 千港元	退休福利計劃之僱主供款 HK\$'000 千港元	就擔任董事獲支付或應收之薪酬 HK\$'000 千港元	本公司或其附屬公司事務提供之其他服務獲支付或應收之酬金 HK\$'000 千港元	總額 HK\$'000 千港元
Executive directors:									
執行董事：									
Mr. Zhu Xiaojun 朱曉軍先生	—	2,400	—	—	—	—	—	—	2,400
Ms. Chan Mei Sheung (Note b) 陳美雙女士(附註b)	—	—	—	—	—	—	—	—	—
Mr. Kiu Wai Ming (Note c) 喬維明先生(附註c)	—	—	—	—	—	—	—	—	—
Mr. Kang Jianming 康建明先生	—	1,696	—	—	1,102	—	—	—	2,798
Ms. Cai Jiaying (Note d) 蔡佳櫻女士(附註d)	—	—	—	—	1,102	—	—	—	1,102
Mr. Yin Wansun (Note e) 殷苑蓀先生(附註e)	—	—	—	—	1,102	—	—	—	1,102
Mr. Wang Lingxiao (Note f) 王凌霄先生(附註f)	—	173	—	—	—	—	—	—	173
Non-executive director:									
非執行董事：									
Mr. Chan Mingzhong (Note g) 陳鳴忠先生(附註g)	—	500	—	—	—	—	—	—	500

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

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(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 March 2017: (Continued)

(a) 董事及最高行政人員之酬金(續)

截至2017年3月31日止年度:(續)

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking
就擔任董事(不論本公司或其附屬公司)之人士獲支付或應收之酬金

Name	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefit (Note a)	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking	Total
姓名	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	住房津貼 HK\$'000 千港元	其他福利之估計貨幣價值 (附註a) HK\$'000 千港元	退休福利計劃之僱主供款 HK\$'000 千港元	就擔任董事獲支付或應收之薪酬 HK\$'000 千港元	本公司或其附屬公司事務提供之其他服務獲支付或應收之酬金 HK\$'000 千港元	總額 HK\$'000 千港元

Independent Non-executive directors:

獨立非執行董事:

Ms. Zhao Hong (Note h) 趙虹女士(附註h)	—	203	—	—	92	—	—	—	295
Dr. He Chengying (Note i) 何誠穎博士(附註i)	—	300	—	—	92	—	—	—	392
Mr. Chau Wai Hing (Note h) 周偉興先生(附註h)	—	30	—	—	—	—	—	—	30
Mr. Chen Jianzhong (Note j) 陳建中先生(附註j)	—	150	—	—	—	—	—	—	150
Mr. Hu Jinxing (Note k) 胡錦星先生(附註k)	—	150	—	—	—	—	—	—	150

Notes to the Consolidated Financial Statements

綜合財務報表附註

31 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定之披露)(續)

(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 March 2016:

(a) 董事及最高行政人員之酬金(續)

截至2016年3月31日止年度：

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking
就擔任董事(不論本公司或其附屬公司)之人士獲支付或應收之酬金

Name	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefit (Note a)	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking	Total
姓名	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	住房津貼 HK\$'000 千港元	其他福利之估計貨幣價值 (附註a) HK\$'000 千港元	退休福利計劃之僱主供款 HK\$'000 千港元	就擔任董事獲支付或應收之薪酬 HK\$'000 千港元	本公司或其附屬公司事務提供之其他服務獲支付或應收之酬金 HK\$'000 千港元	總額 HK\$'000 千港元
Executive directors:									
執行董事：									
Mr. Zhu Xiaojun 朱曉軍先生	—	—	—	—	—	—	—	—	—
Ms. Chan Mei Sheung (Note b) 陳美雙女士(附註b)	—	1,934	—	480	—	18	—	—	2,432
Mr. Kiu Wai Ming (Note c) 喬維明先生(附註c)	—	1,541	—	—	—	18	—	—	1,559
Mr. Hung Tin Chun (Note l) 洪天真先生(附註l)	—	591	—	—	—	17	—	—	608
Mr. Kang Jianming 康建明先生	—	283	—	—	—	—	—	—	283
Mr. Wang Lingxiao (Note f) 王凌霄先生(附註f)	—	61	—	—	—	—	—	—	61
Non-executive director:									
非執行董事：									
Mr. Chen Mingzhong (Note g) 陳鳴忠先生(附註g)	—	51	—	—	—	—	—	—	51
Independent Non-executive directors:									
獨立非執行董事：									
Mr. Sze Tsai Ping, Michael (Note m) 史習平先生(附註m)	264	—	—	—	—	—	—	—	264
Dr. Fan Yiu Kwan, JP (Note m) 范耀鈞博士太平紳士(附註m)	240	—	—	—	—	—	—	—	240
Mr. Lee Kwan Hung (Note m) 李均雄先生(附註m)	240	—	—	—	—	—	—	—	240

**31 BENEFITS AND INTERESTS OF DIRECTORS
(DISCLOSURES REQUIRED BY SECTION 383 OF THE
HONG KONG COMPANIES ORDINANCE (CAP. 622),
COMPANIES (DISCLOSURE OF INFORMATION ABOUT
BENEFITS OF DIRECTORS) REGULATION (CAP. 622G)
AND HK LISTING RULES) (Continued)**

董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定之披露)(續)

**(a) Directors' and chief executive's emoluments
(Continued)**

- Note a* Other benefits include leave pay and share options.
- Note b* Ms. Chan Mei Sheung had resigned as executive director with effect from 26 April 2016.
- Note c* Mr. Kiu Wai Ming was also the chief executive officer of the Company and had resigned as executive director and chief executive officer with effect from 26 April 2016.
- Note d* Ms. Cai Jiaying was appointed as executive director with effect from 1 April 2016.
- Note e* Mr. Yin Wansun was appointed as executive director with effect from 19 May 2016.
- Note f* Mr. Wang Lingxiao was resigned as executive director with effect from 15 August 2016.
- Note g* Mr. Chen Mingzhong was resigned as a non-executive director with effect from 12 August 2016.
- Note h* Mr. Zhao Hong and Mr. Chau Wai Hing were appointed as an independent non-executive directors with effect from 1 April 2016 and 1 February 2017 respectively.
- Note i* Dr. He Chengying was appointed as an independent non-executive director with effect from 1 April 2016 and resigned with effect from 1 April 2017.
- Note j* Mr. Chen Jianzhong was appointed as an independent non-executive director with effect from 1 April 2016 and resigned with effect from 12 August 2016.
- Note k* Mr. Hu Jinxing was appointed as an independent non-executive director with effect from 1 April 2016 and resigned with effect from 15 November 2016.
- Note l* Mr. Hung Tin Chun was resigned as executive director with effect from 24 February 2016.
- Note m* Mr. Sze Tsai Ping, Michael, Dr. Fan Yiu Kwan JP and Mr. Lee Kwan Hung were resigned as an independent non-executive directors with effect from 31 March 2016.

(a) 董事及最高行政人員之酬金(續)

- 附註 a* 其他福利包括有薪假期及購股權。
- 附註 b* 陳美雙女士已辭任執行董事，自2016年4月26日起生效。
- 附註 c* 喬維明先生兼任本公司行政總裁，已辭任執行董事及行政總裁，自2016年4月26日起生效。
- 附註 d* 蔡佳櫻女士獲委任為執行董事，自2016年4月1日起生效。
- 附註 e* 殷苑蓀先生獲委任為執行董事，自2016年5月19日起生效。
- 附註 f* 王凌霄先生已辭任執行董事，自2016年8月15日起生效。
- 附註 g* 陳鳴忠先生辭任非執行董事，自2016年8月12日生效。
- 附註 h* 趙竑女士及周偉興先生獲委任為獨立非執行董事，分別自2016年4月1日及2017年2月1日起生效。
- 附註 i* 何誠穎博士獲委任為獨立非執行董事，自2016年4月1日起生效，彼之辭任自2017年4月1日起生效。
- 附註 j* 陳建中先生獲委任為獨立非執行董事，自2016年4月1日起生效，彼之辭任自2016年8月12日起生效。
- 附註 k* 胡錦星先生獲委任為獨立非執行董事，自2016年4月1日起生效，彼之辭任自2016年11月15日生效。
- 附註 l* 洪天真先生已辭任執行董事，自2016年2月24日起生效。
- 附註 m* 史習平先生、范耀鈞博士太平紳士及李均雄先生已辭任獨立非執行董事，自2016年3月31日起生效。

31 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定之披露)(續)

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits related to define benefit plan for the year ended 31 March 2017 (2016: Nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits for the year ended 31 March 2017 (2016: Nil).

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

During the year ended 31 March 2017, the Company did not pay consideration to any third parties for making available directors' services (2016: Nil).

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

During the Year, the Company issued CB-II in August 2016 with personal guarantee obtained from director Mr. ZHU Xiaojun (note 28).

During the year ended 31 March 2017, there is no loans, quasi-loans and other dealing arrangements in favour of the directors, or controlled body corporates and connected entities of such directors (2016: Nil).

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

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 March 2017 (2016: Nil).

(b) 董事退休福利

截至2017年3月31日止年度，概無董事已收取或將收取任何與定額福利計劃有關之退休福利(2016年：無)。

(c) 董事離職福利

截至2017年3月31日止年度，概無董事已收取或將收取任何離職福利(2016年：無)。

(d) 就獲得董事服務向第三方提供之代價

截至2017年3月31日止年度，本公司並無就獲得董事服務向任何第三方支付代價(2016年：無)。

(e) 有關董事、受董事控制之法人團體及有關董事之關連實體之貸款、類似貸款及其他交易之資料

年內，本公司於2016年8月發行可換股債券II，以得自朱曉軍先生之個人擔保作抵押(附註28)。

截至2017年3月31日止年度，概無有關董事或受董事控制之法人團體及有關董事之關連實體之貸款、類似貸款及其他交易安排(2016年：無)。

(f) 董事於交易、安排或合約中之重大權益

於截至2017年3月31日止年度結束時或年內任何時間，概無本公司董事在本公司所訂立並與本公司業務有關之重大交易、安排及合約中直接或間接擁有重大權益(2016年：無)。

32 BUSINESS COMBINATIONS 業務合併

(a) Acquisition of China Consume

In February 2017, the Group acquired 100% equity interest in China Consume through a 100% owned subsidiary for a total consideration of HK\$178,700,000, which consist of a cash consideration of HK\$83,500,000 and issue of share of the Company with fair value of HK\$95,200,000 as at 8 February 2017 and obtained control of China Consume which principally engages in e-Commerce and e-Payment business.

The intangible assets acquired through acquisition of China Consume includes a provisional licence issued by UnionPay International Co, Ltd which allows the holder to conduct payment processing services for UPI payments in Hong Kong, Japan, Korea, Italy and France. The management expects the Group could expand its business scope to e-Commerce and e-Payment business through the acquisition of China Consume. The Goodwill of approximately HK\$36,153,000 arising from the acquisition is attributable to the anticipated profitability and net cash inflows of the acquired business.

Management expects that China Consume could commence its acquiring business from 2019 onwards.

(a) 收購中國消費

於2017年2月，本集團透過其全資擁有之附屬公司以總代價178,700,000港元(包括現金代價83,500,000港元及於2017年2月8日發行本公司股份之公平值95,200,000港元)收購中國消費之全部股權，並取得主要從事電子商務及電子支付業務之中國消費之控制權。

透過收購中國消費所收購之無形資產包括由銀聯國際有限公司發出之臨時特許使用權，允許持有人於香港、日本、韓國、意大利及法國進行銀聯國際付款處理服務。管理層預期，本集團將可透過收購中國消費擴展其業務範圍至電子商務及電子支付業務。收購產生約36,153,000港元之商譽可歸因於收購業務之預期盈利能力及現金流入淨額。

管理層預期，中國消費將於2019年起開始其收購業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 BUSINESS COMBINATIONS (Continued)

業務合併(續)

(a) Acquisition of China Consume (Continued)

The following table summarises the consideration paid for acquisition of China Consume, the fair value of assets acquired and liabilities assumed on the acquisition date.

(a) 收購中國消費(續)

下表概述收購中國消費支付之代價、所收購資產之公平值及於收購日期所承擔之負債。

		HK\$'000 千港元
Consideration:	代價：	
— Cash consideration	— 現金代價	83,500
— Issue of ordinary shares	— 發行普通股	95,200
Total consideration transferred	已轉讓之代價總額	178,700
Recognised amounts of identifiable assets acquired and liabilities assumed:	可識別已收購資產及已承擔負債之已確認金額：	
Property, plant and equipment	物業、廠房及設備	774
Intangible asset	無形資產	193,629
Trade receivables, prepayment and other receivables	應收貿易款項、預付款項及其他應收款項	35,543
Investment in available-for-sales financial assets	於可供出售金融資產之投資	1,793
Investment in an associate	於聯營公司之投資	1,192
Investment in assets held for sale	於持有作出售資產之投資	3,360
Cash and cash equivalents	現金及現金等值項目	141
Trade and other payables	應付貿易款項及其他應付款項	(6,169)
Deferred tax liabilities	遞延稅項負債	(36,153)
Total identifiable net assets	可識別淨資產總額	194,110
Amount due to the Group, net	應付本集團款項，淨額	(51,217)
Non-controlling interests	非控股權益	(346)
Goodwill	商譽	36,153

The above purchase price allocation is on a provisional basis. Acquisition-related costs of approximately HK\$540,000 have been charged to administrative expense in the consolidated income statement for the year ended 31 March 2017.

以上購買價分配乃根據暫定基準。約540,000港元之與收購事項有關成本已於截至2017年3月31日止年度之綜合收益表中行政開支中扣除。

For the year ended 31 March 2017, China Consume contributed nil revenue and HK\$944,000 loss included in the consolidated income statement of the Group.

截至2017年3月31日止年度，中國消費產生之零收益及虧損944,000港元已計入本集團之綜合收益表。

Had China Consume been consolidated from 1 April 2016, the consolidated income statement would show proforma revenue of approximately HK\$nil and loss of approximately HK\$3,228,000.

倘中國消費已於2016年4月1日起合併，綜合綜合收益表將呈列備考收益約零港元及虧損約3,228,000港元。

33 COMMITMENTS

承擔

(a) Capital commitments

As at 31 March 2017 and 2016, the Group had no capital commitments.

(b) Operating lease commitments

The future aggregate minimum lease payments and turnover rental expenses under non-cancellable operating leases in respect of retail shops, offices, warehouses and furniture, fixtures and equipment are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Land and buildings	土地及樓宇		
— No later than 1 year	— 1年內	49,175	52,316
— Later than 1 year and no later than 5 years	— 1年後但不多於5年	24,789	35,774
— Later than 5 years	— 多於5年	359	—
		74,323	88,090
Furniture, fixtures and equipment	傢俬、裝置及設備		
— No later than 1 year	— 1年內	230	222
— Later than 1 year and no later than 5 years	— 1年後但不多於5年	1,458	332
		1,688	554
		76,011	88,644

Leases are negotiated for varying terms, escalation clauses and renewal options. The operating lease rentals of certain outlets are based on the higher of a minimum guaranteed rental and a sales level based rental. The above operating lease commitments include commitments for fixed rent only.

In addition, rental payable in some cases include additional rent, calculated according to gross revenue, in excess of the fixed rent.

(a) 資本承擔

於2017年及2016年3月31日，本集團並無資本承擔。

(b) 經營租賃承擔

根據有關零售店、辦公室、倉庫及傢俬、裝置及設備之不可撤銷經營租賃於日後之最低租賃付款及按營業額計算之租金費用之總額如下：

租賃經磋商後具有不同年期、租金遞升條款及續租權。若干門市之經營租賃租金乃根據最低保證租金及以銷售額計算之租金(以較高者為準)計算。上述經營租賃承擔僅包括固定租金之承擔。

此外，應付租金在某些情況下包括超過固定租金之額外租金(根據收益總額計算)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 SIGNIFICANT RELATED PARTY TRANSACTIONS 重大關聯人士交易

The Group is controlled by China Consume Elderly Care Holdings Limited (incorporated in the Republic of Seychelles) which owned 67.12% of the Company's shares. The ultimate controlling party of the Group was Mr. ZHU Xiaojun.

本集團由為中國消費養老控股有限公司(於塞舌爾共和國註冊成立)控制，擁有本公司67.12%股份。本集團之最終控股方為朱曉軍先生。

(a) Key management compensation

During the Year, the Group had the following significant transactions with related parties:

(a) 主要管理人員補償

本集團於年內與關聯人士進行下列重大交易。

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Key management compensation	主要管理人員補償		
Basic salaries, housing allowances, other allowances and benefits-in-kind	基本薪金、住房津貼、其他津貼及實物利益	12,235	3,541
Share options expenses	購股權開支	4,997	—
Share based compensation expenses	股份補償開支	6,063	—
Contributions to pension plans	退休金計劃供款	44	45
		23,339	3,586

Note:

Key management includes directors and certain senior management who have important roles in making operational and financial decisions.

附註：

主要管理人員包括董事及若干於營運及財務決策有重要職能之高級管理人員。

(b) Year-end balances

(b) 年終結餘

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Amount due from an associate — Prepayment	應收聯營公司款項 — 預付款項	6,603	—
Amount due to a related party — Other payables	應付關聯人士款項 — 其他款項	3,010	—

Other payables with related parties are repayable on demand, unsecured and non-interest bearing.

關聯人士之其他應付款項結餘為須按
要求償還、無抵押及免息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 SUBSIDIARIES

附屬公司

The following is a list of the principal subsidiaries at 31 March 2017 and 2016:

下列為於2017年及2016年3月31日之主要附屬公司列表：

Name of company 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別	Principal activities and place of operation 主要業務及經營所在地	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益	
				2017	2016
Directly held:					
直接持有：					
Carlyon Investment Holdings Limited 格理昂投資控股有限公司	The British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 投資控股／香港	1 ordinary share of US\$1 1 股每股 1 美元之普通股	100%	—
Genius Earn Investments Limited 傑盈投資有限公司	The British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 投資控股／香港	90 ordinary shares of US\$1 each 90 股每股 1 美元之普通股	100%	100%
Silver Summit Ventures Limited 銀峰創投有限公司	The British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 投資控股／香港	1 ordinary share of US\$1 1 股每股 1 美元之普通股	100%	—
Indirectly held:					
間接持有：					
Artemis Footwear Limited 艾迪米斯鞋業有限公司	Hong Kong, limited liability company 香港，有限公司	Retailing of footwear in Taiwan 零售鞋類／台灣	10,000,000 ordinary shares 10,000,000 股普通股	100%	65%
Ascent Pride Investments Limited 昇傲投資有限公司	The British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 投資控股／香港	1 ordinary share of US\$1 1 股每股 1 美元之普通股	100%	100%
Asia Glory Investment Limited 美宏投資有限公司	Hong Kong, limited liability company 香港，有限公司	Investment holding in Hong Kong 投資控股／香港	1 ordinary share 1 股普通股	100%	100%

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 SUBSIDIARIES (Continued)

附屬公司(續)

Name of company 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別	Principal activities and place of operation 主要業務及經營所在地	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益	
				2017	2016
Billion International Trading (Shanghai) Company Limited 逸盈國際貿易(上海)有限 公司	The PRC, wholly foreign- owned enterprise limited liability company 中國·外商獨資企業有限公司	Retailing of footwear in the PRC 零售鞋類/中國	US\$1,000,000 1,000,000 美元	100%	100%
Carlyon Asset Management Limited 格理昂資產管理有限公司	Hong Kong, limited liability company 香港·有限公司	Asset management in Hong Kong 資產管理/香港	5,000,000 ordinary shares 5,000,000 股普通股	100%	—
Carlyon Capital Limited 格理昂資本有限公司	Hong Kong, limited liability company 香港·有限公司	Advising on corporate finance in Hong Kong 就企業融資提供意見/香 港	100,000 ordinary shares 100,000 股普通股	100%	—
Carlyon Finance Limited 格理昂財務有限公司	Hong Kong, limited liability company 香港·有限公司	Money lending in Hong Kong 放債/香港	1 ordinary share 1 股普通股	100%	—
Carlyon Securities Limited 格理昂證券有限公司	Hong Kong, limited liability company 香港·有限公司	Securities dealing in Hong Kong 證券買賣/香港	10,000,000 ordinary shares 10,000,000 股普通股	100%	—
China Consume Financial Holdings Company Limited 中國消費金融控股有限公司	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 投資控股/香港	60,000,000 ordinary shares 60,000,000 股普通股	100%	—
Citiward Limited 佳和有限公司	Hong Kong, limited liability company 香港·有限公司	Investment holding in Hong Kong 投資控股/香港	1 ordinary share 1 股普通股	100%	100%
Design Management Hong Kong Limited	Hong Kong, limited liability company 香港·有限公司	Corporate holding in Hong Kong 企業控股/香港	300,000 ordinary shares 300,000 股普通股	100%	—
Senet International Limited 盛益國際有限公司	Hong Kong, limited liability company 香港·有限公司	Holding of trademarks in Hong Kong 持有商標/香港	10 ordinary shares 10 股普通股	100%	100%

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 SUBSIDIARIES (Continued)

附屬公司(續)

Name of company 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別	Principal activities and place of operation 主要業務及經營所在地	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益	
				2017	2016
Smart Sky International (Beijing) Limited [†] 傲天國際貿易(北京)有限公司	The PRC, wholly foreign- owned enterprise limited liability company 中國, 外商獨資企業有限公司	Trading of footwear in the PRC 買賣鞋類/中國	HK\$2,800,000 2,800,000 港元	100%	100%
Smart Trend Trading (Shenzhen) Company Limited 傲豐貿易(深圳)有限公司	The PRC, wholly foreign- owned enterprise, limited liability company 中國, 外商獨資企業有限公司	Retailing of footwear in the PRC 零售鞋類/中國	HK\$41,000,000 41,000,000 港元	100%	100%
Smarter Trading (Beijing) Company Limited 奧吉斯貿易(北京)有限公司	The PRC, wholly foreign- owned enterprise, limited liability company 中國, 外商獨資企業有限公司	Retailing of footwear in the PRC 零售鞋類/中國	HK\$40,000,000 40,000,000 港元	100%	100%
Surplus Jet Investments Limited 盈捷投資有限公司	The British Virgin Islands, limited liability company 英屬處女群島, 有限公司	Investment holding in Hong Kong 投資控股/香港	1 ordinary share of US\$1 1 股每股 1 美元之普通股	100%	100%
Triple Juicy Limited	The United Kingdom, limited liability company 英國, 有限公司	Holding of trademarks 持有商標	1,000 ordinary shares of £1 each 1,000 股每股 1 英鎊之 普通股	100%	100%
Trunari Enterprises Company Limited 達斯彌企業有限公司	Hong Kong, limited liability company 香港, 有限公司	Holding of trademarks and properties in Hong Kong 持有商標及物業/香港	22,000,000 ordinary shares 22,000,000 股普通股	100%	100%
Vervestone Limited	The United Kingdom, limited liability company 英國, 有限公司	Investment holding in the United Kingdom 投資控股/英國	2,000 ordinary shares of £1 each 2,000 股每股 1 英鎊之普通 股	100%	100%
Walker Group (Shanghai) Company Limited 奧卡索國際貿易(上海)有限 公司	The PRC, wholly foreign- owned enterprise limited liability company 中國, 外商獨資企業有限公司	Retailing of footwear in the PRC 零售鞋類/中國	US\$200,000 200,000 美元	100%	100%
Walker Group China Company Limited 盈進集團(中國)有限公司	Hong Kong, limited liability company 香港, 有限公司	Investment holding in Hong Kong 投資控股/香港	100 ordinary shares 100 股普通股	100%	100%

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 SUBSIDIARIES (Continued)

附屬公司(續)

Name of company 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別	Principal activities and place of operation 主要業務及經營所在地	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益	
				2017	2016
Walker Group International Company Limited 盈進集團(國際)有限公司	Hong Kong, limited liability company 香港, 有限公司	Investment holding in Hong Kong 投資控股/香港	100 ordinary shares 100股普通股	100%	100%
Walker International Footwear Limited 盈進國際鞋業有限公司	Hong Kong, limited liability company 香港, 有限公司	Wholesaling of footwear 批發鞋類	100 ordinary shares 100股普通股	100%	100%
Walker Shop Footwear Limited	Hong Kong, limited liability company 香港, 有限公司	Investment holding and retailing of footwear in Hong Kong 投資控股及零售鞋類/香港	500,000,000 ordinary shares 500,000,000股普通股	100%	100%
廣州盈暉貿易有限公司	The PRC, wholly foreign- owned enterprise limited liability company 中國, 外商獨資企業有限公司	Trading of footwear in the PRC 買賣鞋類/中國	HK\$1,500,000 1,500,000港元	100%	100%
國信網富信息科技有限公司	The PRC, foreign and domestic owned enterprise limited liability company 中國, 外商與境內合資企業 有限公司	Information Technology 訊息科技	RMB100,000,000 人民幣100,000,000元	85%	—
上海盛旅廣告有限公司	The PRC, foreign-owned enterprise limited liability company 中國, 外商企業有限公司	Sales and marketing 市場營銷策劃	RMB16,000,000 人民幣16,000,000元	85%	—

† The English names of certain companies represent the best effort by the management of the Group in translating their Chinese names as they do not have official English names.

† 若干公司並無正式英文名稱, 有關英文名稱乃本集團管理層盡力翻譯該等公司中文名稱之譯名。

As legal requirement, all companies established in the PRC and Taiwan have adopted 31 December as their accounting date for statutory reporting purpose. All other companies have adopted 31 March as their financial year end date.

根據法律規定, 於中國及台灣成立之所有公司已採納12月31日為其法定申報會計日期。所有其他公司已採納3月31日為其財政年度年結日。

36 EVENTS AFTER THE DATE OF STATEMENT OF FINANCIAL POSITION

財務狀況表日期後事項

(a) Issuance of bonds

On 5 May 2017, the Group issued a two-year bond with principal amount of HK\$350,000,000 at interest rate of 12% per annum for the first year and 13% per annum for the second year. The bond is guaranteed by Mr. ZHU Xiaojun, Chairman of the Group and is pledged by the shares of the Milan Properties Vendor.

(b) Proposed acquisition of properties in Milan, Italy from a related party

On 17 June 2017, the Group entered into a sales and purchase agreement with China Investment S.p.A., a company with 70% interest owned by Ms. CAI Jiaying, an executive Director of the Company, to acquire certain properties in Milan at a total cash consideration of Euro34,000,000 (equivalent to approximately HK\$297,160,000). The construction of the Milan Properties commenced in June 2017 and the construction is expected to be completed in June 2019.

Details of the acquisition are set out in the announcement dated 19 June 2017.

(c) Money lending business

The Group's money lending business commenced subsequent to 31 March 2017. The Group has granted 1-year unsecured term loans to several third parties totalling HK\$74,000,000 up to the date of approval of the consolidated financial statements.

(a) 發行債券

於2017年5月5日，本集團發行本金額為350,000,000港元之兩年期債券，年利率於第一年及第二年分別為12厘及13厘。該債券由本集團主席朱曉軍先生擔保，並由米蘭物業賣方之股份作質押。

(b) 建議向關聯人士收購位於意大利米蘭之物業

於2017年6月17日，本集團與本公司執行董事蔡佳櫻女士擁有70%權益之公司China Investment S.p.A.訂立買賣協議，以收購位於米蘭之若干物業，總現金代價為34,000,000歐元（相等於約297,160,000港元）。米蘭物業之建設於2017年6月展開，預期於2019年6月完成。

收購事項詳情載於本公司日期為2017年6月19日之公告。

(c) 放債業務

本集團於2017年3月31日展開放債業務。本集團於直至綜合財務報表之批准日期前已向若干第三方授予1年期無抵押貸款，總額為74,000,000港元。

Five-Year Financial Summary

五年財務概要

CONSOLIDATED INCOME STATEMENTS

綜合收益表

		For the year ended 31 March 截至3月31日止年度				
		2017	(Restated)	(Restated)	(Restated)	(Restated)
		HK\$'000	(經重列)	(經重列)	(經重列)	(經重列)
		千港元	2016	2015	2014	2013
			HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元
Revenue	收益	561,557	840,658	1,090,668	1,299,154	1,375,256
Cost of sales	銷售成本	(272,996)	(357,342)	(473,751)	(616,940)	(555,810)
Gross profit	毛利	288,561	483,316	616,917	682,214	819,446
Operating expenses	經營費用	(514,041)	(642,913)	(719,836)	(909,209)	(919,798)
Other gains/(losses), net	其他收益/(虧損)·淨值	(400)	(394)	8,262	(162)	2,826
Other income	其他收入	4,747	4,277	7,035	12,029	7,341
Operating loss	經營虧損	(221,133)	(155,714)	(87,622)	(215,128)	(90,185)
Finance income/(costs), net	財務收入/(費用)·淨值	11,107	(524)	(489)	(332)	(181)
Share of loss of an associate	應佔於聯營公司之虧損	(54)	—	—	—	—
Loss before income tax	未計所得稅前虧損	(210,080)	(156,238)	(88,111)	(215,460)	(90,366)
Income tax expense	所得稅開支	(116)	(656)	(2,415)	(13,902)	(3,363)
Loss for the year	本年度虧損	(210,196)	(156,894)	(90,526)	(229,362)	(93,729)
Attributable to:	應佔：					
Equity holders of the Company	本公司權益持有人	(209,501)	(155,892)	(89,546)	(227,241)	(91,246)
Non-controlling interests	非控股權益	(695)	(1,002)	(980)	(2,121)	(2,483)
		(210,196)	(156,894)	(90,526)	(229,362)	(93,729)
Dividends	股息	—	—	—	—	—

Five-Year Financial Summary

五年財務概要

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

綜合財務狀況表

		As at 31 March 於3月31日			
		(Restated) (經重列)	(Restated) (經重列)	(Restated) (經重列)	(Restated) (經重列)
		2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元
		2013 HK\$'000 千港元			
ASSETS	資產				
Non-current assets	非流動資產				
Investment in a joint venture	於合營公司之投資	510	—	—	—
Investment in an associate	於聯營公司之投資	7,227	—	—	—
Property, plant and equipment	物業、廠房及設備	113,534	29,252	34,942	40,386
Investment properties	投資物業	—	—	—	17,140
Intangible assets	無形資產	230,788	1,873	2,570	4,605
Deferred income tax assets	遞延所得稅資產	—	—	6,091	9,547
Available-for-sale financial assets	可供出售金融資產	—	—	—	—
Long-term deposits and prepayments	長期按金及預付款項	27,354	—	—	39,759
		27,354	12,588	10,995	14,781
		379,413	43,713	54,598	86,459
Current assets	流動資產				
Inventories	存貨	132,594	223,446	242,388	320,393
Trade receivables	應收貿易款項	39,751	72,939	115,024	119,636
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	32,014	27,081	40,044	50,043
Tax recoverable	可收回稅項	—	—	—	86
Cash and cash equivalents	現金及現金等值項目	32,839	41,039	94,939	107,044
		237,198	364,505	492,395	597,116
Assets held for sale	持有作出售資產	14,730	13,900	26,660	—
		251,928	378,405	519,055	597,116
LIABILITIES	負債				
Current liabilities	流動負債				
Trade payables	應付貿易款項	(79,576)	(104,026)	(101,396)	(128,095)
Accruals and other payables	應計費用及其他應付款項	(73,408)	(41,129)	(53,193)	(71,854)
Borrowings	借貸	(72,240)	(44,920)	(25,040)	(5,260)
Obligation under finance lease	融資租賃承擔	(105)	(106)	(106)	(106)
Tax payable	應付稅項	(973)	(1,102)	(1,001)	(3,108)
Convertible bonds	可換股債券	(17,550)	—	—	—
		(243,852)	(191,283)	(180,736)	(208,423)
Net current assets	流動資產淨值	8,076	187,122	338,319	388,693
		512,826	565,537	876,638	984,812

Five-Year Financial Summary

五年財務概要

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

綜合財務狀況表

		As at 31 March 於3月31日				
		2017 HK\$'000 千港元	(Restated) (經重列) 2016 HK\$'000 千港元	(Restated) (經重列) 2015 HK\$'000 千港元	(Restated) (經重列) 2014 HK\$'000 千港元	(Restated) (經重列) 2013 HK\$'000 千港元
Total assets less current liabilities	資產總額減流動負債	387,489	230,835	392,917	475,152	691,829
Non-current liabilities	非流動負債					
Convertible bonds	可換股債券	(134,199)	—	—	—	—
Obligation under finance lease	融資租賃承擔	(225)	(9)	(115)	(221)	—
Deferred income tax liabilities	遞延所得稅負債	(36,739)	(351)	(5,990)	(5,989)	(4,456)
		(171,163)	(360)	(6,105)	(6,210)	(4,456)
Net assets	資產淨值	216,326	230,475	386,812	468,942	687,373
EQUITY	權益					
Capital and reserves	資本及儲備					
Share capital	股本	71,619	64,136	62,356	62,356	62,356
Reserves	儲備	144,466	168,353	326,772	407,766	626,091
		216,085	232,489	389,128	470,122	688,447
Non-controlling interests	非控股權益	241	(2,014)	(2,316)	(1,180)	(1,074)
Total equity	權益總額	216,326	230,475	386,812	468,942	687,373

