

2018 Annual Report 年度報告



**Hifood Group Holdings Co., Limited**  
**海福德集團控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 442

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## CORPORATE INFORMATION

### 公司資料

#### Executive Directors

Mr. NANG Qi (*Chairman and Executive Director*)  
Mr. Chen Peiliang (*Chief Executive Officer and Executive Director*)  
Mr. Xue Qiang (*Executive Director*)

#### Independent non-executive Directors

Mr. Ting Tit Cheung  
Mr. Chan Chi Kuen  
Mr. Lo Chun Pong

#### Company secretary

Mr. Chau Chi Lai (FCPA, CFA, CA, CPA Auditor (Canada), CPA (US))

#### Authorised representatives

Mr. Chen Peiliang  
Mr. Chau Chi Lai

#### Audit committee

Mr. Chan Chi Kuen (*Chairman*)  
Mr. Ting Tit Cheung  
Mr. Lo Chun Pong

#### Remuneration committee

Mr. Ting Tit Cheung (*Chairman*)  
Mr. NANG Qi  
Mr. Chen Peiliang  
Mr. Chan Chi Kuen  
Mr. Lo Chun Pong

#### Nomination committee

Mr. NANG Qi (*Chairman*)  
Mr. Chen Peiliang  
Mr. Ting Tit Cheung  
Mr. Chan Chi Kuen  
Mr. Lo Chun Pong

#### Auditors

PricewaterhouseCoopers  
22/F, Prince's Building  
Central, Hong Kong

#### Principal bankers

The Hongkong and Shanghai Banking Corporation Limited  
HSBC Main Building  
1 Queen's Road Central  
Central  
Hong Kong

#### 執行董事

曩麒先生 (主席兼執行董事)  
陳佩良先生 (行政總裁兼執行董事)  
薛強先生 (執行董事)

#### 獨立非執行董事

丁鐵翔先生  
陳志權先生  
盧振邦先生

#### 公司秘書

周智禮先生 (FCPA, CFA, CA, CPA Auditor (Canada), CPA (US))

#### 授權代表

陳佩良先生  
周智禮先生

#### 審核委員會

陳志權先生 (主席)  
丁鐵翔先生  
盧振邦先生

#### 薪酬委員會

丁鐵翔先生 (主席)  
曩麒先生  
陳佩良先生  
陳志權先生  
盧振邦先生

#### 提名委員會

曩麒先生 (主席)  
陳佩良先生  
丁鐵翔先生  
陳志權先生  
盧振邦先生

#### 核數師

羅兵咸永道會計師事務所  
香港中環  
太子大廈22樓

#### 主要往來銀行

香港上海滙豐銀行有限公司  
香港  
中環  
皇后大道中1號  
滙豐總行大廈

Hang Seng Bank Limited  
83 Des Voeux Road Central  
Central  
Hong Kong

**Principal share registrar**

Estera Trust (Cayman) Limited  
Clifton House, 75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

**Hong Kong share registrar**

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

**Registered office**

Clifton House  
75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

**Place of business and headquarter in Hong Kong**

Unit 1207  
Fu Hang Industrial Building  
1 Hok Yuen Street East  
Hung Hom, Kowloon  
Hong Kong

**Stock code**

442

**Company's website**

[www.ktl.com.hk](http://www.ktl.com.hk)

恒生銀行有限公司  
香港  
中環  
德輔道中83號

**主要股份過戶登記處**

Estera Trust (Cayman) Limited  
Clifton House, 75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

**香港股份過戶登記處**

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

**註冊辦事處**

Clifton House  
75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

**香港營業地點及總部**

香港  
九龍紅磡  
鶴園東街1號  
富恆工業大廈  
1207室

**股份代號**

442

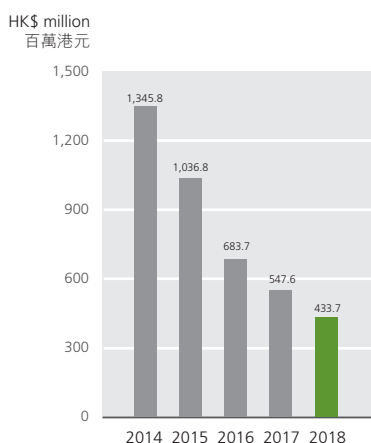
**公司網站**

[www.ktl.com.hk](http://www.ktl.com.hk)

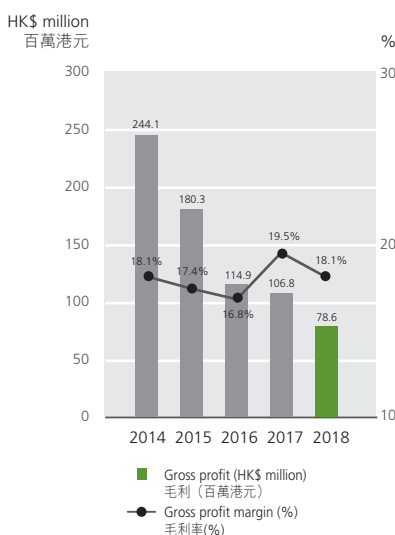
## FINANCIAL HIGHLIGHTS 財務摘要

- Revenue was approximately HK\$433.7 million for the year ended 31 March 2018, representing a decrease of approximately 20.8% as compared with the same for the year ended 31 March 2017.
- Gross profit was approximately HK\$78.6 million for the year ended 31 March 2018, representing a decrease of approximately 26.4% as compared with the same for the year ended 31 March 2017.
- Gross profit margin decreased to 18.1% from 19.5% in the last financial year.
- Loss attributable to the equity holders of the Company was approximately HK\$37.3 million for the year ended 31 March 2018, compared to the loss attributable to the equity holders of the Company of approximately HK\$9.2 million for the year ended 31 March 2017.
- Basic loss per share amounted to approximately HK\$0.22 for the year ended 31 March 2018, compared to the basic loss per share of approximately HK\$0.06 for the year ended 31 March 2017.
- The Board does not recommend the payment of final dividend for the year ended 31 March 2018.
- 截至2018年3月31日止年度，收益約為433.7百萬港元，較截至2017年3月31日止年度減少約20.8%。
- 截至2018年3月31日止年度，毛利約為78.6百萬港元，較截至2017年3月31日止年度減少約26.4%。
- 毛利率由上一財政年度的19.5%下降至18.1%。
- 截至2018年3月31日止年度，本公司股權擁有人應佔虧損約為37.3百萬港元，而截至2017年3月31日止年度本公司股權擁有人應佔虧損約為9.2百萬港元。
- 截至2018年3月31日止年度，每股基本虧損約為0.22港元，而截至2017年3月31日止年度每股基本虧損約為0.06港元。
- 董事會不建議就截至2018年3月31日止年度派付末期股息。

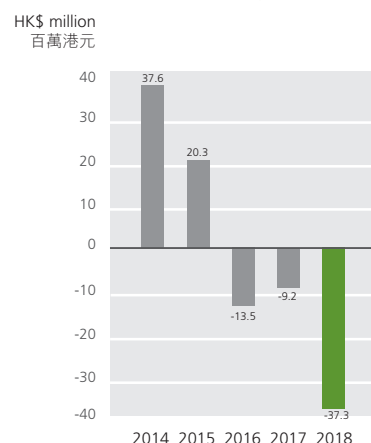
### Revenue 收益



### Gross Profit and Gross Profit Margin 毛利及毛利率



### Profit/(Loss) Attributable to the Owners of the Parent 母公司擁有人應佔溢利/(虧損)



Dear Shareholders,

On behalf of the Board of Directors of the Company, we present to you the Group's annual results for the year ended 31 March 2018.

During the financial year under review, the Group registered approximately HK\$433.7 million in revenue. Gross profit was approximately HK\$78.6 million, with gross profit margin standing at 18.1%. Loss attributable to the equity holders of the Company was reported at approximately HK\$37.3 million. The Board does not recommend payment of a final dividend for the year ended 31 March 2018 (2017: nil).

## REVIEW

The financial year of 2017/2018 was a period marked by natural disasters, geopolitical tensions and political divisions in many different countries. Having said that, on the economic front, global economic activity showed continued signs of firming up and the economic story of the year was one of a positive growth which was broad based by and large, as fears brought about by a potential market crash on the back of the Trump presidency and recession in the UK over the Brexit pullout did not manage to materialise. Across the Pacific Ocean, China's economy also rebounded after a few years of deceleration, and this is helping the growth in Asian countries. These improvements notwithstanding, wage growth remained tepid in advanced economies as slack continued in labour markets and productivity growth stayed weak. The fine jewellery trade was inevitably hampered as a result.

In Russia, our second largest business market during the reporting period, the economy continued to stabilise amid relatively high oil prices and enhanced macroeconomic stability, and a rebound in disposable income and consumption could be seen. Nonetheless, after several years of financial crisis, Russian consumers have been adjusting to this new economic reality and have turned more pragmatic and value-conscious. They are more prone to spending money on goods and services that they perceive as essential and important for their well-being. Against this backdrop, it was opportune that with the dedicated support of our sales and marketing teams, a number of one-off customer orders were effectively secured. Revenue generated from sales to the Russian market was up 77.4% to HK\$105.3 million from a year ago.

As the world's second largest economy and the Group's third largest business market, consumer spending in the PRC maintained a stable growth during the year under review. Even so, the rate of growth in overall expenditure appeared to be cooling, with evidences suggesting that curbs on credit are beginning to weigh on consumption. Driven by a growing appetite for fine jewellery, particularly in lower-tier cities as the country's newly accumulated wealth gradually spreads to inner regions from affluent coastal areas, revenue generated from the sales to the PRC market increased by 10.3% from the same prior year period to reach HK\$103.1 million.

各位股東：

我們謹代表本公司董事會向各位提呈本集團截至2018年3月31日止年度的全年業績。

於回顧財政年度，本集團錄得收益約433.7百萬港元。毛利約為78.6百萬港元，毛利率處於18.1%的水平。本公司股權擁有人應佔虧損錄得約37.3百萬港元。董事會並不建議派付截至2018年3月31日止年度的末期股息(2017年：無)。

## 回顧

於2017/2018財政年度，世界多個角落備受天災侵襲，地緣政治事件頻出，加上不同政見強權的角力，帶來諸多的不確定性。儘管如此，在經濟層面上，全球經濟活動繼續企穩回升，加上市場先前憂慮特朗普上任後可能造成大跌市以及英國脫歐導致經濟衰退的情況並無發生，故年內經濟廣泛而言取得正面增長。在太平洋彼岸，中國經濟增長經歷數年減速之後，正重拾升浪，並帶動亞洲國家經濟增長。雖然經濟表現有所改善，但就業市場依然溫和且生產力增長疲弱，導致發達經濟體系的工資增速緩慢。優質珠寶銷售無可避免地受到影響。

俄羅斯為我們於報告期間的第二大業務市場，在油價調升及宏觀經濟利好的情況下，當地經濟趨向穩定，人民可支配收入及消費亦見回升。然而，經過歷時數年的金融危機後，俄羅斯消費者一直努力調整適應新的經濟狀況，消費上變得更為務實且注重性價比，傾向將金錢花費在彼等認為對其福祉重要及必要的商品及服務上。在此情況下，端賴銷售及市場推廣團隊適時及盡心盡力的支持，我們成功取得多份一次性客戶訂單。俄羅斯市場的銷售產生的收益較去年上升77.4%至105.3百萬港元。

作為全球第二大經濟體系及本集團第三大業務市場，中國的消費力於回顧年度維持穩健增長。可是，整體消費支出的增長率似乎開始放慢，有跡象顯示信貸收緊正拉低消費力。隨著中國不斷積累新財富，除了較富庶的沿岸地區，內陸地區也變得富裕，此等城市(特別是較低層級的城市)對優質珠寶的需求日增，在有關增長帶動下，中國市場的銷售產生的收益較去年同期增加10.3%至103.1百萬港元。

## CHAIRMAN'S STATEMENT

### 主席報告

However, the better than expected operating performance of the Russian and the PRC markets was more than offset by a significant decline in sales to the Americans market. In the U.S., while the economy overall improved modestly over the past twelve months, growth in consumer spending showed softness as households cut back on discretionary spending and increased saving. Impacted by the effect of restrained luxury spending in almost every category, this made the jewellery sector a very competitive marketplace. The Group's revenue generated from the sales to the Americans market posted a 47.1% drop to HK\$159.5 million as compared with the corresponding period last year.

### OUTLOOK

Looking ahead, even though the global economy found its footing in 2017, there remain risks that could derail the rosy projections for 2018 and beyond. From trade tensions between the PRC and the U.S., the struggling NAFTA negotiations, to the Brexit uncertainties and potential military conflicts on the Korean peninsula and over Syria, all might take a toll on economic confidence. Any downturn in the global economic picture would have grave repercussions for the healthy development of the fine jewellery market worldwide.

Moreover, with the growing number of digital consumers, the luxury goods sector is experiencing a major shift from in-store purchases to digital purchases with millennials being a key demographic for online sales. The sector is also undergoing significant changes in terms of consumer behaviour and expectations. New, more modern consumers are looking for brands with higher purpose and are seeking to buy exclusive and individual products. All these put traditional fine jewellery under increasing pressure.

To go with the prevailing trends and construct further growth in our key markets, we endeavour to strengthen our business relationships with our customers and continue to adjust our production resources, capacity and cycle to better cater to varied product lead time, consumer preferences and festive shopping practices in different markets. We will also leverage our established corporate brand name and proven design capabilities and increase our marketing and design-related resources for a diverse range of jewellery products.

At the same time, we will act prudently to explore new opportunities in the food and beverage industry both locally and abroad, which is expected to complement with our current jewellery business while providing an additional boost to our future growth.

### APPRECIATION

Finally, I would like to take this opportunity to extend my heartfelt thanks to our customers, suppliers and all stakeholders for their unwavering support. I also express my sincere appreciation to our management team and colleagues for their dedication and contribution.

**NANG Qi**

*Chairman and Executive Director*

Hong Kong, 12 June 2018

雖然俄羅斯及中國市場的經營業績較預期理想，但增幅不足以抵銷美洲市場銷售額的大幅下跌。在美國，儘管整體經濟於過往十二個月有所改善，但不少家庭削減可支配支出並增加儲蓄，消費支出增長乏力。消費者對幾乎所有類別奢侈品的消費意欲均有所下降，導致珠寶業市場競爭愈加激烈。本集團錄得美洲市場的銷售所產生的收益較去年同期下跌47.1%至159.5百萬港元。

### 前景

展望未來，儘管全球經濟已於2017年站穩陣腳，但風險依然足以影響2018年及其後經濟向好的預測。中美兩國貿易拉鋸、北美自由貿易協定談判進展緩慢、英國脫歐安排尚不明朗，以至朝鮮半島及敘利亞可能爆發軍事衝突等事件，均可能對經濟信心造成打擊。全球經濟若出現任何衰退情況，將嚴重影響全球各地優質珠寶市場的穩健發展。

此外，隨著數碼消費日增，奢侈品行業面臨重大轉變，消費者由到實體店購物轉為電子選購，而千禧新生代更是網上銷售的主要客群。奢侈品行業的客戶消費行為及消費預期亦出現重大變化。時尚新生代追求更具內涵的品牌，喜好獨一無二的個性化產品，為傳統優質珠寶銷售帶來與日俱增的壓力。

為順應主要市場現時的趨勢及推動業務進一步增長，我們致力鞏固與客戶的業務關係，持續調整生產資源、產能及周期，以更好地迎合不同市場的產品交付期、消費者喜好及節日購物慣例。我們亦會借助公司的知名企業品牌效應及卓越設計能力的優勢，於市場推廣及設計方面投入更多資源以提供更多元化的珠寶產品。

與此同時，我們將審慎探索開拓本地及海外餐飲行業的新機遇，預期將能與我們目前的珠寶業務起相輔相成作用，為我們日後的增長提供更多動力。

### 致謝

最後，本人謹藉此機會衷心感謝客戶、供應商及所有持份者的不懈支持。本人亦感謝管理團隊及全體同仁的專注投入及辛勤工作。

**龔麟**

*主席兼執行董事*

香港，2018年6月12日

The Board currently consists of six Directors, comprising three executive Directors and three independent non-executive Directors.

### EXECUTIVE DIRECTORS

**Mr. NANG Qi (“Mr. Nang”)**, aged 34, was Chairman and Executive Director. Mr. Nang is the Chairman and chief executive officer of HNA Catering Holdings Co., Ltd (海航食品控股有限公司). Mr. Nang is also the director of Gategroup Holding AG and the director of Virgin Australia Holdings Limited. Mr. Nang obtained a bachelor’s degree in Electrical Engineering and Automation Engineering in 2006 from the Civil Aviation University of China (中國民航大學) in the PRC. Mr. Nang has held various other positions previously within the HNA Group’s companies including General Manager of the procurement management department and Deputy General Manager of the finance planning department of HNA Group Co., Ltd. (海航集團有限公司), the executive director and President of Hainan HNA Aviation Imp.& Exp.Co.,Ltd (海南海航航空進出口有限公司), Chairman and President of HNA Innovation Ventures Co., Limited (海南海航航空創新投資有限公司), the chief innovation officer at HNA Aviation Group Co., Ltd. (海航航空集團有限公司), and the executive director of Micro-Bonus Points Internet Technology Company Limited\* (微積分互聯科技有限責任公司).

**Mr. Chen Peiliang (“Mr. Chen”)**, aged 36, was Executive Director and Chief Executive Officer. Mr. Chen is vice President of HiApp Network Technology (Beijing) Co., Ltd. (海愛普網絡科技(北京)有限公司) and the director of HNA Catering Holdings Co., Ltd (海航食品控股有限公司). Mr. Chen obtained a master’s degree in business administration in 2007 from the De La Salle University in the Philippines. Mr. Chen was previously an assistant to the president of West Air Co., Ltd. (西部航空有限責任公司) and President in venture capital investment of HNA Catering Holdings Co., Ltd (海航食品控股有限公司).

**Mr. Xue Qiang (“Mr. Xue”)**, aged 40, was Executive Director. Mr. Xue is the director of HNA Catering Holdings Co., Ltd (海航食品控股有限公司) and director of E-Food Co., Ltd.\* (易食控股有限公司). Mr. Xue obtained a bachelor’s degree in Certified Public Accountants Specialized\* (註冊會計師專門化) in 2002 from the Jiangxi University of Finance and Economics (江西財經大學) in the PRC. Mr. Xue has held various other positions previously within the HNA Group’s companies including assistant to the president of HNA Yisheng Holdings Limited (海航易生控股有限公司), chief financial officer of HNA-Caixa Travel Group Co., Ltd (海航凱撒旅遊集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000796), vice president and chief financial officer of E-Food Co., Ltd.\* (易食控股有限公司) and chief financial officer of HNA Catering Holdings Co., Ltd (海航食品控股有限公司).

\* for identification purpose only

董事會目前由六名董事組成，包括三名執行董事及三名獨立非執行董事。

### 執行董事

**龔麟先生(「龔先生」)**，34歲，主席及執行董事。龔先生為海航食品控股有限公司董事長兼首席執行官。龔先生亦為Gategroup Holding AG董事及Virgin Australia Holdings Limited董事。龔先生於2006年在中國取得中國民航大學電氣工程及其自動化工程學學士學位。龔先生過往於海航集團各公司擔任多個其他職位，包括海航集團有限公司採購管理部總經理及計劃財務部副總經理、海南海航航空進出口有限公司執行董事兼總裁、海南海航航空創新投資有限公司董事長兼總裁、海航航空集團有限公司首席創新官以及微積分互聯科技有限責任公司執行董事。

**陳佩良先生(「陳先生」)**，36歲，執行董事及行政總裁。陳先生為海愛普網絡科技(北京)有限公司副總裁、海航食品控股有限公司董事。陳先生於2007年在菲律賓取得德拉薩大學(De La Salle University)工商管理碩士學位。陳先生過往擔任西部航空有限責任公司總裁助理、海航食品控股有限公司創投總裁。

**薛強先生(「薛先生」)**，40歲，執行董事。薛先生為海航食品控股有限公司董事及易食控股有限公司董事。薛先生於2002年在中國取得江西財經大學註冊會計師專門化學士學位。薛先生過往於海航集團各公司擔任多個其他職位，包括海航易生控股有限公司總裁助理、海航凱撒旅遊集團股份有限公司(於深圳證券交易所上市的公司，股份代號：000796)財務總監、易食控股有限公司副總裁兼財務總監、海航食品控股有限公司財務總監。



## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Ting Tit Cheung (“Mr. Ting”)**, aged 62, an the independent non-executive Director. Mr. Ting is the head of China desk of First Myanmar Investment Co., Ltd. since 1 September 2017. Mr. Ting was the senior representative officer in Hong Kong of Banque Cantonale de Geneve and acted as an independent non-executive director of National Agricultural Holdings Limited (Stock code: 1236), a company listed on the Stock Exchange, from 2013 to 2016. Mr. Ting graduated from the Technicum Neuchatelois in Switzerland in 1978 before he obtained his Master degree in Business Administration in University of East Asia (Macau) in 1991. Mr. Ting currently serves as a member of the Chinese People’s Political Consultative Conference Committee of Putuo District in Shanghai.

**Mr. Chan Chi Kuen (“Mr. Chan”)**, aged 57, an independent non-executive Director. Mr. Chan is a Certified Public Accountant (Practising) in Hong Kong. Mr. Chan obtained a diploma from the Department of Accounting of the Hong Kong Shue Yan College in 1991. He further obtained a Master degree in Accounting from the Jinan University in 2006. Mr. Chan has over 26 years of experience in the accounting and taxation consultancy disciplines and has worked in a number of accounting firms in Hong Kong, including K.K. Young & Co., Leung Po Yee & Co., Shom & Yu CPA Limited, and Y.K. Yu & Co. He is currently practising in his own name. Mr. Chan was admitted as a fellow of the Association of Chartered Certified Accountants in 2004, an associate of the Taxation Institute of Hong Kong in 2010 and a fellow of the Hong Kong Institute of Certified Public Accountants. He is also a Certified Tax Adviser registered at the Taxation Institute of Hong Kong.

**Mr. Lo Chun Pong (“Mr. Lo”)**, aged 46, an independent non-executive Director. Mr. Lo is a practicing solicitor in Hong Kong and a member of The Law Society of Hong Kong. Mr. Lo is a partner of Raymond C.P. Lo & Co., Solicitors and was previously the sole proprietor of same firm. Mr. Lo has been an accredited mediator of the Hong Kong Mediation Centre since April 2010 and a civil celebrant of marriages since 2006. Mr. Lo graduated from the University of Hull with a degree of Bachelor of Laws in 1994. Mr. Lo was admitted as a solicitor of the High Court of Hong Kong in 1998.

#### 獨立非執行董事

**丁鐵翔先生(「丁先生」)**，62歲，獨立非執行董事。丁先生由2017年9月1日起擔任First Myanmar Investment Co., Ltd.大中華地區總監。丁先生曾任瑞士日內瓦銀行(Banque Cantonale de Geneve)香港區高級代表，且彼自2013年至2016年止為一家於聯交所上市的公司國農控股有限公司(股份代號：1236)的獨立非執行董事。丁先生於1978年畢業於瑞士Technicum Neuchatelois，後於1991年獲澳門東亞大學頒授工商管理碩士學位。丁先生現任中國人民政治協商會議上海市普陀區委員會委員。

**陳志權先生(「陳先生」)**，57歲，獨立非執行董事。陳先生為香港執業會計師。陳先生於1991年在香港樹仁學院會計系取得文憑，隨後於2006年在暨南大學取得會計學碩士學位。陳先生擁有逾26年的會計及稅務顧問經驗，並曾於多家香港會計師事務所任職，其中包括楊建基會計師行、梁寶儀會計師事務所、沈余會計師事務所有限公司及余韜剛會計師事務所。彼現時以個人名義執業。陳先生於2004年成為特許公認會計師公會資深會員，於2010年成為香港稅務學會會員，並為香港會計師公會資深會員。彼亦為香港稅務學會註冊稅務師。

**盧振邦先生(「盧先生」)**，46歲，獨立非執行董事。盧先生為香港執業律師及香港律師會會員。盧先生為盧振邦律師行的合夥人，並為同一家律師行的前唯一所有人。盧先生自2010年4月起擔任香港和解中心的認可和解員並自2006年起擔任婚禮監禮人。盧先生於1994年畢業於赫爾大學，持有法律學士學位。盧先生於1998年獲認許為香港高等法院律師。

## SENIOR MANAGEMENT

**Mr. Kei York Pang Victor (“Mr. Kei”)**, aged 57, is director of the subsidiaries of the Group. Mr. Kei co-founded K.T.L. Jewellery Manufacturer Limited (“K.T.L. Jewellery”), a wholly-owned subsidiary of the Company, with Mr. Li Man Chun in 1990. Mr. Kei is responsible for the overall strategic planning and business development of the Group. Mr. Kei has over 28 years of experience in the jewellery industry with extensive business and client network. Mr. Kei has invaluable experience in sales and marketing, customer serving, product innovation and management, significantly contributed to long-term client relationship maintenance and business expansion. Mr. Kei serves as the Standing General Committee Member and Executive Committee Member of the Hong Kong Jewellery Manufacturers’ Association for the years 2013 to 2015.

**Mr. Li Man Chun (“Mr. Li”)**, aged 57, is director of the subsidiaries of the Group. Mr. Li was one of the co-founders of K.T.L. Jewellery in 1990. Mr. Li is responsible for the overall strategic planning and general operations. Mr. Li has over 27 years of experience in the jewellery industry with in-depth technical knowledge in the manufacturing of fine jewellery and practical operations experience. Mr. Li has been serving as Vice President of the Hong Kong Gold & Silver Ornament Workers & Merchants General Union from 2007. Since 2010, Mr. Li has served as Honorary Life President and General Member of the Guangzhou Panyu Jewellery Manufacturers Association.

**Mr. Kei Yeuk Lun Calan**, aged 52, is sales director of the Group, responsible for assisting Mr. Kei York Pang Victor, in the overall management of sales and marketing, administration and operations of the Jewellery business, primarily in business development, international sales, China sales, marketing product design and development, and procurement.

Mr. Kei Yeuk Lun Calan has accumulated over 26 years of experience in jewellery industry. In 1992, Mr. Kei Yeuk Lun Calan co-founded and served as director of Alan’s Jewellery Company Limited, a wholly-owned subsidiary of the Company, engaging in trading of jewellery. In 2003, Mr. Kei Yeuk Lun Calan was assigned to lead a team to market the Group’s jewellery products, coordination of trade shows and product development in the United States. From 2006 to 2009, Mr. Kei Yeuk Lun Calan was also dedicated to liaise with the local business partners on brand-building and product image in Italy, promoting brand awareness and reputation. Since 2009, Mr. Kei Yeuk Lun Calan has taken charge of product development with focus on China wholesales market.

## 高級管理層

**紀若鵬先生(「紀先生」)**，57歲，本集團附屬公司董事。紀先生與李文俊先生於1990年共同創辦三和珠寶有限公司(「三和珠寶」，為本公司的全資附屬公司)。紀先生負責本集團的整體策略規劃及業務發展。紀先生擁有逾28年珠寶業的經驗及廣闊的業務及客戶網絡。紀先生於銷售及市場推廣、客戶服務、產品創新及管理方面擁有寶貴經驗，在維持長遠客戶關係及業務擴展方面貢獻良多。紀先生於2013年至2015年期間擔任香港珠寶製造業廠商會常務理事會及執行委員會會員。

**李文俊先生(「李先生」)**，57歲，本集團附屬公司董事。李先生為於1990年創立的三和珠寶的創辦人之一。李先生負責整體策略規劃及一般營運。李先生擁有逾27年珠寶業的經驗，並於生產優質珠寶方面具備精深的專業知識和實際營運經驗。李先生自2007年起擔任香港金銀首飾工商總會的副會長。自2010年起，李先生一直擔任廣州市番禺區珠寶廠商會的永遠榮譽會長及常務理事。

**紀若麟先生**，52歲，本集團銷售總監，負責協助紀若鵬先生全面管理珠寶業務之銷售及營銷、行政及營運，主要工作包括業務發展、國際銷售、中國銷售、推廣產品設計及開發，以及採購。

紀若麟先生於珠寶業累積逾26年經驗。於1992年，紀若麟先生聯合創立本公司的全資附屬公司雅倫珠寶有限公司，並擔任董事。該公司從事珠寶交易業務。於2003年，紀若麟先生獲委派帶領團隊於美國為本集團的珠寶產品進行營銷、統籌展銷會及產品開發。於2006年至2009年，紀若麟先生亦致力就於意大利建立品牌及產品形象聯絡當地業務夥伴，藉以提升品牌的知名度及信譽。自2009年起，紀若麟先生一直負責產品開發，側重於中國批發市場。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Mr. Chau Chi Lai (“Mr. Chau”)**, aged 44, is the chief financial officer and company secretary of the Group, responsible for overseeing the Group’s finance department, as well as company secretarial, internal control, investor relation and corporate governance functions of the Group. Mr. Chau joined the Group in August 2012. Prior to joining the Group, Mr. Chau worked in an international accounting firm in Hong Kong between January 2003 and April 2012 and left as a senior manager. Between November 1998 and December 2002, Mr. Chau worked for other international accounting firms in Canada in accounting and audit.

Mr. Chau graduated from McGill University with a degree of bachelor of science in June 1997 and further obtained degree of bachelor of commerce from the same university in June 1999. Mr. Chau was also awarded the graduate diploma in accountancy from Concordia University, Montreal Canada in October 2000. Mr. Chau has been a Chartered Accountant of Canada since March 2002 and a Chartered Financial Analyst charterholder since July 2002. Mr. Chau has also been a fellow member of the Hong Kong Institute of Certified Public Accountant since October 2012, a member of American Institute of Certified Public Accountant since April 2003. Mr. Chau has been licensed by the State of New Hampshire Board of Accountancy as a certified public accountant since November 2002 and State of Oregon Board of accountancy since December 2007, and a chartered professional accountant of Quebec, Canada since May 2012.

**周智禮先生(「周先生」)**，44歲，本集團首席財務總監兼公司秘書，負責監管本集團財務部門，以及本集團公司秘書、內部控制、投資者關係及企業管治功能。周先生於2012年8月加入本集團。於加入本集團之前，周先生於2003年1月至2012年4月任職於香港一家國際會計師事務所，離職時擔任高級經理。於1998年11月至2002年12月，周先生於加拿大的其他國際會計師事務所工作，負責會計及審核。

周先生於1997年6月畢業於麥吉爾大學，獲得理學學士學位，並於1999年6月自該大學獲得商學學士學位。周先生亦於2000年10月獲加拿大蒙特利爾康考迪亞大學頒發會計學深造文憑。周先生於2002年3月成為加拿大特許會計師並於2002年7月成為特許財務分析師。周先生亦於2012年10月成為香港會計師公會資深會員，並於2003年4月成為美國註冊會計師協會會員。周先生分別於2002年11月及2007年12月獲新罕布什爾州會計委員會及俄勒岡州會計委員會授予註冊會計師牌照，並於2012年5月成為加拿大魁北克的特許專業會計師。

## BUSINESS OVERVIEW

Being an integrated fine jewellery provider and an original design manufacturer with a well-established operating history in Hong Kong, the Group is primarily engaged in designing, manufacturing and exporting fine jewellery to jewellery wholesalers and retailers mainly in the Americas, Russia, other European countries and increasingly so in recent years in the People's Republic of China ("PRC") and the Middle East. The Group has been offering a wide range of fine jewellery products in karat gold encompassing rings, earrings, pendants, necklaces, bracelets, bangles, cufflinks, brooches and anklets that are generally targeted at the mass to middle segment, the lowest among the three tiers of the fine jewellery market segments in terms of retail prices. The Group's customers are mainly wholesalers and retailers of jewellery products.

During the financial year of 2017/2018 under review, global economic growth finally appears to be coming back on track. However, with the baseline outlook strengthening, a full recovery was still a work in process. Market volatility brought about by the Brexit and the new Trump Administration in the U.S., escalating tensions in North Korea as well as trade disputes between the PRC and the U.S. all weighted on the risk sentiment. Against this backdrop, practitioners in the jewellery trade continued to experience a challenging operating environment. Times were not easy for consumers as well, as reflected in the depressing effect of eroding confidence and purchasing power on overall slow wage growth.

Consumption habits among the Americans also changed when it comes to luxury, with fine jewellery losing their share of spending. In this connection, revenue arising from sales to the Americas market lowered to approximately HK\$159.5 million for the year ended 31 March 2018, representing a drop of approximately 47.1%.

As the world's second largest economy and the Group's third largest market, the PRC maintained a stable economic growth as the Chinese government sought to rein in property and debt risks. For the year ended 31 March 2018, revenue generated from sales to the PRC market stood at approximately HK\$103.1 million, up 10.3% from the same period last year. In spite of the positive performance, the market has been undergoing major changes in terms of consumer expectations. New, more modern Chinese consumers have exhibited strong aspiration for exclusivity and individuality, which would put traditional fine jewellery under increasing pressure going forward.

In Russia, the jewellery industry confronted the challenges of a weak economy, with overall retail sales figures trending downward. Even though the Russian economy grew faster than expected during the financial year of 2017/2018 on the back of a rebound in oil and commodity prices, the present trend troubling the industry is not likely to get reversed unless the economic situation improves significantly as a whole and middle class incomes rise. Having said that, thanks to the efforts of our sales and marketing teams, revenue generated from sales to the Russian market recorded an increase of 77.4% to approximately HK\$105.3 million from a year ago upon securing a number of one-off orders from customers.

## 業務概覽

作為一家於香港營運歷史悠久的優質珠寶綜合供應商及原設計製造商，本集團主要從事優質珠寶設計及製造，並主要出口予美洲、俄羅斯、其他歐洲國家，且近年來增加出口至中華人民共和國（「中國」）及中東的珠寶批發商及零售商。本集團供應多款K金優質珠寶產品，包括戒指、耳環、吊墜、項鏈、手鐲、臂鐲、袖扣、胸針及踝飾，有關產品一般鎖定優質珠寶市場分部按零售價劃分的三個級別中最低的大眾至中端分部。本集團客戶主要為珠寶產品批發商及零售商。

於2017/2018回顧財政年度，全球經濟增長似乎終於返回正軌。然而，縱使基礎前景轉強，全面復甦仍未可期。英國脫歐及美國特朗普新政府上場、北韓緊張局勢升級，以至中美貿易糾紛等帶來的不穩定性，均使得風險氛圍加重。在此背景下，珠寶行業從業者繼續受嚴峻經營環境的考驗；而對消費者來說，整體工資增長緩慢，抑制消費信心，購買力遭受擠壓，優渥生活也不復前。

美洲顧客就奢侈品的消費習慣亦已改變，人們對優質珠寶的開支比重趨降。據此，截至2018年3月31日止年度，美洲市場銷售所產生的收益下降至約159.5百萬港元，跌幅約47.1%。

作為全球第二大經濟體及本集團的第三大市場，中國在中央政府嚴控房地產及債務風險的有力支持下，維持穩定的經濟增長。截至2018年3月31日止年度，來自中國市場銷售所產生的收益錄得約103.1百萬港元，較去年同期增加10.3%。儘管表現向好，市場的消費預期正發生重大變化。時尚中國新生代呈現出更多個性化偏好，追求獨一無二的產品，為往後傳統優質珠寶銷售帶來與日俱增的壓力。

在俄羅斯，經濟低迷為珠寶行業帶來巨大挑戰，整體零售數據持續下滑。儘管2017/2018財政年度俄羅斯經濟在石油及商品價格回升的情況下增長較預期稍快，但現時行業困境重重的態勢料難以瞬間逆轉，除非整體經濟環境大幅改善及中產階級收入上升。即使如此，倚仗銷售及市務團隊齊心協力，繼若干客戶發出一性性訂單後，本集團於俄羅斯市場銷售所產生的收益較去年同期增加77.4%至約105.3百萬港元。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

In the face of the ever-changing market landscape, the Group spared no effort to apply stringent controls over capital expenditures. During the financial year of 2017/2018, the Group's administrative expenses were successfully reduced by 13.2% to approximately HK\$61.6 million compared to the prior financial year, while selling expenses also decreased by 25.3% to approximately HK\$31.8 million from a year ago.

#### Building presence in ancillary business line

The Group has set its foot into trading of watches, silver jewellery and non-precious metal jewellery since 2014 to better cater for needs of different customers. These ancillary products come with significantly lower average selling prices and lower gross profit margin. Sales generated from these non-fine gold jewellery products amounted to approximately 1.8% of the Group's total sales for the year ended 31 March 2018, compared with 3.0% a year ago.

During the year, the Group has engaged in processing services using the excess production capacities in order to enhance management resources and cost efficiency. Subcontracting income generated from such processing services amounted to approximately HK\$9.2 million, representing approximately 2.1% of total sales for the year ended 31 March 2018, compared with nil a year ago.

Both sales from trading and the subcontracting income did not have a material impact on the Group's overall gross profit margin during the year. However, the overall average wholesale price of the Group's products decreased since the commencement of such businesses.

#### Prospects

Looking ahead, the global economy is picking up its speed with upswing in economic activity strengthening. Nonetheless, continued political and economic uncertainties remain on a number of fronts. Trade tensions between the U.S. and the PRC, as well as potential military conflicts in North Korea and the Middle East could derail the global economic recovery. The Group expects that the global economy will continue to make stages of adjustments and is cautiously prudent about the outlook in the months to come.

In Russia, even though the country's economic prospects have improved, retail consumption is still adjusting to lower disposable real incomes. Russians are spending less. The Russian jewellery market can only revive slowly in 2018 only if the economic situation of the country as a whole normalises.

The U.S. economy has expanded at a moderate pace amid uncertainty around President Trump's policies, while capital controls and continuous anti-corruption drives might cast a shadow over the PRC's steady growth of its economy.

面對瞬息萬變的市場形勢，本集團不遺餘力嚴格控制資本開支。於2017/2018財政年度，本集團成功地將行政開支較上個財政年度減少13.2%至約61.6百萬港元，而銷售開支亦較去年減少25.3%至約31.8百萬港元。

#### 開展新業務線

本集團自2014年開始買賣手錶、白銀飾品及非貴金屬飾品，以更好地滿足各類客戶的不同需求。該等輔助產品的平均售價顯著較低及毛利率較低。截至2018年3月31日止年度，此等非優質黃金珠寶產品所產生的銷售額約佔本集團銷售總額的1.8%，而去年為3.0%。

為提升資源管理及成本效益，本集團於本年度以剩餘產能開展加工服務。截至2018年3月31日止年度，該加工服務共產生分包收入約9.2百萬港元，約佔本集團銷售總額的2.1%，而去年則為零。

買賣及分包收入對年內本集團的整體毛利率並無重大影響。儘管如此，由於開展該等業務，本集團產品之整體平均批發價進一步下降。

#### 前景

展望未來，環球經濟提速轉好，經濟活動逐步擴張。然而，多個方面尚存政治及經濟不明朗因素，如中美兩國貿易拉鋸，以及北韓和中東的潛在軍事衝突，全球經濟復甦或會因而受阻。本集團預期全球經濟將持續進行階段性調整，並對未來數月的前景持審慎態度。

在俄羅斯，儘管其經濟前景有所改善，零售消費尚在調整中，以適應較低的實際可支配收入。俄羅斯市民正縮減開支。惟有在該國經濟狀況整體正常化後，2018年俄羅斯珠寶市場方會徐徐復甦。

在特朗普總統政策不明朗的情況下，美國的經濟溫和增長。與此同時，中國的資本管控及反腐行動持續，令其經濟穩步增長蒙上陰影。

Additionally, shifts in the demographics and mindset of millennials' attitude and purchase motivations have brought forth profound changes to the jewellery market. Their shifting preferences, loose brand loyalties and urge for self-expression have made the industry more competitive than ever before.

The management of the Group will improve operating efficiency by streamlining business operations and optimising internal resources in order to meet the challenge of market adversity should they arise when advancing ahead.

## FINANCIAL REVIEW

Revenue (HK\$'000)	收益 (千港元)
Gross profit (HK\$'000)	毛利 (千港元)
Gross profit margin (%)	毛利率 (%)
Loss attributable to the equity holders of the Company (HK\$'000)	本公司股權擁有人應佔虧損 (千港元)

### Revenue

The Group's revenue for the year ended 31 March 2018 was approximately HK\$433.7 million, representing a decrease of approximately HK\$114.0 million or 20.8% over the corresponding period in 2017. The decrease in the Group's revenue was primarily due to (i) a significant decrease in sales in Americas of approximately HK\$141.8 million primarily due to a weaker-than-expected market condition under a turnaround in consumer interest in fine jewellery; (ii) a decrease in sales in Europe (other than Russia) of approximately HK\$28.8 million mainly attributable to the sluggish European economy during the year under review; and (iii) a decrease in sales in the Middle East of approximately HK\$2.8 million due to cessation of business in the market, which was partially offset by (iv) an increase in sales in Russia of approximately HK\$45.9 million boosted by the efforts made by the sales and marketing team and several standalone orders, and (v) an increase in sales in the PRC of approximately HK\$9.6 million.

### Gross profit and gross profit margin

The Group's gross profit for the year ended 31 March 2018 was approximately HK\$78.6 million, representing a decrease of approximately HK\$28.2 million or 26.4% over the corresponding period in 2017. Gross profit margin decreased to approximately 18.1% from approximately 19.5%, which was mainly due to a larger proportion of sales of simple design with lower pricing to the Russian market.

此外，人口結構、千禧新生代思維態度，以及消費行為的轉變，令珠寶市場出現巨變。彼等快速變換的喜好、薄弱的品牌忠誠度，加上急於自我表現，令行業今非昔比，競爭愈加激烈。

為迎接未來可能出現的不利市場狀況，本集團管理層將積極改善經營效率、精簡經營以及優化內部資源。

## 財務回顧

### For the year ended 31 March 截至3月31日止年度

2018 2018年	2017 2017年
433,666	547,623
78,625	106,799
18.1	19.5
(37,297)	(9,154)

### 收益

本集團截至2018年3月31日止年度的收益約為433.7百萬港元，較2017年同期減少約114.0百萬港元或20.8%。本集團的收益減少主要由於：(i)美洲的銷售額大幅減少約141.8百萬港元，主要由於消費者對優質珠寶的興趣改變，令市道較預期疲弱；(ii)歐洲(俄羅斯除外)的銷售額減少約28.8百萬港元，主要因回顧年內歐洲經濟低迷；及(iii)終止經營中東業務導致相關銷售額減少約2.8百萬港元，(iv)然而受惠銷售及市務團隊的努力，及若干一次性訂單下，俄羅斯銷售額增加約45.9百萬港元，及(v)中國銷售額增加約9.6百萬港元所抵銷。

### 毛利及毛利率

本集團於截至2018年3月31日止年度的毛利約為78.6百萬港元，較2017年同期減少約28.2百萬港元或26.4%。毛利率則由約19.5%下降至約18.1%，主要由於設計簡單及定價較低的俄羅斯銷售比例增加。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Selling expenses

The Group's selling expenses decreased by approximately HK\$10.8 million or 25.3%, to approximately HK\$31.8 million for the year ended 31 March 2018 from approximately HK\$42.6 million for the year ended 31 March 2017. The decrease was primarily attributable to (i) a decrease in staff costs of approximately HK\$10.7 million due to the result of the business operation and resources allocation process; (ii) the Group's implementation of stringent cost control measures on advertising and promotion which declined by approximately HK\$3.2 million; which was partially offset by (iii) an increase in sales commission of approximately HK\$2.7 million as a reward for expanding new customer base and exploring new markets.

#### Administrative expenses

The Group's administrative expenses decreased by approximately HK\$9.4 million or 13.2%, to approximately HK\$61.6 million for the year ended 31 March 2018 from approximately HK\$71.0 million for the year ended 31 March 2017. The decrease was primarily due to the combined effects of (i) the decrease in staff costs by approximately HK\$10.5 million as a result of the Group's continuous implementation of rigorous cost control by further streamlining operations and rationalising overheads; (ii) decrease in depreciation and amortisation by approximately HK\$2.5 million mainly attributable to the stringent controls over capital expenditures during the year ended 31 March 2018; (iii) the decline in office, utility and sundry expenses by approximately HK\$1.5 million which were mainly attributed by strengthening cost controls in business operation; and it was partially offset by (iv) the increase in professional service fees of approximately HK\$2.1 million for the year ended 31 March 2018.

#### Finance costs

The Group's finance costs increased by approximately HK\$2.6 million or 41.6%, to approximately HK\$8.7 million for the year ended 31 March 2018 from approximately HK\$6.2 million for the year ended 31 March 2017. The increase was primarily a result of the increase in interest-bearing other borrowings at a higher borrowing rate during the year ended 31 March 2018.

#### Loss attributable to the equity holders of the Company

The Group recorded a loss attributable to the equity holders of the Company of approximately HK\$37.3 million for the year ended 31 March 2018, compared to a loss of approximately HK\$9.2 million for the corresponding period in 2017. The loss was mainly attributable to a decline in the Group's revenue by approximately 20.8% and gross profit by approximately 26.4% for the year ended 31 March 2018 as compared to the corresponding period in 2017. The decline in revenue was primarily attributable to a significant slowdown of sales in the Americas and Europe (other than Russia) markets, the decrease of which were approximately HK\$141.8 million and HK\$28.8 million, respectively, for the year ended 31 March 2018 as compared to the corresponding period in 2017, primarily attributable to global economic uncertainty and weaker-than-expected demand in the Americas and Europe (other than Russia) markets.

#### 銷售開支

本集團的銷售開支由截至2017年3月31日止年度的約42.6百萬港元下降約10.8百萬港元或25.3%至截至2018年3月31日止年度的約31.8百萬港元。銷售開支下降主要歸因於：(i)業務運營及優化資源配置的過程導致員工成本下降約10.7百萬港元；(ii)本集團嚴格實行成本控制措施，令廣告及宣傳費用下降約3.2百萬港元；惟當中部分被(iii)銷售佣金上升約2.7百萬港元，用以獎勵擴闊客戶基礎及發掘新市場所抵銷。

#### 行政開支

本集團的行政開支由截至2017年3月31日止年度約71.0百萬港元減少約9.4百萬港元或13.2%，至截至2018年3月31日止年度的約61.6百萬港元。行政開支減少主要由於以下各項之結合影響：(i)因本集團進一步精簡經營及理順日常開支，以持續實施嚴格成本控制，員工成本減少約10.5百萬港元；(ii)主要因我們於截至2018年3月31日止年度嚴格控制資本開支而導致折舊及攤銷減少約2.5百萬港元；(iii)辦公室、公用設施及雜項開支減少約1.5百萬港元，主要由於在業務營運中加強了成本控制，惟當中部分由(iv)截至2018年3月31日止年度之專業服務費用增加約2.1百萬港元所抵銷。

#### 財務成本

本集團的財務成本由截至2017年3月31日止年度約6.2百萬港元增加約2.6百萬港元或41.6%，至截至2018年3月31日止年度的約8.7百萬港元。財務成本增加主要由於截至2018年3月31日止年度以較高借貸利率取得的計息其他借貸增加。

#### 本公司股權擁有人應佔虧損

截至2018年3月31日止年度，本集團錄得本公司股權擁有人應佔虧損約37.3百萬港元，而於2017年同期則錄得虧損約9.2百萬港元。虧損主要由於截至2018年3月31日止年度本集團的收益及毛利較2017年同期分別下跌約20.8%及約26.4%。收益下跌主要由於美洲及歐洲(俄羅斯除外)市場的銷售於截至2018年3月31日止年度大幅減緩，有關銷售較2017年同期分別減少約141.8百萬港元及28.8百萬港元，主要由於全球經濟不明朗並且美洲及歐洲(俄羅斯除外)市場的需求遜於預期所致。

### Property, plant and equipment

The net carrying amount as at 31 March 2018 was approximately HK\$27.5 million, representing a decrease of approximately HK\$144.4 million from that of 2017. This was mainly due to: (i) the Group's disposal of property, plant and equipment and a subsidiary in the PRC amounted to approximately HK\$150.1 million; and offset by (ii) exchange realignment of approximately HK\$6.8 million upon translation of RMB denominated assets into Hong Kong dollar.

### Trade receivables

There was a decrease in trade receivables as at 31 March 2018 of approximately HK\$108.2 million as compared with 31 March 2017, which was mainly due to the trade receivables that were neither past due or impaired, less than 61 days past due, 61 to 120 days past due and over 120 days past due but not impaired decreased by approximately HK\$67.4 million, HK\$37.4 million, HK\$2.8 million and HK\$0.6 million, respectively, as at 31 March 2018 as compared with 31 March 2017.

### Interest-bearing bank and other borrowings

The Group had no interest-bearing bank borrowings as at 31 March 2018 (2017: approximately HK\$132.4 million). The Group has repaid all the bank borrowings as at 31 March 2018.

The Group had no interest-bearing other borrowings as at 31 March 2018 (2017: approximately HK\$100.0 million). The Group has repaid all other borrowings as at 31 March 2018.

No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments.

### Liquidity and financial resources

As at 31 March 2018, the Group had current assets of approximately HK\$357.0 million (2017: approximately HK\$519.2 million) which comprised cash and bank balances of approximately HK\$230.5 million (2017: approximately HK\$152.1 million). As at 31 March 2018, the Group had non-current liabilities of approximately HK\$3.3 million (2017: approximately HK\$4.4 million), and its current liabilities amounted to approximately HK\$28.6 million (2017: approximately HK\$394.3 million), consisting mainly of payables arising in the normal course of operation and bank borrowings for trade financing. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was approximately 12.5 at 31 March 2018 (2017: approximately 1.3).

### Gearing ratio

The gearing ratio of the Group as at 31 March 2018 was not applicable as cash and bank balances exceeded interest-bearing bank and other borrowings and obligations under finance leases.

### 物業、廠房及設備

於2018年3月31日的賬面淨值約為27.5百萬港元，較2017年減少約144.4百萬港元。賬面淨值減少主要是由於在年內：(i)本集團的中國物業、廠房及設備及附屬公司出售約為150.1百萬港元；及被(ii)將人民幣計值資產兌換為港元後的匯兌重新調整約6.8百萬港元抵銷所致。

### 貿易應收款項

於2018年3月31日的貿易應收款項較於2017年3月31日的貿易應收款項減少並未逾期或減值、約108.2百萬港元，乃主要由於在2018年3月31日，並未逾期或減值、逾期少於61天、逾期61天至120天及逾期超過120天的貿易應收款項較2017年3月31日分別減少約67.4百萬港元、37.4百萬港元、2.8百萬港元及0.6百萬港元所致。

### 計息銀行及其他借貸

本集團於2018年3月31日並無計息銀行借貸(2017年：約132.4百萬港元)。於2018年3月31日，本集團已歸還所有銀行借貸。

本集團於2018年3月31日並無計息的其他借貸(2017年：約100.0百萬港元)。於2018年3月31日，本集團已歸還所有其他借貸。

本集團並無使用任何財務工具作對沖用途，亦無任何以現有借貸及／或其他對沖工具對沖的外幣淨額投資。

### 流動資金及財務資源

於2018年3月31日，本集團的流動資產約為357.0百萬港元(2017年：約519.2百萬港元)，包括現金及銀行結餘約230.5百萬港元(2017年：約152.1百萬港元)。於2018年3月31日，本集團的非流動負債約為3.3百萬港元(2017年：約4.4百萬港元)，及流動負債約為28.6百萬港元(2017年：約394.3百萬港元)，主要包括日常營運過程中產生的應付款項以及貿易融資的銀行借貸。因此，於2018年3月31日，流動比率(即流動資產與流動負債的比率)約為12.5(2017年：約1.3)。

### 資本負債比率

本集團於2018年3月31日的資本負債比率並不適用，原因是現金及銀行結餘超過計息銀行及其他借貸以及融資租賃承擔。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The gearing ratio of the Group, calculated as net debt (being interest-bearing bank and other borrowings and obligations under finance lease less cash and bank balances) divided by the total equity plus net debt, was approximately 21.1% as at 31 March 2017.

#### Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by buying credit insurance on certain customers' receivables, performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

#### BUSINESS STRATEGIES OF THE GROUP

With continued political, economic and market uncertainties, the existing business of the Group in manufacturing and sale of jewellery products has seen a decrease in both revenue and gross profit. In the light of the operations and financial position of the Group, the Group intends to explore other possible business opportunities both locally and abroad while staying on with its jewellery business.

The Group reckons that the food and beverage industry has proved more resistant to impacts of changes in the macroeconomic environment and offered good growth potential. Furthermore, the "One Belt, One Road" initiative as proposed by the Chinese government is expected to boost demand for an array of sectors in the region, which will also benefit the development of the food and beverage businesses at large. The Group therefore considers that possible business expansions to food and beverage industry can enable it to better utilise its resources, mitigate the risks involved in its existing business of manufacturing and sale of jewellery products, and maximise investment returns for its shareholders.

Moreover, the management team members of the Group have seasoned experience and involvement in the food and beverage industry with all of them holding senior positions in HNA Catering Holdings Co., Ltd. As such, the Group considers that it possesses essential know-how and expertise to enable its expansion into the food and beverage industry, which is expected to help drive revenue for the Group.

於2017年3月31日，本集團的資本負債比率按負債淨額（計息銀行及其他借貸及融資租賃承擔減現金及銀行結餘）除以權益總額加負債淨額計算，約為21.1%。

#### 庫務政策

本集團在執行庫務政策上採取審慎的財務管理策略，因而於回顧期間內維持健全的流動資金狀況。本集團透過就若干客戶的應收款項購買信用保險，不斷評估其客戶的信貸狀況及財務狀況，務求降低信貸風險。為控制流動資金風險，董事會密切監察本集團的流動資金狀況，確保本集團資產、負債及其他承擔的流動資金架構可不時滿足其資金需要。

#### 本集團的業務策略

因著政治、經濟及市場持續不明朗，本集團現有的製造及銷售珠寶產品業務出現收益及毛利下降。鑒於本集團的營運及財務狀況，本集團有意於繼續從事其珠寶業務的同時，探索開拓本地及海外的其他可能業務機會。

本集團認為餐飲業能夠更好地抵禦宏觀經濟環境變化的影響，並且發展前景良好。此外，中國中央政府提出的「一帶一路」倡議預期將刺激區內眾多行業的需求，同時將在很大程度上有利於餐飲業務的發展。因此本集團認為若把握潛在機會將業務擴展至餐飲業能令本集團更好地利用其資源、緩解其現有製造及銷售珠寶產品業務所涉及的風險，並為股東帶來最大回報。

此外，本集團的管理層團隊成員於餐飲行業擁有豐富經驗並投身其中，且全部於海航食品控股有限公司擔任高管職務。因此，本集團認為其擁有必要的專業知識及技能，能夠令本集團擴展至餐飲行業，從而有助於推動本集團的收益。

Concurrently, the Group remains committed to maintaining its status as a top fine jewellery manufacturer and exporter in Hong Kong by strengthening its sales and marketing force, solidifying its presence in existing markets and reinforcing market recognition of its brand name globally.

In the U.S., the Group continues to explore opportunities where the Group believes would benefit from the integrated services it offers, providing a wider range of styles and designs tailored for the market and adjusting its production resources and capacity to better cater for the product lead time, consumer preferences and festive shopping practices. In the PRC, the Group will draw strength on its established corporate brand name and proven design capabilities to increase resources in a bid to attract jewellery wholesalers or chain stores which focus on the said market. The Group will focus its sales and marketing resources on promoting its brand and products, participating in selected trade exhibitions in the PRC, and allocating sufficient design and product development resources to offer a wider range of designs that are favourable to the Chinese consumers.

The Group believes its abilities to create new product designs and develop innovative production techniques in response to market trends and customers' preferences contribute to the success of its products. The Group has been offering customers with a diverse range of products with appealing designs at affordable prices, made with assorted kinds of precious metals, diamonds and gem stones with various specifications in a bid to cater for a broad bandwidth of market demand. The Group is also positive with the food and beverage industry vibe. Backed by the "One Belt, One Road" initiative, the Group is devoted to expanding into the new market that will provide the Group with strong momentum for future growth.

#### Foreign exchange exposure

For the year ended 31 March 2018, the Group had monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, available-for-sale investment, cash and bank balances and trade and other payables and interest-bearing bank and other borrowings. Consequently the Group had foreign exchange risk exposure from translation of amount denominated in foreign currencies as at 31 March 2018. Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate. The Group is exposed to foreign exchange risk primarily with respect to RMB. If HK\$ as at 31 March 2018 had strengthened/weakened by 5% against RMB with all other variables held constant, the loss for the year attributable to the equity holders of the Company would have been decreased/increased by approximately HK\$32,000 for the year ended 31 March 2018 (2017: loss for the year attributable to the equity holders of the Company would have increased/decreased by approximately HK\$2.0 million).

The Group does not engage in any derivatives activities and does not commit to any financial instruments to hedge its exposure to foreign currency risk.

與此同時，本集團將繼續透過加強銷售及市務推廣力度，鞏固於現有珠寶市場的佔有率及強化旗下品牌在全球的知名度，務求保持其作為香港優質珠寶製造商及出口商翹楚的地位。

本集團繼續於美國發掘其認為會受惠於其所提供的綜合服務的商機，通過提供各種專為該市場度身訂造的造型及設計，以及調整其生產資源及產能，從而更好地迎合產品交付期、消費者喜好及節日購物慣例。在中國，本集團將借助公司的企業品牌效應及卓越設計能力的優勢，投入更多資源，以吸引專注此市場的珠寶批發商或連鎖店。本集團將投入更多銷售及市場推廣資源以在中國推廣其品牌及產品，選擇性地參加貿易展覽，並投放充足設計及產品開發資源，以提供各種最符合中國消費者的設計。

本集團認為，其產品的成功歸因於本集團能夠應對市場趨勢及客戶喜好，提供新穎的產品設計及開發創新生產技術。本集團一直向客戶提供多款設計優美、價格實惠且由各種貴金屬及各種規格的鑽石及寶石製成的產品，以迎合更廣泛的市場需求。本集團亦對餐飲行業氛圍感到樂觀。依賴於「一帶一路」倡議，本集團致力於拓擴至可為我們往後提供強勁增長勢頭的新市場。

#### 外匯風險

於截至2018年3月31日止年度，本集團有以外幣（即相關集團實體功能貨幣以外的貨幣）計值的貨幣資產及貨幣負債，主要為貿易應收款項、其他應收款項、可供出售投資、現金及銀行結餘、貿易及其他應付款項以及計息銀行及其他借貸，因此，本集團於2018年3月31日面臨來自換算以外幣計值的款項的外匯風險。由於港元與美元掛鈎，本集團預期港元兌美元的匯率不會發生任何重大變動。本集團承受的外匯風險主要與人民幣有關。倘港元於2018年3月31日兌人民幣升值/貶值5%，而其他所有變量保持不變，於截至2018年3月31日止年度本公司股權擁有人應佔年內虧損應會減少/增加約32,000港元（2017年：本公司股權擁有人應佔年內虧損應會增加/減少約2.0百萬港元）。

本集團並無從事任何衍生工具活動，亦無利用任何財務工具對沖其外幣風險。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Capital structure

On 5 May 2017, the Company entered into the placing agreement (the “Placing Agreement”) with First Shanghai Securities Limited (the “Placing Agent”), pursuant to which (i) the Placing Agent agreed to procure not less than six placees (the “Placees”) to subscribe 12,600,000 new shares of the Company (the “Placing Shares”) at the placing price of HK\$5.06 per share; and (ii) the Company agreed to issue, and the Placing Agent agreed to procure each Placee who subscribed for any Placing Shares to subscribe such number of warrants as equal to such number of Placing Shares. On 16 May 2017, the Company completed placing of the Placing Shares. The Placing Shares were allotted and issued to not less than six placees at the price of HK\$5.06 per share, representing approximately 7.30% of the issued shares of the Company. Please refer to the announcements of the Company dated 7 May 2017, 16 May 2017 and 10 August 2017, and the circular of the Company dated 26 July 2017 for further details.

The net proceeds from the placing, after deducting the placing fee, stamp duty and other related expenses payable by the Company, is approximately HK\$62,476,000, which is intended to be used by the Company as general working capital of the Group. As at 31 March 2018, no proceeds have been utilised and the net proceeds remain available for the intended use.

#### Unlisted warrants

Pursuant to the Placing Agreement, the Company agreed to issue 12,600,000 unlisted warrants (the “Warrants”) at an issue price of HK\$0.20 per Warrant. Each Warrant entitled the Placees to subscribe for one ordinary share of HK\$0.005 each at an initial subscription price of HK\$7.00 per share (the “Warrant Shares”) at any time within two years commencing from the date of issue of Warrants. For further information, please refer to the circular of the Company dated 26 July 2017.

Following obtaining the Shareholders’ approval of the issue of the Warrants and the Warrant Shares at the extraordinary general meeting held on 10 August 2017, completion of the issue of the Warrants took place on 15 August 2017. Warrants of an aggregate amount of approximately HK\$2.5 million have been issued to the Placees at the Issue Price of HK\$0.20 per Warrant. The Warrants entitle the Placee to subscribe for the Warrant Shares at the initial subscription price of HK\$7.00 each for a period of two years commencing from the date of issue of the Warrants.

Save as disclosed above, there has been no change in the capital structure of the Company during the year ended 31 March 2018. As at 31 March 2018, the capital of the Company comprises ordinary shares and capital reserves.

#### Capital commitments

As at 31 March 2018, the Group has no capital commitments (2017: approximately HK\$2.6 million).

#### 資本架構

於2017年5月5日，本公司與第一上海證券有限公司（「配售代理」）訂立配售協議（「配售協議」），據此，(i) 配售代理同意盡力促使不少於六名承配人（「承配人」）按配售價每股5.06港元認購本公司12,600,000股新股份（「配售股份」）；及(ii) 本公司同意發行及配售代理同意盡力促使認購任何配售股份的各承配人認購等於配售股份數目的相關數目認股權證。於2017年5月16日，本公司已完成配售配股股份。配股股份已按每股配股股份5.06港元的價格配發及發行予不少於六名承配人，相當於本公司已發行股份約7.30%。進一步詳情請參閱本公司日期為2017年5月7日、2017年5月16日及2017年8月10日的公佈，以及本公司日期為2017年7月26日的通函。

配售所得款項淨額（扣除本公司應付的配售費用、印花稅及其他相關費用後）約為62,476,000港元，本公司擬將其用作本集團的一般營運資金。於2018年3月31日，尚未運用所得款項，而所得款項淨額仍然可供用作擬定用途。

#### 未上市認股權證

根據配售協議，本公司同意按每份認股權證0.20港元的發行價，發行12,600,000份未上市認股權證（「認股權證」）。每份認股權證賦予承配人權利，於認股權證發行日期起計兩年內隨時按每股7.00港元的初步認購價認購一股每股面值0.005港元的普通股（「認股權證股份」）。進一步詳情請參閱本公司日期為2017年7月26日的通函。

於2017年8月10日舉行的股東特別大會獲股東批准發行認股權證及認股權證股份後，認股權證已於2017年8月15日完成發行。總金額約2.5百萬港元的認股權證已按每份認股權證0.20港元的發行價發行予承配人。認股權證賦予承配人權利，於認股權證發行日期起計兩年期間按每股7.00港元的初步認購價認購認股權證股份。

除上文所披露者外，於截至2018年3月31日止年度，本公司資本架構概無變動。於2018年3月31日，本公司資本包括普通股及資本儲備。

#### 資本承擔

於2018年3月31日，本集團概無資本承擔（2017年：約2.6百萬港元）。

### Dividend

The Board does not recommend the payment of final dividend for the year ended 31 March 2018.

No dividend has been paid or declared by the Company during the year ended 31 March 2018.

### Information on employees

As at 31 March 2018, the Group had 81 employees (2017: 534), including the executive Directors. Total staff costs (including the Directors' emoluments) were approximately HK\$91.3 million, as compared with approximately HK\$117.0 million for the year ended 31 March 2017. Remuneration is determined with reference to market conditions and individual employees' performance, qualification and experience.

Apart from the provident fund scheme (operation in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or social insurance fund (including retirement pension insurance, medical insurance, unemployment insurance, injury insurance and maternity insurance for the PRC employees), discretionary bonuses and employee share options are also awarded to employees according to the Group's performance as well as assessment of individual performance. Since the adoption of the share option scheme on 10 February 2015 and up to 31 March 2018, no options have been granted by the Company.

The Directors believe that the salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

### Share option scheme

The Company has adopted the share option scheme on 10 February 2015 (the "Scheme") under which certain selected classes of participants (including, among others, Directors and full-time employees) may be granted options to subscribe for the shares. Unless otherwise cancelled or amended, the scheme will remain in force for 10 years from that date. No share option had ever been granted under the Scheme since its adoption, up to 31 March 2018.

### Significant investments held

The Group did not hold any significant investment in equity interest in any other company.

### Future plans for material investments and capital assets

The Group did not have other plans for material investments and capital assets.

### 股息

董事會不建議就截至2018年3月31日止年度派付末期股息。

本公司於截至2018年3月31日止年度並無派付或宣派任何股息。

### 僱員資料

於2018年3月31日，本集團有81名僱員(2017年：534名)，包括執行董事。員工成本總額(包括董事酬金)約為91.3百萬港元，而截至2017年3月31日止年度則約為117.0百萬港元。薪酬乃參考市況及個別僱員之表現、資格及經驗而釐訂。

除公積金計劃(根據強制性公積金計劃條例的條文為香港僱員設立)或社會保險基金(包括為中國僱員設立的退休養老保險、醫療保險、失業保險、工傷保險及生育保險)外，本公司會參考本集團表現及個別員工表現評估發放酌情花紅及僱員購股權。自於2015年2月10日採納購股權計劃起至2018年3月31日，本公司概無授出購股權。

董事認為，本集團僱員之薪金及福利維持在具競爭力的水平，在本集團薪金及花紅制度(每年進行檢討)的總體框架下，僱員按表現獲得獎勵。

### 購股權計劃

本公司已於2015年2月10日採納購股權計劃(「計劃」)，據此，若干選定類別的參與者(包括(其中包括)董事及全職僱員)可能獲授購股權以認購股份。除非以其他方式註銷或修訂，計劃於該日起計10年內仍有效。自其採納以來直至2018年3月31日，並無根據計劃授出任何購股權。

### 持有之重大投資

本集團並無於任何其他公司持有任何重大股權投資。

### 重大投資及資本資產之未來計劃

本集團並無其他重大投資及資本資產計劃。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Material acquisitions and disposals of subsidiaries and affiliated companies

During the year ended 31 March 2018, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

#### Charges of assets

As at 31 March 2018, the Group's bank borrowings are secured by its assets as below:

- (i) mortgages over the Group's leasehold land, which had a net carrying amount of approximately HK\$9.6 million and approximately HK\$9.9 million, respectively, as at 31 March 2018 and 31 March 2017;
- (ii) mortgages over the Group's buildings, which had a net carrying amount of approximately HK\$2.3 million and approximately HK\$17.4 million, respectively, as at 31 March 2018 and 31 March 2017;
- (iii) mortgages over the Group's prepaid land lease payments, which had a net carrying amount of nil and approximately HK\$2.8 million, respectively, as at 31 March 2018 and 31 March 2017;
- (iv) a pledge of the Group's bank deposits of nil and approximately HK\$55.5 million, respectively, as at 31 March 2018 and 31 March 2017;
- (v) the pledge of the Group's available-for-sale investment amounting to approximately HK\$15.7 million as at 31 March 2018 (at 31 March 2017: approximately HK\$15.0 million);
- (vi) the pledge of the Group's trade receivables of nil as at 31 March 2018 (at 31 March 2017: approximately HK\$69.2 million); and
- (vii) corporate guarantees provided by certain subsidiaries of the Company (2017: by the Company and certain subsidiaries of the Company).

As at 31 March 2018, the Group's other borrowings secured by the pledge of the Group's trade receivables was nil (2017: approximately HK\$142.3 million).

#### Contingent liabilities

The Group had no material contingent liabilities as at 31 March 2018 (2017: nil).

#### 重大收購及出售附屬公司及聯屬公司

截至2018年3月31日止年度，本集團並無任何重大收購及出售附屬公司及聯屬公司事項。

#### 資產抵押

於2018年3月31日，本集團銀行借貸由其資產作抵押，詳情如下：

- (i) 於2018年3月31日及2017年3月31日，本集團賬面淨值分別約為9.6百萬港元及約9.9百萬港元的租賃土地的按揭；
- (ii) 於2018年3月31日及2017年3月31日，本集團賬面淨值分別約為2.3百萬港元及約17.4百萬港元的樓宇的按揭；
- (iii) 於2018年3月31日及2017年3月31日，本集團賬面淨值分別為零及約2.8百萬港元的預付土地租賃款項的按揭；
- (iv) 於2018年3月31日及2017年3月31日，本集團金額分別為零及約55.5百萬港元的銀行存款抵押；
- (v) 於2018年3月31日，本集團金額約為15.7百萬港元(2017年3月31日：約15.0百萬港元)的可供出售投資抵押；
- (vi) 於2018年3月31日，本集團概無貿易應收款項作抵押(2017年3月31日：約69.2百萬港元)；及
- (vii) 本公司若干附屬公司提供的公司擔保(2017年：由本公司及本公司若干附屬公司提供)。

於2018年3月31日，本集團以本集團貿易應收款項作質押的其他借貸金額為零(2017年：約142.3百萬港元)。

#### 或然負債

於2018年3月31日，本集團並無任何重大或然負債(2017年：無)。

## CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Board has adopted the code provisions of the Corporate Governance Code (the “Code Provisions”) set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). During the year ended 31 March 2018, the Company had complied with all provisions of the Code Provisions.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transaction by Director of the Company. Having made specific enquiries to all the Directors, the Directors confirmed that they had complied with the required standard as set out in the Model Code during the year ended 31 March 2018.

## THE BOARD OF DIRECTORS

### Composition

The Board currently comprises six Directors, of which three are executive Directors, and three are independent non-executive Directors. In addition, a list containing the names of the Directors and their roles and functions is available on the websites of the Group and the Stock Exchange. The composition of the Board is as follows:

#### Executive Directors:

Mr. NANG Qi (*Chairman*)  
Mr. Chen Peiliang (*Chief Executive Officer*)  
Mr. Xue Qiang

#### Independent non-executive Directors:

Mr. Ting Tit Cheung  
Mr. Chan Chi Kuen  
Mr. Lo Chun Pong

Up to the date of this annual report, there was no change in the composition of the Board. The biographical details of each Director are set out in the section “Directors and Senior Management” on pages 7 to 10.

## 企業管治守則

配合及遵守企業管治原則及常規之公認標準一直為本公司最優先原則之一。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

董事會已採納聯交所證券上市規則（「上市規則」）附錄十四中的企業管治守則所載之守則條文（「守則條文」）。截至2018年3月31日止年度，本公司一直遵守守則條文內所有條文。

## 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之行為守則。經向全體董事作出具體查詢後，董事確認於截至2018年3月31日止年度已遵守標準守則所載規定標準。

## 董事會

### 成員

董事會目前由六名董事組成，其中包括三名執行董事及三名獨立非執行董事。此外，董事名單與彼等角色和職能已載於本集團及聯交所之網站。董事會成員如下：

#### 執行董事：

曩麒先生 (*主席*)  
陳佩良先生 (*行政總裁*)  
薛強先生

#### 獨立非執行董事：

丁鐵翔先生  
陳志權先生  
盧振邦先生

至本年報日期止，董事會成員並無變動。各董事之簡歷詳情載於第7至10頁「董事及高級管理層」一節。

## **RESPONSIBILITIES OF THE BOARD AND MANAGEMENT**

The Board is primarily responsible for overseeing and managing the Company's affairs, including the responsibilities for the adoption of long-term strategies and appointing and supervising senior management to ensure that the operation of the Group is conducted in accordance with the objective of the Group.

The Board is also responsible for determining the Company's corporate governance policies which include:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (iv) to review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (v) to review the Company's disclosure in the Corporate Governance Report.

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various Board committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these Board committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association). With the new composition of members of the nomination committee, the remuneration committee and the audit committee, the independent non-executive Directors will be able to effectively devote their time to perform the duties required by the respective Board committees.

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

## **董事會及管理層之責任**

董事會主要負責監督及管理本公司事務，包括負責採納長遠策略以及委任與監督高級管理層，以確保本集團的運作按本集團的目標進行。

董事會亦須負責釐定本公司的企業管治政策，包括：

- (i) 制訂及審議本公司的企業管治政策及常規；
- (ii) 審議及監察董事及高級管理層的培訓及持續專業發展；
- (iii) 審議及監察本公司在遵守法律及監管規定方面的政策及常規；
- (iv) 審議及監察適用於僱員及董事的操守守則及合規手冊（如有）；及
- (v) 審閱本公司於企業管治報告中作出的披露。

儘管在任何時間下，董事會在履行其職責時均對引領及監督本公司負上全部責任，惟董事會已設立多個董事會委員會處理本公司各方面的事務，並已將若干責任指派予有關委員會。除非經董事會批准的相關書面職權範圍另有訂明，該等董事會委員會受本公司組織章程細則以及董事會的政策及常規（以不與組織章程細則所載條文有所抵觸為限）規管。提名委員會、薪酬委員會及審核委員會的新成員組合，將可讓獨立非執行董事更有效地投放時間履行各董事會委員會規定的職務。

董事會亦已將執行其策略及日常營運的責任指派予本公司管理層，在執行董事領導下進行。本公司已對須由董事會決定的事宜作出清晰指引，有關事宜包括（其中包括）資本、融資及財務匯報、內部監控、與股東溝通、董事會成員、授權及企業管治事宜。

The Chief Financial Officer and/or Company Secretary or secretary of the board committee attended all regular Board Meetings and Board Committee Meetings to advise on accounting and financial, corporate governance and statutory compliance matters. Senior management has formal or informal contact with the Board Members as and when necessary.

Board papers and minutes are made available for inspection by the Directors and Board Committee Members upon reasonable request. The Company responded as promptly as possible to any queries raised by the Directors.

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of financial position and financial performance of the Group. The financial statements set out on pages 74 to 151 were prepared on the basis set out in note 2.1 to the financial statements. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements. The declaration of reporting responsibility issued by the external auditors of the Company on the financial statements is set out in the Independent Auditors' Report on pages 67 and 73.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

Prior to their respective appointment, each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence and has undertaken to inform the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect their independence. The Company has also received a written confirmation from each of the independent non-executive Directors in respect of their independence. The Company considers all independent non-executive Directors to be independent in accordance with the independence requirements set out in Rule 3.13 of the Listing Rules.

The independent non-executive Directors take an active role in Board meetings, contribute to the development of strategies and policies and make sound judgment in various aspects. They will take lead when potential conflicts of interest arise. They are also members of various Board committees and devote sufficient amount of time and attention to the affairs of the Company.

本公司首席財務總監及／或公司秘書或委員會秘書出席所有董事會及董事委員會之定期會議，就會計及財務、企業管治及遵守法定規例事宜提供意見。有需要時，高級管理人員與董事會保持正式及非正式接觸。

在任何董事發出合理要求下，董事會文件及會議紀錄可供董事及董事委員會委員查閱。董事提出任何問題，本公司盡快作出回應。

董事會知悉其有責任編製真實及公平反映本集團財務狀況及財務表現的財務報表。第74至151頁所載的財務報表乃按財務報表附註2.1所載基準編製。本集團財務業績會根據法定及／或監管規定適時公佈。本公司外聘核數師就財務報表出具的報告職責聲明載於第67至73頁的獨立核數師報告。

### 獨立非執行董事

年內，董事會於任何時間均符合上市規則有關董事會須委任最少三名獨立非執行董事，佔董事會人數至少三分之一以及其中最少一名獨立非執行董事具備合適之專業資格或會計或有關財務管理專業知識之規定。

於彼等各自獲委任之前，各獨立非執行董事已向聯交所提交確認彼等獨立性之書面聲明，並已承諾在出現任何可能影響彼等獨立性之後續變動時在可行情況下盡快通知聯交所。本公司亦已收到各獨立非執行董事就彼等獨立性之書面確認。本公司認為，根據上市規則第3.13條所載獨立性規定，所有獨立非執行董事均符合獨立規定。

獨立非執行董事在董事會會議上擔當積極的角色，可為制訂策略及政策作出貢獻，並就各個方面之事項作出可靠判斷。彼等會於潛在利益衝突出現時發揮牽頭引導作用。彼等亦出任多個董事委員會之成員，並在本公司事務上投入足夠時間及精力。



## BOARD MEETINGS

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. Notices of not less than fourteen days will be given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for regular board meetings.

Apart from formal meetings, matters requiring Board approval were arranged by means of circulation of written resolutions.

The attendance of individual Directors at Board Meetings (BM), Audit Committee Meetings (ACM), Nomination Committee Meetings (NCM), Remuneration Committee Meetings (RCM), Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) during the financial year is set out below:

Directors 董事	Meetings attended/Eligible to attend 出席會議/合資格出席會議					
	BM 董事會 會議	ACM 審核委員會 會議	NCM 提名委員會 會議	RCM 薪酬委員會 會議	AGM 股東週年 大會	EGM 股東特別 大會
<b>Executive Directors</b> 執行董事						
NANG Qi 曩麒	7/7	–	1/1	1/1	1/1	2/2
CHEN Peiliang 陳佩良	7/7	–	1/1	1/1	1/1	2/2
XUE Qiang 薛強	7/7	–	–	–	1/1	2/2
<b>Independent Non-executive Directors</b> 獨立非執行董事						
TING Tit Cheung 丁鐵翔	6/7	3/3	–	1/1	1/1	1/2
CHAN Chi Kuen 陳志權	7/7	3/3	1/1	1/1	1/1	2/2
LO Chun Pong 盧振邦	7/7	3/3	1/1	1/1	1/1	1/2

## GENERAL MEETINGS

Pursuant to code Provision A.6.7 of the Code, independent non-executive Directors should attend the annual general meeting of the Company to develop a balanced understanding of the views of the shareholders. All independent non-executive Directors attended the annual general meeting of the Company held on 10 August 2017.

## 董事會會議

董事會定期舉行會議(至少四次,約每季一次),並於會上討論本公司之整體策略及經營和財務方面之表現。其他董事會會議於需要時才舉行。該等董事會會議須由大部分董事親身或透過其他電子通訊方式積極參與。所有董事會例行會議通知會於會議舉行前至少十四日送呈全體董事,以使彼等能有機會出席例行董事會會議並於會議議程內加載有關事宜。

除正式會議外,須董事會批准的事宜則以傳閱書面決議案方式處理。

於本財政年度內,個別董事於董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議、股東週年大會及股東特別大會的出席率如下:

## 股東大會

根據該守則第A.6.7條守則條文,獨立非執行董事應出席本公司股東週年大會以對股東的意見有公正的了解。所有獨立非執行董事均已出席本公司於2017年8月10日舉行之股東週年大會。

## CONTINUOUS PROFESSIONAL DEVELOPMENT

Directors attended training sessions which place emphasis on the roles, functions and duties of a listed company director.

All Directors have provided record of training attendance and the Company will continue to arrange and/or fund the training in accordance with the Code Provisions.

According to the records of training maintained by the Company Secretary, during the financial year under review, all the current Directors pursued continuous professional development and relevant details are set out below:

### Directors 董事

#### Executive Directors 執行董事

NANG Qi 曩麒  
CHEN Peiliang 陳佩良  
XUE Qiang 薛強

#### Independent Non-executive Directors 獨立非執行董事

TING Tit Cheung 丁鐵翔  
CHAN Chi Kuen 陳志權  
LO Chun Pong 盧振邦

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision A.2.1 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. Since 17 February 2017, Mr. NANG Qi was appointed as the chairman to provide leadership to the Board and Mr. Chen Peiliang was appointed as the chief executive officer.

## 持續專業發展

董事參與培訓課程，相關培訓課程着重上市公司董事的角色、職能及責任。

所有董事已提供參加培訓的記錄，公司也將繼續依據守則條文安排及／或者提供相應培訓。

根據公司秘書所保存的培訓記錄，於本財政年度內所有現任董事皆有參與持續專業發展，茲將相關資料列述如下：

	Type of Trainings 培訓類別	
	attending seminars and/or conferences and/or forums 出席研討會及／ 或議會及／ 或論壇	reading journals, updates, articles and/or materials, etc 閱讀期刊、最新 資訊、文章及／ 或資料等等
NANG Qi 曩麒	✓	✓
CHEN Peiliang 陳佩良	✓	✓
XUE Qiang 薛強	✓	✓
TING Tit Cheung 丁鐵翔	✓	✓
CHAN Chi Kuen 陳志權	✓	✓
LO Chun Pong 盧振邦	✓	✓

## 主席及行政總裁

根據上市規則附錄十四所載的企業管治守則及企業管治報告的守則條文第A.2.1條，主席與行政總裁的職責應有區分，並不應由一人兼任。自2017年2月17日，曩麒先生獲委任為主席領導董事會，而陳佩良先生則獲委任為行政總裁。

## **APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS**

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Article of Association. The Nomination Committee is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of directors, monitoring the appointment and succession planning of directors and assessing the independence of independent non-executive Directors. The appointments letters of independent non-executive Directors have been renewed on 10 February 2018.

Each of the executive Directors has entered into a service contract with the Company and each of the independent non-executive Directors has signed a letter of appointment with the Company. Such term is for an initial term of three years for the executive Directors and one year for the independent non-executive Directors commencing from the Listing Date, subject to re-election.

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only 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 of the Company and shall then be eligible for re-election.

At each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors.

## **BOARD COMMITTEES**

The Board has established three committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All of these three committees of the Board are established with defined written terms of reference. The majority of the members of the Nomination Committee, Remuneration Committee and all members of the Audit Committee are independent non-executive Directors. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

## **董事之委任、重選及罷免**

董事委任、重選及罷免程序及過程載於本公司組織章程。提名委員會負責檢討董事會架構，發展及制定提名及委任董事的相關程序，監察董事委任及繼任安排以及評估獨立非執行董事的獨立性。獨立非執行董事之委任函件已於2018年2月10日重新續任。

所有執行董事均與本公司訂立服務合約，以及所有獨立非執行董事均與本公司簽訂委任函件。自上市日期起，對執行董事及獨立非執行董事而言，相關條款之初始年期分別為三年及一年，惟需接受重選。

董事會有權隨時或不時委任任何人士為董事，以填補董事會臨時空缺或出任現行董事會的增任董事，惟不能超過股東於股東大會決定的董事最高人數限制(如有)。董事會委任的任何以填補臨時空缺的董事任期於其獲委任後僅至本公司首次股東大會為止，且於相關會議上膺選連任。董事會委任的任何出任現行董事會的增任董事的任期僅至本公司下屆股東週年大會為止，且彼等屆時合資格膺選連任。

在每屆股東週年大會上，當時三分之一董事將輪值告退。然而，倘董事人數並非三的倍數，則須為最接近但不少於三分之一的人數。

## **董事會委員會**

董事會已成立三個委員會，分別是提名委員會、薪酬委員會及審核委員會，以監管本公司特定範疇的事宜。董事會所有該等三個委員會乃根據已界定書面職權範圍成立。提名委員會及薪酬委員會的大部分成員均為獨立非執行董事，而審核委員會全體成員均為獨立非執行董事。董事會委員會均獲提供足夠資源，以履行其職務，倘提出合理要求後，可於適當情況下尋求獨立專業意見，費用由本公司承擔。

## NOMINATION COMMITTEE

The Company established a nomination committee pursuant to a resolution of the Directors on 10 February 2015 with written terms of reference in compliance with paragraph A.5.1 of Appendix 14 of the Listing Rules. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the nomination committee include, but not limited to (i) to review the structure, size and composition of the Board on regular at least annually; (ii) identify individuals suitably qualified to become Board members; (iii) assess the independence of independent non-executive Directors; and (iv) make recommendations to the Board on relevant matters relating to the appointment or reappointment of Directors.

The nomination committee comprises three independent non-executive Directors, namely Mr. Ting Tit Cheung, Mr. Chan Chi Kuen, and Mr. Lo Chun Pong, and two executive Directors, namely, Mr. NANG Qi and Mr. Chen Peiliang. The chairman of the Nomination Committee is Mr. NANG Qi.

The Nomination Committee will conduct meeting at least once a year.

When identifying suitable candidates for directorship, the nomination committee will carry out the selection process by making reference to the skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rule 3.08 and Rule 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

## BOARD DIVERSITY

Under the Board Diversity Policy adopted by the Board, the Company recognises and embraces the benefits of having a diverse Board towards enhancement of overall performance. With a vision to achieving a sustainable and balanced development, the Company regards increasing diversity at the Board level as an essential element in achieving a diversity of perspectives and supporting the attainment of its strategic goals. Appointments of directors are made on merits while having due regard for the benefits of diversity of the Board.

At present, half of the directors on the Board are independent non-executive Directors. They represent diverse career experience in various enterprises. They bring with them diverse professional backgrounds. The board composition reflects various cultural and educational backgrounds, professional development, length of service, knowledge of the Company and a broad range of individual attributes, interests and values. The Board considers the current line-up has provided the Company with a good balance and diversity of skills and experience for the requirements of its business. The Board will continue to review its composition from time to time taking into consideration board diversity for the requirements and benefits of the Company's business.

## 提名委員會

本公司根據2015年2月10日之董事決議成立了提名委員會，並根據上市規則附錄十四第A.5.1段以書面釐定其職權範圍。其職權範圍可於本公司及聯交所網站取得。

提名委員會的主要職責包括但不限於：(i) 至少每年定期檢討董事會的架構、大小和組成；(ii) 物色具備合適資格成為董事會成員的人選；(iii) 評核獨立非執行董事的獨立性；以及(iv) 就有關董事委任或者連任的事宜向董事會提供建議。

提名委員會由三名獨立非執行董事(即丁鐵翔先生、陳志權先生及盧振邦先生)及兩名為執行董事(即龔麟先生及陳佩良先生)組成。提名委員會主席為龔麟先生。

提名委員會將至少每年舉行一次會議。

在物色合適的董事候選人時，提名委員會將會根據候選人的技能、經驗、教育背景、專業知識、個人誠信和承諾時間，以及根據本公司需求和該職位所須遵循的其他相關法律法規的要求來執行選拔程式。所有候選人必須能夠滿足上市規則第3.08及3.09條所規定之標準。將被委任為獨立非執行董事的候選人亦須滿足上市規則第3.13條規定的獨立性標準。合資格的候選人將推薦董事會批准。

## 董事會多元化

根據董事會採納的《董事會成員多元化政策》，本公司明白並深信一個成員多元化的董事會對提升整體表現裨益良多。為達致可持續的均衡發展，本公司董事會層面日益多元化是達致多元化觀點及支援本公司達到策略目標的關鍵元素。董事的委任均以用人唯才為原則，充分顧及董事會成員多元化所帶來的裨益。

目前，董事會內有半數董事為獨立非執行董事。彼等具有不同企業發展事業的多方面經驗，把不同領域的專業背景帶入董事會。董事會成員組合反映不同的文化及教育背景、專業發展、服務任期、對本公司的認識，以及廣泛的個人特質、興趣和價值觀。董事會認為目前的成員組合為本公司提供了切合本公司業務的均衡及多元化技能和經驗。董事會會繼續不時檢討其成員組合，按本公司的業務需要及裨益考慮董事會多元化。

## REMUNERATION COMMITTEE

The Company established a remuneration committee pursuant to a resolution of the Directors passed on 10 February 2015 with written terms of reference in compliance with Rule 3.25 and Rule 3.26 of the Listing Rules. The written terms of reference of the remuneration committee was adopted in compliance with the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the remuneration committee include, but are not limited to: (i) making recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group and (ii) ensuring none of the Directors determine their own remuneration. The emoluments of executive Directors are determined based on the skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration of the Company's performance and prevailing market conditions.

The remuneration policy of independent non-executive Directors is to ensure that the independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. The emoluments of independent non-executive Directors are determined with reference to their skills, experience, knowledge, duties and market trends. As at the date of this annual report, the remuneration committee consists of three independent non-executive Directors namely Mr. Ting Tit Cheung, Mr. Chan Chi Kuen, Mr. Lo Chun Pong and two executive Directors, namely Mr. NANG Qi and Mr. Chen Peiliang. The Chairman of the Remuneration Committee is Mr. Ting Tit Cheung. Details of remuneration of Directors are set out in note 9 to the financial statements.

Up to 31 March 2018, there was no change in the policy and structure of the remuneration of the Directors and senior management. The Remuneration Committee will meet at least once a year for reviewing the remuneration policy and structure and making recommendations to the Board on determining the annual remuneration packages of the executive Directors and the senior management and other related matters.

## AUDIT COMMITTEE

The Company established an Audit committee pursuant to a resolution of the Director passed on 10 February 2015 with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules. A revised set of terms of reference of the Audit Committee (the "Revised Audit Committee Terms of Reference") has been adopted by the Company during the year to get in line with the recent amendments to the Code Provisions. The Revised Audit Committee and the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants. The Terms of Reference are available on the websites of the Company and the Stock Exchange.

## 薪酬委員會

本公司根據於2015年2月10日通過的董事決議成立了薪酬委員會，並根據上市規則第3.25及3.26條以書面釐定其職權範圍。薪酬委員會書面職權範圍已參照守則條文獲採納。其職權範圍可於本公司及聯交所網站取得。

薪酬委員會的主要職責包括但不限於：(i) 就本集團全體董事及高級管理層的整體薪酬政策及架構向董事會作出推薦意見，以及(ii) 確保董事並無自行釐定薪酬。執行董事的薪酬乃基於其技能、知識、個人表現及貢獻、該董事責任及職責的範圍，並考慮到本公司的業績表現及市場行情釐定。

獨立非執行董事的薪酬政策是要確保獨立非執行董事對參與公司事務包括其參加各董事委員會所作出的努力以及付出的時間得到充分的補償。獨立非執行董事的薪酬乃根據其技能、經驗、知識、責任及市場趨勢釐定。於本年報日期，薪酬委員會包括三名獨立非執行董事（即丁鐵翔先生、陳志權先生及盧振邦先生）及兩名為執行董事（即曩麒先生及陳佩良先生）。薪酬委員會主席為丁鐵翔先生。董事薪酬詳情載列於財務報表附註9。

至2018年3月31日，董事及高級管理層的薪酬政策及架構並無變化。薪酬委員會每年舉行至少一次會議，以檢討薪酬政策及架構，同時向董事會提出釐定執行董事及高級管理層的年度薪酬待遇以及其他相關事宜的建議。

## 審核委員會

本公司根據於2015年2月10日通過的董事決議成立了審核委員會，並根據上市規則第3.21及3.22條以書面釐定其職權範圍。本集團於年內採納了一套經修訂的審核委員會職權範圍（「經修訂審核委員會職權範圍」），以符合《企業管治守則》的近期修訂。《經修訂審核委員會職權範圍》與香港會計師公會頒佈的《審核委員會有效運作指引》內載的建議相符。其職權範圍可於本公司及聯交所網站取得。

The primary duties of the audit committee include but are not limited to (i) making recommendations to the Board on the appointment, re-appointment and removal of external auditor, (ii) reviewing the financial statements and material advice in respect of financial reporting and (iii) overseeing the Company's financial reporting, risk management and internal control systems.

In relation to (iii), the audit committee is:

- to review the Company's financial controls, and to review the Company's risk management and internal control systems;
- to discuss the risk management and internal control systems with management and to ensure that management has performed its duty to have effective systems. The discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial functions;
- to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- where an internal audit function exists, to review the internal audit programme, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- to review the Group's financial and accounting policies and practices;
- to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
- to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- to report to the Board on the matters set out in the Corporate Governance Code and Corporate Governance Report (the "Code") in Appendix 14 of the Listing Rules;
- to consider other matters, as required by the Board, to be performed by the Audit Committee.

As at the date of this annual report, the Audit committee consists of three independent non-executive Directors, namely Mr. Chan Chi Kuen, Mr. Ting Tit Cheung and Mr. Lo Chun Pong. The Chairman of the Audit Committee is Mr. Chan Chi Kuen, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules.

審核委員會的主要職責包括但不限於(i)就委任、重新委任及罷免外聘部核數師向董事會提供建議；(ii)審閱財務報表及對本公司財務報告的重大意見及(iii)監察本公司財務報告、風險管理及內部監控系統。

關於第(iii)項，審核委員會負責：

- 檢討本公司之財務監控制度及檢討本公司之風險管理及內部監控制度；
- 與管理層討論風險管理及內部監控制度，確保管理層已履行職責建立有效之制度，包括考慮本公司在會計及財務職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算又是否充足；
- 應董事會之委派或主動就有關風險管理及內部監控事宜之重要調查結果及管理層之回應進行研究；
- 如本公司設有內部核數功能，須檢討內部核數程序，確保內部和外聘核數師之工作得到協調；也須確保內部核數功能在本公司內部有足夠資源運作，並且有適當之地位；以及檢討及監察內部核數功能是否有效；
- 檢討本集團之財務及會計政策及常規；
- 審閱外聘核數師給予管理層之《審核情況說明函件》、核數師就會計記錄、財務賬目或監控制度向管理層提出之任何重大疑問及管理層作出之回應；
- 確保董事會及時回應於外聘核數師給予管理層之《審核情況說明函件》中提出之事宜；
- 就上市規則附錄十四企業管治守則及企業管治報告(「守則」)所載之事宜向董事會匯報；
- 考慮董事會要求審核委員會履行之其他事宜。

於本年報日期，審核委員會包括三名獨立非執行董事(即陳志權先生、丁鐵翔先生及盧振邦先生)。審核委員會主席為陳志權先生，彼擁有上市規則第3.10(2)及3.21條規定的適當專業資格。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

As at the date of this annual report, the Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to internal control and financial reporting with the management. The Audit Committee considers that the financial results for the year ended 31 March 2018 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

The Audit Committee has held a meeting with the external auditors on 12 June 2018 to (i) review the financial statements for the year ended 31 March 2018; (ii) discuss the internal control and financial reporting matters of the Group; (iii) review the financial statements and the auditor's report and recommend to the board for approval. All members of the committee attended that meeting. The Audit Committee will meet at least twice a year to review the financial results and reports, financial reporting and compliance procedures, the report of the internal auditor on the Company's internal control and risk management review and processes, and the re-appointment of the external auditor. Pursuant to the terms of reference of the Audit Committee of the Company, the minutes of meetings were circulated to all Committee Members. The minutes were kept by the Company Secretary.

Up to the date of this annual report, the Board has not taken a different view from the Audit Committee on the selection, appointment, resignation or dismissal of external auditors.

### DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibilities for keeping proper accounting records and preparing the financial statements of each financial period, which shall give a true and fair view of the financial position of the Group and of the financial performance and cash flows for that period. In preparing the financial statements for the year ended 31 March 2018, the Directors have made judgements and estimates that are prudent and reasonable, and prepared the financial statements on a going concern basis.

The relevant responsibility statement from the external auditors is set out in the Independent Auditors' Report on pages 67 to 73.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

The senior management has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Group put to the Board for approval.

截至本年報日期，審核委員會已考慮及審閱本集團所採納之會計原則及慣例，並已與管理層討論內部控制及財務申報相關事宜。審核委員會認為，截至2018年3月31日止年度的財務業績符合有關會計準則、規則及規定，並已正式作出適當披露。

審核委員會已於2018年6月12日與外聘核數師舉行會議以(i)審閱截至2018年3月31日止年度之財務報告；及(ii)討論本集團的內部控制及財務報告事宜；(iii)檢討財務報表及核數師報告並推薦董事會批准。委員會全體成員均出席是次會議。審核委員會將每年舉行至少兩次會議，以審閱財務業績及報告、財務申報及合規程序、內部核數師對本公司內部控制及風險管理檢討及過程之報告以及外聘核數師之重新委任。根據本公司之審核委員會之職權範圍，會議紀錄傳閱予全體委員會成員。會議紀錄由公司秘書保存。

至本年報日期止期間，董事會與審核委員會於選擇、委任、辭退或罷免外聘核數師方面並無意見分歧。

### 董事對財務報告之責任

董事確認其保存適當會計賬簿及編製各財務期間財務報表的責任，財務報表須真實而公平地反映本集團的財務狀況及該期間的財務表現及現金流量。於編製截至2018年3月31日止年度的財務報表時，董事已作出審慎及合理的判斷和估計，並按持續經營基準編製財務報表。

外聘核數師的有關責任聲明載於第67至73頁的獨立核數師報告。

董事會負責根據上市規則及其他法定規定，對年報及中期報告、內幕消息公告及其他財務披露事宜呈列公正清晰及可理解的評估。

高級管理層已向董事會提供必要的說明及資料，以便董事會就本集團財務資料及狀況作出知情評估，以供董事會審批。

The basis on which the Company generates or preserves value over the longer term and the strategy for delivering its objectives are explained in the “Management Discussion and Analysis” set out in pages 11 to 20 in this report.

The section of “Management Discussion and Analysis” has explained the factors affecting business performance and outlook of the Group. Financial statements have been presented in accordance with the disclosure requirements of Listing Rules, Hong Kong Financial Reporting Standards and the Hong Kong Companies Ordinance.

### AUDITOR'S REMUNERATION

For the year ended 31 March 2018, the total remuneration paid or payable to the Company's auditors, PricewaterhouseCoopers, for annual audit services totaling approximately HK\$1.7 million.

Analysis of remuneration paid or payable to PricewaterhouseCoopers is set out below:

Items of auditor's services	核數師服務項目	31 March 2018 2018年3月31日 HK\$'000 千港元	31 March 2017 2017年3月31日 HK\$'000 千港元
<b>Audit Services</b>	<b>審核服務</b>		
Annual audit service	年度審核服務	1,719	1,000
Total	總計	1,719	1,000
<b>Non-audit services</b>	<b>非審核服務</b>		
Tax related services	稅項有關之服務	–	–
Other consultancy services	其他諮詢服務	–	150
Total	總計	–	150

### COMPANY SECRETARY

Mr. Chau Chi Lai was appointed on 18 May 2015 to be our company secretary.

Mr. Chau is also our company's chief financial officer, Mr. Chau has day-to-day knowledge of the Company's affairs. His appointment and removal is subject to Board's approval. All Directors have access to the advice and services of the company secretary to ensure the Board procedures, and all applicable law, rules and regulations, are followed. For the financial year ended 31 March 2018, the company secretary has complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

本公司據以長遠產生及保障價值的基準及為實現其目標的策略於本報告第11至20頁的「管理層討論及分析」中解釋。

「管理層討論及分析」一節已解釋影響本集團之業務表現及之因素及展望。財務報表已根據上市規則、香港財務報告準則及香港公司條例規定作出披露。

### 核數師酬金

截至2018年3月31日止年度，本公司就年度審核服務已付或應付本公司核數師羅兵咸永道會計師事務所之酬金總額約為1.7百萬港元。

有關已付或應付羅兵咸永道會計師事務所有限公司的酬金分析載列如下：

### 公司秘書

周智禮先生於2015年5月18日獲委任為我們的公司秘書。

周先生亦為本公司首席財務總監，熟悉本公司日常事務。其委任及解僱須經由董事會批准。全體董事均取得公司秘書的意見及服務，以確保已依循董事會程序及所有適用法律、規則及法規。截至2018年3月31日止財政年度，公司秘書已遵循上市規則第3.29條，接受不少於15個小時的相關職業培訓。



## **RISK MANAGEMENT AND INTERNAL CONTROL**

The Board has overall responsibilities for the Group's risk management and internal control systems to safeguard the interests of the Company and its shareholders as a whole. To this end, the Board oversees and approves the Group's risk management and internal control strategies and policies, which are aimed at evaluating and determining the nature and extent of the risks that are compatible with the Group's strategic objectives and risk appetite, with the main purpose for provision of reasonable assurance against material misstatement or loss rather than absolute elimination of the risk of failure to achieve business objectives.

Reporting to the Board, the Audit Committee is delegated with the authority and responsibility for ongoing monitoring and evaluation of the effectiveness of the relevant systems. In December 2015, the terms of reference of the Audit Committee were updated to formally incorporate the risk management into its scope of duties.

Areas of responsibility of each business units are clearly defined with specific limits of authority in place to ensure effective segregation of duties. Procedures have been designed for safeguarding assets against unauthorised use or disposition, maintenance of proper accounting records, assurance of the reliability of financial information for internal use or publication and compliance with relevant legislation and regulations. Risk management system, internal control measures and procedures are continuously under review and being improved where necessary in response to changes in business, operating and regulatory environments. Furthermore, a Whistleblowing Policy has been adopted by the Group, with the authority and responsibility being delegated to the Audit Committee. Such Whistleblowing Policy is for employees and those who are in business with the Group such as customers and suppliers to raise concerns, in confidence, with our Internal Audit and any and all relevant complaints received may then be referred to the Audit Committee and/or Co-chairman of the Company about possible improprieties in any matter related to the Group.

During the financial year ended 31 March 2018, the Audit Committee has conducted a review of the effectiveness of the Group's risk management and internal control systems and procedures covering all controls, including financial, operational and compliance and risk management, and the adequacy of resources, qualifications, experience and training of staff of the Company's financial reporting and treasury function. Confirmations from management in the form of certification that risk management and internal control procedures are functioning effectively to meet the respective financial reporting, operational and compliance needs, are submitted by business unit heads and reporting to the Audit Committee.

Based on the result of the review as reported by the Audit Committee, in respect of the financial year ended 31 March 2018, the Directors considered that the risk management and internal control systems and procedures of the Group were effective and adequate.

## **風險管理及內部監控**

董事會對本集團的風險管理及內部監控系統承擔全部責任，以保障本公司及其股東的整體利益。為此，董事會監督及審批本集團的風險管理及內部監控策略與政策，相關策略與政策旨在評估及釐定風險性質及程度符合本集團的策略目標及風險承受能力，主要目的是合理地保證不會出現重大誤述或損失，而非絕對地消除未能達成業務目標的風險。

向董事會匯報的審核委員會獲授權責持續監察及評估相關系統是否有效。審核委員會的職權範圍在2015年12月予以更新，正式將風險管理納入職責範圍。

每個業務單位的責任範圍及權力限制有明確界定以確保有效地分配工作。本集團已設計了若干程序，以保障資產不會在未經授權下被挪用或出售、妥善保存會計記錄、確保供內部使用或向外公佈的財務資料均屬可靠，以及符合有關法例及規例。風險管理系統、內部監控措施及程序會持續予以檢討，於有需要時作出改善，以應對業務、經營及監管環境的更變。此外，本集團已採納《舉報政策》，並將權責轉授審核委員會。《舉報政策》讓僱員及其它與本集團有往來者（如客戶及供應商）當遇到集團內任何懷疑不當行為時，可在保密情況下，向審核委員會提出彼等關注的事宜，而接獲的任何及所有相關投訴會被轉介本公司審核委員會及／或聯席主席。

在截至2018年3月31日止財政年度內，審核委員會在風險管理及內部監控委員會和部門風險管理及內部監控委員會的協助下，已對本集團的風險管理及內部監控系統及程序是否有效作出檢討，檢討範圍涵蓋所有方面的監控，包括財務監控、運作監控、合規及風險管理監控，以及本公司在會計及財務匯報職能方面的（其中包括）資源、員工資歷及經驗是否足夠及員工所接受的培訓是否充足。業務單位主管已呈交管理層以核證方式確認風險管理及內部監控程序行之有效，符合財務匯報、營運及合規需要，向審核委員會匯報。

根據審核委員會的檢討結果，董事認為本集團截至2018年3月31日止財政年度的風險管理及內部監控系統及程序為有效及足夠。

## INTERNAL AUDIT DEPARTMENT

The Internal Audit Department reviews the effectiveness of the internal control system. The Internal Audit Department carries out an annual risk assessment on each identified audit area and devises an annual audit plan according to the nature of business and risk exposures, and the scope of work includes financial and operational reviews. The audit plan is reviewed and agreed by the Audit Committee. In addition to the agreed schedule of work, the Internal Audit Department conducts other review and investigative work as may be required. The Audit Committee receives summary reports from the Internal Audit Department periodically while the results of internal audit reviews and responses to the recommended corrective actions are also reported to the executive Directors. The Internal Audit Department is also responsible for following up the corrective actions to ensure that satisfactory controls are maintained.

## Conflicts of Interest Declaration

The Group adopted conflict of interest declaration policy as one of the important internal control procedures. Employees are required to provide annual declaration of conflict of interest, and strictly comply with the policy to ensure that the Group and its customers, business partners, shareholders, employees and business community of the transactions and dealings are in line with the highest standards of business conduct and ethics.

## Whistleblowing Policy

The Group established a whistleblowing policy for employees under confidentiality to file complaint and report any suspected misconduct, fraud and irregularities, in an orderly manner. The Internal Audit Department is responsible for receiving, reviewing complaint and report, to investigate, to draw conclusion and to make appropriate recommendations for improvement, and inform the relevant departments senior management to implement corrective action. Internal Audit Department reports twice a year their findings on complaints to the Audit Committee.

## SHAREHOLDERS' RIGHTS

Pursuant to the Company's Articles of Association, shareholder(s) holding not less than one-tenth of the Company's paid-up capital at the end of deposit of requisition and having the right to vote at general meetings can submit a requisition to convene an Extraordinary General Meeting ("EGM").

Such requisition shall be made in writing to the Board or the company secretary for the purpose of requiring 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 two 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) himself (themselves) may do so in the same manner, 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.

## 內部審核部

內部審核部檢討內部監控環境之效能。內部審核部對各認定之審核單位作出年度風險評估，並按照其業務性質及潛在風險，以及工作範圍(包括財務及營運檢討)訂立年度審核計劃。該審核計劃需經審核委員會審批及同意。此外，內部審核部除執行既定之工作外，亦需執行其他檢討或調查性質之工作。審核委員會定期收納內部審核部之摘要報告，而內部審核的結果及相應的糾正行動建議亦需向執行董事匯報。內部審核部亦負責跟進有關糾正行動的執行情況，確保監控工作令人滿意。

## 利益衝突申報

本集團設立利益衝突申報政策，為集團內部監控程序的重要部份。僱員需每年書面確認利益衝突申報書，並嚴格遵守利益衝突政策以確保本集團與顧客、商業夥伴、股東、僱員及商業社群之交易與往還均符合最高的商業行為及道德標準。

## 舉報政策

本集團設立舉報政策讓員工在保密情況下依據程序提出申訴及舉報任何懷疑不當行為、舞弊及違規情況。內部審核部負責接收，審核申訴和舉報，調查及結案提出相應的改善建議，並通知有關部門的高級管理人員實行糾正行動。內部審核部每年兩次向審核委員會匯報所接獲申訴的調查結果。

## 股東權利

根據本公司之章程細則，於提交要求結束時持有本公司繳足股本不少於十分之一且有權於股東大會上投票之股東可提交一項呈請，要求召開股東特別大會(「股東特別大會」)。

有關要求須以書面向董事會或公司秘書提出，述明要求董事會召開股東特別大會以處理要求內訂明的任何業務交易。該大會須於該項要求遞呈後兩個月內舉行。倘於有關遞呈後21日內，董事會未有召開該大會，則遞呈要求人士可以相同方式召開大會，遞呈要求人因董事不能召開會議而就此產生的所有合理開支將由本公司償還予遞呈要求人。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, namely, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong or the principal place of business of the Company in Hong Kong at Unit 1207, Fu Hang Industrial Building, 1 Hok Yuen Street East, Hung Hom, Kowloon, Hong Kong. Shareholders who wish to put enquiries to the Board can send their enquiries to the Company Secretary who will ensure these enquiries to be properly directed to the Board. Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. Corporate communication of the Company will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).

All resolutions put forward at an EGM will be taken by poll pursuant to the Listing Rules. Shareholders who are unable to attend the EGM can appoint proxies to attend and vote at the general meeting. The Chairman of the EGM will provide explanation of the detailed procedures for conducting a poll and then answer questions (if any) from the shareholders regarding voting by way of poll. In addition, the poll results will be posted on the websites of the Company and of the Stock Exchange after the EGM.

### INVESTOR RELATIONS AND COMMUNICATION

The Board recognises the importance of good communications with all shareholders. The Company believes that maintaining a high level of transparency is a key to enhance investor relations. The Company is committed to a policy of open and timely disclosure of corporate information to its shareholders and investing public.

The Company updates its shareholders on its latest business developments and financial performance through its corporate publications including annual reports and public announcements. Extensive information about the Company's activities for the year ended 31 March 2018 has been provided in this annual report. While the Annual General Meeting provides a valuable forum for direct communication between the Board and its shareholders, the Company also maintains its website ([www.ktl.com.hk](http://www.ktl.com.hk)) to provide an alternative communication channel for the public and its shareholders. All corporate communication and Company's latest updates are available on the Company's website for public's information.

### CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2018 and up to the date of this annual report, there has been no significant change in the Company's constitutional documents.

Hong Kong, 12 June 2018

股東應就其股權作出之查詢送交本公司於香港之股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)或本公司之香港主要營業地點(地址為香港九龍紅磡鶴園東街1號富恒工業大廈1207室)。股東如欲向董事會提交查詢,可將有關查詢送交公司秘書,其將確保將有關查詢妥善送達董事會。股東可隨時要求提供本公司可供公眾查閱之資料。本公司將向股東提供以平實語言編製之中、英文版公司通訊,以便於股東理解。股東有權選擇接收公司通訊之語言(英文或中文)或方式(印刷文本或電子文件)。

根據上市規則,於股東特別大會上提呈之所有決議將以投票方式進行表決。無法出席股東特別大會之股東可委任代理人出席並於會上投票。股東特別大會主席將說明投票表決之詳細程序,然後回答股東關於投票表決之問題(如有)。此外,投票表決結果將於股東特別大會結束後刊載於本公司及聯交所網站。

### 投資者關係及通訊

董事會深知與全體股東保持良好溝通的重要性。本公司相信維持高透明度乃為提升投資者關係的關鍵所在。本公司承諾向其股東及公眾投資者公開且及時地披露公司資料。

本公司透過公司刊物(包括年報及公告)為股東提供最新的業務發展及財務表現。本年報提供大量本公司截至2018年3月31日止年度的業務資料。股東週年大會為董事會及其股東提供寶貴的直接溝通機會,而本公司亦透過其網站([www.ktl.com.hk](http://www.ktl.com.hk))向公眾及其股東提供另一種溝通渠道。所有公司通訊及本公司的最新資訊均可於本公司的網站供公眾人士查閱。

### 組織章程文件

於截至2018年3月31日止年度及直至本年報日期止,本公司組織章程文件並未重大變化。

香港, 2018年6月12日

The Directors present their annual report together with the audited financial statements of the Group for the year ended 31 March 2018.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in note 1 to the consolidated financial statements.

### RESULTS AND APPROPRIATIONS

The financial performance of the Group for the year ended 31 March 2018 and the financial position of the Group as at 31 March 2018 are set out in the consolidated financial statements on pages 74 to 151.

### FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2018.

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 152. This summary does not form part of the consolidated financial statements.

### SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 27 to the consolidated financial statements.

### EQUITY-LINKED AGREEMENT

No equity-linked agreement which may result in the Company issuing shares was entered into or existed during the financial year.

### RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 77 of this annual report and note 28 to the consolidated financial statements, respectively.

### DISTRIBUTABLE RESERVES

The Company was incorporated in the Cayman Islands on 6 June 2014. As at 31 March 2018, the Company's distributable reserves, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$281.9million.

### DONATIONS

During the year, the Group made charitable and other donations amounted to approximately HK\$118,000 (2017: approximately HK\$250,000).

董事呈報年度報告連同本集團截至2018年3月31日止年度的經審核財務報表。

### 主要業務

本公司的主要業務為投資控股，而本公司旗下附屬公司的主要業務載列於綜合財務報表附註1內。

### 業績及分配

本集團截至2018年3月31日止年度的財務表現及本集團於2018年3月31日的財務狀況載列於第74至151頁的綜合財務報表。

### 末期股息

董事會不建議派付截至2018年3月31日止年度之末期股息。

### 五年財務概要

本集團過往5個財政年度的業績及資產負債概要載列於第152頁。該概要不構成綜合財務報表的一部分。

### 股本

本公司年內股本變動的詳情載列於綜合財務報表附註27內。

### 股票掛鈎協議

於本財政年度內概無訂立或存在可能導致本公司發行股份的股票掛鈎協議。

### 儲備

本集團及本公司於年內的儲備變動詳情分別載於本年報第77頁的綜合權益變動表及綜合財務報表附註28。

### 可供分派儲備

本公司於2014年6月6日在開曼群島註冊成立。於2018年3月31日，根據開曼群島法例第22章公司法(1961年第三號法例，經綜合及修訂)計算，本公司可供分派儲備約為281.9百萬港元。

### 捐款

年內，本集團作出慈善及其他捐款約118,000港元(2017年：約250,000港元)。

## REPORT OF THE DIRECTORS

### 董事會報告

#### MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

	Percentage of the Group's total	
	Sales	Purchases
The largest customer	18.8%	
Five largest customers in aggregate	68.3%	
The largest supplier		41.2%
Five largest suppliers in aggregate		87.4%

At no time during the Year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

#### SUBSIDIARIES

The details of the major subsidiaries of the Company are set out in note 1 to the financial statements.

#### PROPERTY, PLANT AND EQUIPMENT

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

#### BORROWINGS

Particulars of borrowings of the Group as at the balance sheet date are set out in note 23 to the consolidated financial statements.

The details of the Group's charges of assets are set out on page 20.

#### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors of the Company who hold office during the year and up to the date of this report are:

##### Executive Directors

Mr. NANG Qi (*Chairman*)  
Mr. CHEN Peiliang (*Chief Executive Officer*)  
Mr. XUE Qiang

##### Independent non-executive Directors

Mr. TING Tit Cheung  
Mr. CHAN Chi Kuen  
Mr. LO Chun Pong

#### 主要客戶及供應商

有關本集團主要客戶及供應商於本財務年度分別應佔之銷售額及採購額之資料如下：

	佔本集團下列總額之百分比	
	銷售額	採購額
最大客戶	18.8%	
五大客戶(合共)	68.3%	
最大供應商		41.2%
五大供應商(合共)		87.4%

本公司董事、彼等之聯繫人或就董事所知擁有本公司股本超過5%之任何股東概無於本年度期間任何時間於該等主要客戶及供應商擁有任何權益。

#### 附屬公司

有關本公司主要附屬公司的詳情載於財務報表附註1。

#### 物業、廠房及設備

有關年內物業、廠房及設備變動的詳情載於綜合財務報表附註14。

#### 借貸

本集團於結算日之借貸詳情載於綜合財務報表附註23。

有關本集團資產抵押的詳情載於第20頁。

#### 董事及董事服務合約

年內及截至本報告日期本公司之在職董事如下：

##### 執行董事

龔麒麟先生(主席)  
陳佩良先生(行政總裁)  
薛強先生

##### 獨立非執行董事

丁鐵翔先生  
陳志權先生  
盧振邦先生

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from 27 January 2017, which may be terminated by, not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of our Directors as set forth in the Articles of Association.

Each of the independent non-executive Directors has signed a letter of appointment with the Company for an initial term of one year commencing from 10 February 2017, subject to retirement by rotation and re-election at annual general meeting and until terminated by not less than three months' notice in writing served by either party on the other. The appointments letters of independent non-executive Directors have been renewed on 10 February 2018.

No Director has a service contract which is not determinable by the Company or any of its subsidiaries within 1 year without payment of compensation, other than statutory compensation.

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and all of them are considered to be independent.

In accordance with the Company's articles of association, one-third of the existing Directors shall retire from office, at the forthcoming annual general meeting.

### DIRECTORS' INTERESTS IN CONTRACTS

There was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which a Director of the Company had a material interest subsisted at the end of the year or at any time during the year.

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Directors and Senior Management" on pages 7 to 10 of this annual report.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

There was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which any controlling shareholders (as defined in the Listing Rules) had a material interest subsisted at the end of the year or at any time during the year.

各執行董事已與本公司訂立服務合約，自2017年1月27日起計為期三年，可由任一方方向另一方發出不少於三個月的書面通知予以終止，惟須遵守當中所載終止條文及組織章程細則所載有關董事輪席退任的條文。

各獨立非執行董事已與本公司簽署委任函，初步任期自2017年2月10日起計為一年，並須於股東週年大會上輪席退任及膺選連任，直至其中一方向另一方發出不少於三個月的書面通知予以終止。獨立非執行董事之委任函件已於2018年2月10日重新續任。

董事並無與本公司或其任何附屬公司訂立不可於一年內不支付補償(法定補償除外)而終止之服務合約。

根據上市規則第3.13條，本公司已獲各獨立非執行董事發出年度獨立確認書，而彼等全體均屬獨立。

根據本公司組織章程細則，三分之一之現任董事須於應屆股東週年大會退任。

### 董事之合約權益

在本年度末或年內任何時間，本公司或其控股公司或其任何附屬公司並無訂立本公司董事擁有重大權益之重要合約。

### 董事及高級管理層之履歷

本集團董事及高級管理層之履歷詳情於本年報第7至10頁「董事及高級管理層」一節披露。

### 控股股東之合約權益

於年末及年內任何時間，本公司或其控股公司或任何其附屬公司並無訂立任何控股股東(定義見上市規則)於其中擁有重大權益之重要合約。

## REPORT OF THE DIRECTORS 董事會報告

### NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

Each of the controlling shareholders has made an annual declaration in respect of their compliance with the terms of non-competition undertaking.

Details of the non-competition undertaking are set out in the section headed “Relationship with Controlling Shareholders” of the Prospectus.

The non-competition undertakings in respect of the controlling shareholders have become effective from the Listing Date.

### NON-COMPETITION UNDERTAKING BY EXECUTIVE DIRECTORS

Each of the executive Directors of the Company has made an annual declaration in respect of their compliance with the terms of non-competition undertaking. The non-competition undertakings in respect of the executive Directors have become effective from the Listing Date.

The independent non-executive Directors had reviewed and confirmed that the executive Directors of the Company have complied with the non-competition undertaking and the non-competition undertaking has been enforced by the Company in accordance with its terms.

### NEW BUSINESS OPPORTUNITY

There was no new business opportunity (as defined in the Prospectus headed “Relationship with Controlling Shareholders — Deed of Non-competition”) referred by the controlling shareholders to the Company as provided under the non-competition undertaking.

### SHARE OPTION SCHEME

The Company’s existing Share Option Scheme was approved for adoption pursuant to a written resolution of all of our Shareholders passed on 10 February 2015 for the purpose to provide our Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and or providing benefits to eligible participants and for such other purposes as the Board approve from time to time.

The principal terms of the Share Option Scheme are extracted as follows:

#### Purpose

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the Eligible Participants (as defined in paragraph “who may join” below) had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

### 控股股東之不競爭承諾

各控股股東已就其遵守不競爭承諾條款作出年度聲明。

不競爭承諾詳情載於招股章程「與控股股東的關係」一節。

有關控股股東之不競爭承諾已於上市日期起生效。

### 執行董事之不競爭承諾

本公司各執行董事已就其遵守不競爭承諾條款作出年度聲明。有關執行董事之不競爭承諾已於上市日期起生效。

獨立非執行董事已審閱及確認本公司執行董事已遵守不競爭承諾及本公司已根據其條款執行不競爭承諾。

### 新業務機會

控股股東並無根據不競爭承諾規定向本公司轉介新業務機會(定義見招股章程「與控股股東的關係 — 不競爭契據」一段)。

### 購股權計劃

根據全體股東於2015年2月10日通過的書面決議案，本公司的現有購股權計劃獲批准採納，令本公司得以以靈活的方式給予合資格參與者激勵、獎勵、酬金、報酬及/或福利，以及達致董事會可能不時批准的其他目的。

購股權計劃的主要條款摘要如下：

#### 目的

購股權計劃為股份獎勵計劃，及旨在確認及認可合資格參與者(定義見下文「合資格參與人士」)對本集團作出或可能已向本集團作出的貢獻。購股權計劃將為合資格參與者提供機會於本公司擁有個人利益以達致以下目標：

- (i) 鼓勵合資格參與者為本集團的利益而優化其表現效率；及
- (ii) 吸引及挽留合資格參與者或與彼等保持持續的業務關係，而該等合資格參與者的貢獻乃對或將對本集團的長遠發展有利。

### Who may join

Our Board may, at its discretion, offer to grant an option to subscribe for such number of new shares as the Board may determine at an exercise price determined in accordance with paragraph “Price of shares” below to the following (the “**Eligible Participants**”):

- (i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;
- (ii) any directors (including executive, non-executive Directors and independent non-executive Directors) of our Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers, agents and related entities to our Company or any of its subsidiaries.

Upon acceptance of the option, the grantee shall pay HK\$1.00 to our Company by way of consideration for the grant. Any offer to grant an option to subscribe for shares may be accepted in respect of less than the number of shares for which it is offered provided that it is accepted in respect of a board lot of dealing in shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

### Maximum number of Shares

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the Global Offering, being 17,260,000 shares, excluding for this purpose shares which would have been issuable pursuant to the Adjustment Option and options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company). Subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, our Board may:

- (i) renew this limit at any time to 10% of the shares in issue as of the date of the approval by our Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by our Board. The circular issued by our Company to our Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

### 合資格參與人士

董事會可酌情向下列人士（「合資格參與者」）授出購股權，以按下文「股價」段釐定的行使價認購董事會可能釐定之相關數目新股份：

- (i) 本公司或其任何附屬公司之任何全職或兼職僱員、行政人員或高級職員；
- (ii) 本公司或其任何附屬公司之任何董事（包括執行董事、非執行董事及獨立非執行董事）；及
- (iii) 本公司或其任何附屬公司之任何顧問、諮詢人、供應商、客戶、代理及相關實體。

於接納有關購股權時，承授人須向本公司支付1.00港元作為獲授購股權的對價。授出購股權以認購股份的要約所獲接納的認購股份數目可少於要約授出購股權所涉及的股份數目，惟接納的股份數目須為股份在聯交所買賣的一手單位或其完整倍數，且有關數目在一式兩份購股權接納要約文件中清楚列明。倘授出購股權的要約未於任何指定接納日期獲接納，則視為已被不可撤銷地拒絕。

### 股份數目上限

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份數目上限合共不得超過緊隨全球發售完成後已發行股份總數的10%，即17,260,000股股份，就此而言不包括根據調整權及根據購股權計劃（或本公司任何其他購股權計劃）的條款已失效的購股權原本可發行的股份。待本公司刊發通函並經股東在股東大會上批准及／或符合上市規則不時規定的其他要求後，董事會可：

- (i) 隨時更新該上限至股東在股東大會批准當日已發行股份的10%；及／或
- (ii) 向董事會特別指定的合資格參與者授出超過10%上限的購股權。本公司向股東寄發的通函須包括可獲授該等購股權的指定合資格參與者的一般資料、將予授出購股權的數目及條款以及向指定合資格參與者授出購股權的目的，並解釋該等購股權如何達致該目的，連同上市規則第17.02(2)(d)條規定的資料及第17.02(4)條規定的免責聲明。



## REPORT OF THE DIRECTORS

### 董事會報告

Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company at any time shall not exceed 30% of the shares in issue from time to time. No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph “Other Information — Share Option Scheme — Effect of alterations to capital” in Appendix V to the Prospectus whether by way of consolidation, capitalisation issue, rights issue, sub-division or reduction of the share capital of our Company but in no event shall exceed the limit prescribed in this paragraph.

#### Maximum number of options to any one individual

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as of the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by our Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) and the information as required under Rules 17.03(4) and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time; and
- (ii) the approval of our shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before our shareholders' approval and the date of our Board meeting at which our Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. Our Board shall forward to such Eligible Participant an offer document in such form as our Board may from time to time determine.

儘管有上述規定，因根據購股權計劃及本公司任何其他購股權計劃授出及有待行使的所有尚未行使購股權獲行使而可予發行的股份，在任何時間均不得超過不時已發行股份的30%。倘根據本公司的任何計劃（包括購股權計劃）授出的購股權會導致超出30%上限，則不得授出該等購股權。倘本公司的股本架構出現列載於招股章程附錄五「其他資料 — 購股權計劃 — 股本變動的影響」一段中所述的任何變動（不論通過合併、資本化發行、供股、拆細或削減本公司股本方式），則可能授出的購股權所涉及的股份數目上限須按本公司核數師或認可獨立財務顧問確認為合適、公平及合理的方式作出調整，惟在任何情況下不得超過本段規定的限額。

#### 向任何個別人士授出購股權之數目上限

於直至授出日期止任何十二個月期間內，根據購股權計劃及本公司任何其他購股權計劃向每名合資格參與者授出之購股權（包括已行使及尚未行使之購股權）獲行使時已發行及可予發行之股份總數，不得超過於授出日期已發行股份之1%。倘進一步授出超過上述1%限額的購股權，本公司須：

- (i) 發出通函，當中載列合資格參與者的身份、將予授出購股權（及過往授予該參與者的購股權）的數目及條款以及根據上市規則第17.03(4)及17.06條及／或上市規則不時規定的該等其他規定要求的資料；及
- (ii) 經股東在股東大會上批准及／或符合上市規則不時規定的其他要求，而有關合資格參與者及其緊密聯繫人（或倘合資格參與者為關連人士，則其聯繫人）須放棄投票。將授予該參與者的購股權數目及條款（包括行使價）須於股東批准前釐定，而董事會提呈向該合資格參與者授出購股權的董事會會議日期就計算股份認購價而言，須視為購股權授出日期。董事會須向該合資格參與者發出按其可能不時釐定格式編製的要約文件。

### Price of Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as our Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (i) the official closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

### Restrictions on the times of grant of Options

A grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of our Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual, half-year, quarterly or other interim period results (whether or not required under the Listing Rules); and
- (ii) the deadline for our Company to publish an announcement of its annual or half-year, or quarterly or other interim period results (whether or not required under the Listing Rules), and ending on the date of actual publication of the results announcement.

### Rights are personal to grantee

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt so to do.

### 股價

根據購股權計劃授出的任何特定購股權所涉股份之認購價由董事會全權酌情決定，惟該價格不得低於下列各項當中最高者：

- (i) 股份於授出日期（須為聯交所所開市買賣證券的日子）於聯交所每日報價表所報的正式收市價；
- (ii) 緊接授出日期前五個營業日股份於聯交所每日報價表所報的正式收市價平均數；及
- (iii) 股份面值。

### 授出購股權之時間限制

在發生股價敏感事件後或作出影響股價事件的決定後，本公司不可授出購股權，除非已根據上市規則規定公佈股價敏感資料。尤其於緊接以下日期（以較早者為準）前一個月起至實際刊發業績公佈日期止期間，本公司不可授出購股權：

- (i) 批准本公司年度、半年度、季度或其他中期業績（不論上市規則規定與否）的董事會會議日期（該日期須根據上市規則事先知會聯交所）；及
- (ii) 本公司刊發其年度、半年度、季度或其他中期業績（不論上市規則規定與否）的最後期限。

### 權利屬承授人個人所有

購股權屬承授人個人所有，可予全部或部分可行使或被視作行使（視乎情況而定）。承授人不可亦不得試圖以任何方式出售、轉讓、押記、抵押任何購股權，或就任何購股權設置產權負擔或以任何第三方為受益人設立任何權益（法定或實益）。

## REPORT OF THE DIRECTORS 董事會報告

### Time of exercise of Option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by our Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting or by our Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption. There is no minimum period for which an option must be held before it can be exercised.

### Performance target

A grantee may be required to achieve any performance targets as our Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

From the date of adoption of the Share Option Scheme to 31 March 2018, no options were granted under the Share Option Scheme.

Apart from the aforesaid share option schemes, at no time during the year ended 31 March 2018 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES AND INTEREST IN ASSOCIATED CORPORATION

As at 31 March 2018, none of the Directors and chief executives of the Company had any other interests and short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code of the Listing Rules.

### 購股權的行使期限及購股權計劃的有效期

購股權可於購股權被視為已授出並獲接納日期起至該日起十年屆滿前期間隨時根據購股權計劃的條款予以行使。購股權的行使期由董事會全權酌情釐定，惟不得超過授出購股權後十年。於購股權計劃獲批准當日起十年後不得授出購股權。除非本公司經由股東大會或經由董事會提前終止，否則購股權計劃自其採納日期起十年內生效及有效。並無規定購股權於行使前須持有的最短期間。

### 表現目標

根據購股權計劃授出的任何購股權獲行使之前，承授人可能須達到董事會於授出購股權時列明的任何表現目標。

自購股權計劃採納日期起至2018年3月31日，概無根據購股權計劃授出購股權。

除前述購股權計劃外，於截至2018年3月31日止年度，本公司及其控股公司、附屬公司及同系附屬公司並無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債券獲取利益，且亦無董事，或彼等之配偶或18歲以下的子女擁有任何權利可認購本公司之股份或債券，或已行使有關權利。

### 董事及主要行政人員於股份、相關股份及債券中之權益及淡倉及於相聯法團之權益

於2018年3月31日，本公司並無董事及主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債券中擁有任何其他根據證券及期貨條例第XV部第7及8分部須通知本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文被當作或被視作擁有之權益及淡倉），或根據證券及期貨條例第352條須記入該條所指之股東名冊之權益及淡倉，或根據上市規則所載之標準守則須通知本公司及聯交所之權益及淡倉。

**SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND/ OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY**

As at 31 March 2018, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

**主要股東及其他人士於本公司股份及相關股份中之權益及／或淡倉**

於2018年3月31日，就董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益及淡倉，或已錄入根據證券及期貨條例第336條本公司須存置的股東名冊內的權益及淡倉如下：

Name of Shareholder	Capacity/nature of interest	Number of shares	Approximately percentage of shareholding in our Company
股東姓名／名稱	身份／權益性質	股份數目	佔本公司股權的概約百分比
HNA Aviation Investment Holding Company Ltd. (Note 1) (附註1)	Beneficial owner 實益擁有人	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Aviation (Hong Kong) Holdings Co., Limited 海航航空(香港)控股有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Aviation Group Co., Ltd. 海航航空集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Group Co., Ltd. 海航集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
Hainan Traffic Administration Holding Co., Ltd. ("Hainan Traffic") 海南交管控股有限公司(「海南交管」)	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
Tang Dynasty Development (Yangpu) Company Limited ("TD Development") 盛唐發展(洋浦)有限公司(「盛唐發展」)	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
Hainan Province Cihang Foundation, Inc. ("Cihang") 海南省慈航公益基金會(「慈航」)	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
China Huarong Asset Management Co., Ltd. (Note 2) 中國華融資產管理股份有限公司(附註2)	Security interest 抵押權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%

## REPORT OF THE DIRECTORS

### 董事會報告

Note:

1. HNA Aviation Investment Holding Company Ltd. is a wholly owned subsidiary of HNA Aviation (Hong Kong) Holdings Co., Limited which is a wholly owned subsidiary of HNA Aviation Group Co., Ltd.. HNA Group Co., Ltd. owns 74.08% of HNA Aviation Group Co., Ltd.. HNA Group Co., Ltd. is owned as to 70% by Hainan Traffic Administration Holding Co. Ltd.. Hainan Traffic Administration Holding Co. Ltd. is owned as to 50% by Tang Dynasty Development (Yangpu) Company Limited. Tang Dynasty Development (Yangpu) Company Limited is owned as to 65% by Hainan Province Cihang Foundation.

To the best of the Directors' knowledge, information and belief, (a) Hainan Cihang Charity Foundation Inc. after 30 September 2017 indirectly held 100% shareholdings of Yangpu Hengsheng Chuangye Company Limited\* (洋浦恒升創業有限公司) which in turn directly held 25% shareholdings of Hainan Traffic Administration Holding Co. Ltd.\* (海南交管控股有限公司); and (b) Hainan Cihang Charity Foundation Inc. after 30 September 2017 directly held 100% shareholdings of Pan-American Aviation Holding Company which in turn directly held 98% shareholdings of Tang Dynasty Development Company Limited which in turn directly held 35% shareholdings of Tang Dynasty Development (Yangpu) Company Limited\* (盛唐發展(洋浦)有限公司). The remaining 2% shareholdings in Tang Dynasty Development Company Limited is indirectly held by Hainan Airlines Holding Co., Limited.

2. According to the disclosure of interest notice filed by China Huarong Asset Management Co., Ltd. on 12 September 2017 ("CHAM Notice"), Option Best Holdings Limited ("Option Best") held direct interest in 129,372,494 underlying Shares and is a wholly-owned subsidiary of Linewear Assets Limited ("Linewear Assets"). Linewear Assets Limited is a wholly-owned subsidiary of Huarong International Financial Holdings Limited ("HIFH"). HIFH is owned as to 51% by Camellia Pacific Investment Holding Limited ("CPIH"). CPIH is a wholly-owned subsidiary of China Huarong International Holdings Limited ("CHIH"). CHIH is held as to 11.90% by Huarong Zhiyuan Investment & Management Co., Ltd. ("HZIM") and as to 88.10% by Huarong Real Estate Co., Ltd. ("HRE"). Each of HZIM and HRE is a wholly-owned subsidiary of China Huarong Asset Management Co., Ltd.. Accordingly, Linewear Assets, HIFH, CPIH, CHIH, HZIM, HRE and China Huarong Asset Management Co., Ltd. are deemed to be interested in the underlying Shares held by Option Best by virtue of the provisions of the SFO.

Save as disclosed above, as at 31 March 2018, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests and short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

1. HNA Aviation Investment Holding Company Ltd. 為海航航空(香港)控股有限公司一家全資附屬公司，後者為海航航空集團有限公司的全資附屬公司。海航集團有限公司持有海航航空集團有限公司74.08%權益。海航集團有限公司由海南交管控股有限公司持有70%權益，後者由盛唐發展(洋浦)有限公司持有50%權益，而盛唐發展(洋浦)有限公司由海南省慈航公益基金會持有65%權益。

就董事所知、所悉及所信，(a) Hainan Cihang Charity Foundation Inc. 於2017年9月30日後間接持有洋浦恒升創業有限公司之100%股權，而洋浦恒升創業有限公司則直接持有海南交管控股有限公司之25%股權；及(b) Hainan Cihang Charity Foundation Inc. 於2017年9月30日後直接持有Pan-American Aviation Holding Company之100%股權，而Pan-American Aviation Holding Company直接持有盛唐發展有限公司之98%股權，而盛唐發展有限公司則直接持有盛唐發展(洋浦)有限公司之35%股權。盛唐發展有限公司餘下之2%股權則由Hainan Airlines Holding Co., Limited間接持有。

2. 根據中國華融資產管理股份有限公司於2017年9月12日存檔之權益披露通知(「中國華融通知」)，Option Best Holdings Limited(「Option Best」)持有129,372,494股相關股份之直接權益，並為Linewear Assets Limited(「Linewear Assets」)之全資附屬公司。Linewear Assets為Huarong International Financial Holdings Limited(「HIFH」)之全資附屬公司，而HIFH由Camellia Pacific Investment Holding Limited(「CPIH」)擁有51%權益。CPIH為China Huarong International Holdings Limited(「CHIH」)之全資附屬公司。CHIH由Huarong Zhiyuan Investment & Management Co., Ltd.(「HZIM」)及華融置業有限責任公司(「華融置業」)分別持有11.90%及88.10%權益。HZIM及華融置業各自為中國華融資產管理股份有限公司之全資附屬公司。因此，根據證券及期貨條例之條文，Linewear Assets、HIFH、CPIH、CHIH、HZIM、華融置業及中國華融資產管理股份有限公司被視為於Option Best持有之相關股份中擁有權益。

除上文所披露者外，於2018年3月31日，董事並不知悉有任何其他人士／實體(本公司董事及主要行政人員除外)於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益及淡倉，或根據證券及期貨條例第336條記入本公司規定存置之股東名冊之權益及淡倉。

### COMPETITION AND CONFLICT OF INTERESTS

During the year, none of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

### PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association of the Company, every Director is entitled to be indemnified out of the assets of the Company against all costs, expenses, losses or liabilities, which he may sustain or incur in or about the execution and discharge of the duties of his office, to the extent as permitted by laws.

The Company has maintained directors' liability insurance which has been in force throughout the financial year and up to date of this report to provide appropriate insurance cover for Directors' of the Company.

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

During the year ended 31 March 2018, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders by reason of their holding the Company's securities.

### PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### RESTORATION OF PUBLIC FLOAT OF THE COMPANY

As disclosed in the announcement dated 17 February 2017 jointly issued by the Company and HNA Aviation Investment Holding Company Ltd., the number of Shares held by the public fell below the minimum public float requirement of 25% as set out under Rule 8.08(1)(a) of the Listing Rules.

Immediately after completion of the Placing and as at 16 May 2017, 43,227,506 Shares, representing approximately 25.04% of the entire issued Shares of the Company, will be held by the public (within the meaning of the Listing Rules). As such, the minimum public float requirement of 25% as set out under Rule 8.08(1)(a) of the Listing Rules has been fulfilled.

### 競爭及利益衝突

年內，並無董事或本公司主要股東或任何彼等各自的聯繫人士從事與本集團業務構成或可能構成競爭的任何業務或與本集團有任何其他利益衝突。

### 獲准許的彌償條文

根據本公司的組織章程細則，在法律容許的範圍內，各董事有權按其執行及履行職務時可能蒙受或產生的所有成本、開支、虧損及負債獲得從本公司資產中撥付彌償。

本公司為董事續投資責任保險，相關保險在本財政年度全年直至本報告日期仍然生效，為本公司董事，提供適當保障。

### 購買、出售或贖回本公司的上市證券

截至2018年3月31日止年度，本公司及其附屬公司均沒有購買、出售或贖回任何本公司的上市證券。

### 稅務減免及豁免

董事並不知悉任何因股東持有本公司證券而享有的稅務減免及豁免。

### 優先購股權

本公司組織章程細則或開曼群島法例並無有關優先購股權的條文致使本公司有責任按比例向現有股東發售新股份。

### 恢復本公司公眾持股量

誠如本公司及HNA Aviation Investment Holding Company Ltd.於2017年2月17日聯合刊發的公佈所披露，公眾持股量已降至低於上市規則第8.08(1)(a)條所規定的25%。

緊隨完成配售後，以及於2017年5月16日，公眾人士(定義見上市規則)持有43,227,506股股份，相當於本公司全部已發行股份約25.04%。因此，上市規則第8.08(1)(a)條所規定的25%最低公眾持股量已獲達致。

## REPORT OF THE DIRECTORS 董事會報告

### CHANGE OF COMPANY NAMES AND STOCK SHORT NAMES

On 19 October 2017, a special resolution in relation to the Change of Company Name was proposed and duly passed at the extraordinary general meeting of the Company to approve the change of the English name of the Company from “KTL International Holdings Group Limited” to “Hifood Group Holdings Co., Limited” and the adoption of “海福德集團控股有限公司” as the dual foreign name in Chinese of the Company. The stock short names of the Company for trading in the Shares on the Stock Exchange has been changed from “KTL INT’L” to “HIFOOD GROUP” in English and “海福德集團” in Chinese since 23 November 2017. The Company ceased to use its logo  with effect from 20 November 2017. Please refer to the announcements of the Company dated 20 November 2017, 25 September 2017 and the circular dated 27 September 2017 relating to the change of company names and stock short names.

### CORPORATE GOVERNANCE REPORT

Details of the Group’s corporate governance practices can be found in the Corporate Governance Report contained on pages 21 to 34 in this annual report.

### CLOSURE OF THE REGISTER OF MEMBERS

To determine the eligibility of the shareholders of the Company to attend the annual general meeting to be held on 31 July 2018, the register of members will be closed from 26 July 2018 to 31 July 2018, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrars, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 pm on 25 July 2018.

### ANNUAL GENERAL MEETING

The annual general meeting will be held on 31 July 2018. Shareholders should refer to details regarding the annual general meeting in the circular of the Company and the notice of meeting and form of proxy accompanying thereto.

### 更改公司名稱及股份簡稱

於2017年10月19日，一項有關更改公司名稱的特別決議案已於本公司股東特別大會上提呈並獲正式通過，以批准本公司英文名稱由「KTL International Holdings Group Limited」更改為「Hifood Group Holdings Co., Limited」，並採納「海福德集團控股有限公司」作為本公司第二種外語(中文)名稱。本公司於聯交所買賣股份之股份簡稱已自2017年11月23日起由英文簡稱「KTL INT’L」更改為「HIFOOD GROUP」，以及採納中文簡稱「海福德集團」。本公司已自2017年11月20日起停用其標誌。有關更改公司名稱及股份簡稱的資料，請參閱本公司日期為2017年11月20日及2017年9月25日的公佈以及日期為2017年9月27日的通函。

### 企業管治報告

有關本集團企業管治常規的詳情，請參閱本年報第21至34頁所載企業管治報告。

### 暫停辦理股東登記手續

為確定本公司股東出席將於2018年7月31日舉行的股東週年大會的資格，本公司將於2018年7月26日至2018年7月31日止期間(包括首尾兩日)暫停辦理股東登記手續，期間將不會辦理任何股份過戶登記。為符合資格出席股東週年大會並於會上表決，所有過戶表格連同相關股票，最遲須於2018年7月25日下午四時三十分前送交本公司於香港的股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理登記。

### 股東週年大會

本公司將於2018年7月31日舉行股東週年大會。有關股東週年大會的詳情，謹請股東參閱本公司的通函及大會通告連同所附代表委任表格。

## AUDITORS

Following the retirement of Crowe Horwath as auditor of the Company with effect from the conclusion of the annual general meeting of the Company held on 10 August 2017 (the “2017 AGM”), PricewaterhouseCoopers (“PwC Hong Kong”) was appointed as the auditor of the Company at the 2017 AGM and to hold office from the conclusion of the 2018 AGM until the conclusion of the forthcoming AGM of the Company.

The Board confirmed that there was no disagreement between Crowe Horwath and the Company.

The consolidated financial statements for the year ended 31 March 2018 of the Group have been audited by PwC Hong Kong, who will retire at the forthcoming annual general meeting on 31 July 2018, being eligible, offer themselves for appointment.

By order of the Board

**NANG Qi**  
*Chairman*

Hong Kong, 12 June 2018

## 核數師

於國富浩華會計師事務所退任本公司核數師(自2017年8月10日舉行的本公司股東週年大會(「2017年股東週年大會」)結束起生效)後，羅兵咸永道會計師事務所(「羅兵咸永道」)於2017年股東週年大會上獲委任為本公司核數師，任期自2018年股東週年大會結束起直至本公司應屆股東週年大會結束為止。

董事會確認，國富浩華會計師事務所與本公司之間概無意見分歧。

羅兵咸永道已審核本集團截至2018年3月31日止年度的綜合財務報表，並將於2018年7月31日舉行的股東週年大會上退任，符合資格且願意應聘連任。

承董事會命

**龔麟**  
*主席*

香港，2018年6月12日



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### ABOUT THE REPORT

This is the second Environmental, Social and Governance (“ESG”) Report of Hifood Group Holdings Co., Limited (“Hifood” or the “Group”), formerly known as KTL International Holdings Group Limited. It presents Hifood’s management approach and performance on environmental and social aspects.

#### Reporting Guideline

It is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The report aims to improve stakeholders’ understanding and to introduce ongoing sustainability initiatives directed towards fulfilment of our obligations to society and the environment in which we operate.

The Group’s Board of Directors (the “Board”) confirms that it has reviewed and approved the report which, to the best of its knowledge, addresses material issues and fairly presents the ESG management approach and performance of the Group.

#### Reporting Period and Scope

Covering Hifood’s fiscal year from 1 April 2017 to 31 March 2018, quantitative environmental data in this report covers our office-based operations in Hong Kong, while the social and environmental narrative includes operations in both Hong Kong and China.

#### Feedback

Your comments and ideas are appreciated and will help us to improve our work continuously. You may contact us at:

#### Address:

Unit 1207, Fu Hang Industrial Building,  
1 Hok Yuen Street East, Hunghom, Hong Kong  
Tel: +852 3925 5900  
Fax: +852 2363 8787  
Email: enquiry@ktl.com.hk

#### 關於本報告

此乃海福德集團控股有限公司（「海福德」或「本集團」，前稱KTL International Holdings Group Limited之第二份環境、社會及管治報告，呈列了海福德在環境及社會方面的管理策略及表現。

#### 報告指引

本報告乃遵照香港聯合交易所有限公司證券上市規則附錄27所載的環境、社會及管治報告指引編製，旨在加深持份者之理解，同時介紹我們就履行社會及環境責任所實施的可持續發展策略。

本集團董事會確認已審閱及批准本報告，且就其所深知，本報告關注重大事項且公平地呈列了本集團的環境、社會及管治管理策略及表現。

#### 報告期及範圍

於涵蓋2017年4月1日至2018年3月31日之海福德財政年度，本報告中的定量環保數據涵蓋了我們在香港辦公室進行的經營活動，而社會及環境論述則包括香港及中國的經營活動。

#### 反饋

閣下提出的意見及想法將有助我們不斷提升工作表現。下列為我們的聯絡方法：

#### 地址：

香港紅磡鶴園東街1號  
富恒工業大廈1207室  
電話：+852 3925 5900  
傳真：+852 2363 8787  
電郵：enquiry@ktl.com.hk

## LETTER FROM MANAGEMENT

Dear Valued Stakeholders,

I am delighted to present the second ESG Report of Hifood for the financial year ended 31 March 2018. As a leading fine jewellery provider, Hifood is committed to delivering the best products and services to its customers, adhering to core values and in a sustainable way. With the growing consciousness and importance of sustainability, we take this as an opportunity to scrutinise management practices that are material to stakeholders, for example, environmental protection, product quality and employee care. Over time, we aim not only to bear our share of social responsibility, but also to create value for our operations.

Hifood has been striving to minimise the ecological footprint brought by our daily operations. Apart from the mitigation measures we have already enforced, we proactively conserve resources by recycling in our production plants. Also, the green-office initiatives implemented in our Hong Kong operations promote the culture of resources-saving and enhance awareness of the employees.

We strive to provide high quality jewellery products and services to meet our customers' expectations. All raw materials are graded and classified according to the national standard. Being certified with ISO 9001:2008, we have established a series of stringent supplier selection principles and quality assurance procedures. We continuously develop innovative designs for our customers and the designs are protected under the governmental laws and regulations. With our unique jewellery designs and professional services, we aim to maintain our competitiveness in the market.

We cannot be successful without the contribution of our employees. The manufacturing processes often involve health and safety risks and therefore, we have formulated a specific monitoring policy to ensure employees are working in a safe environment. This the second year for us to achieve zero occupational health and safety incident. To promote diversity in our workforce, we continue to hire individuals with disabilities. The rights of employees are safeguarded with the establishment of the labour union and Equality Working Group. By striving to provide a respectful and safe workplace, we make sure our employees are able to align their personal development with our sustainable business goals.

Hifood believes that sustainability reporting is a long journey, requiring all stakeholders' involvement. I would like to take this opportunity to thank all our employees, customers, business partners, shareholders, government departments and the wider community for the continuous efforts and commitment to support Hifood. We are looking forward to having a closer communication and cooperation with our stakeholders on sustainability in the future.

By Order of the Board  
NANG Qi  
Chairman and Executive Director  
Hong Kong, 12 June, 2018

## 管理層函件

各位尊貴的持份者：

本人欣然呈列海福德於截至2018年3月31日止財政年度的第二份環境、社會及管治報告。作為領先的優質珠寶提供商，海福德堅守核心價值並以可持續發展的方式向客戶提供最優質的產品及服務。隨著可持續發展的意識及重要性不斷加深，我們以此為契機檢視對持份者十分重要的管理常規，例如環境保護、產品質量及員工關懷。隨著時間推移，我們的目標不僅僅是擔負起我們的社會責任，亦包括為我們的經營創造價值。

海福德一直努力盡量減少其日常經營產生的生態足跡。除已在實行的紓緩措施外，我們通過回收利用生產廠房積極節約資源。此外，我們在香港的經營活動推行綠色辦公措施，推廣資源節約文化並提升僱員在該方面的意識。

我們努力提供高品質的珠寶產品及服務，力求讓客戶滿意。所有原材料均按國家標準評級分類。我們已獲ISO 9001:2008認證，並已建立一系列嚴格的供應商甄選原則及質量擔保流程。我們不斷為客戶創新設計，該等設計受政府法律及法規的保護。我們的目標是利用獨特的珠寶設計及專業的服務來維持我們的市場競爭力。

沒有員工的付出，我們不可能取得成功。生產流程經常會涉及到健康及安全風險，為此，我們制定了特定的監控政策，以確保員工可以在安全的環境中工作。本年度是我們實現零健康及安全事故的第二年。為增加員工的多樣性，我們繼續聘請傷殘人士。我們已成立工會以及平等工作小組，以保障僱員的權利。通過努力提供相互尊重且安全的工作環境，我們確保僱員的個人發展能與我們的可持續發展業務目標保持一致。

海福德相信，可持續發展報告任重而道遠，需要所有持份者的參與。本人謹此就我們的僱員、顧客、業務夥伴、股東、政府機關及社會各界的持續努力及對海福德的投入致謝，我們期待未來於可持續發展方面之緊密溝通及合作。

承董事會命  
龔麒  
主席兼執行董事  
香港，2018年6月12日

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

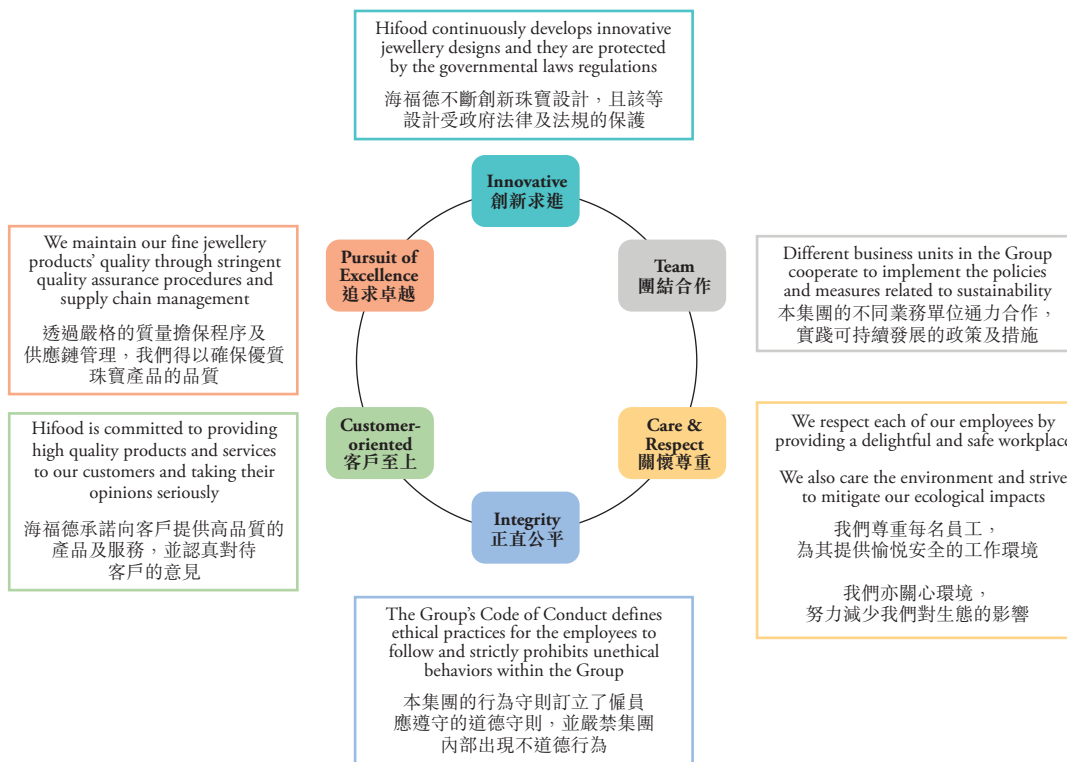
## 環境、社會及管治報告

### ESG MANAGEMENT APPROACH

The Group views sustainability as an integral part of its business. Being one of the fine jewellery providers in Hong Kong, we are committed to addressing the upsurge in social and environmental challenges as a responsible corporate citizen.

While the ultimate responsibility for our sustainability performance rests with the Board of Directors, different business units of Hifood in Hong Kong and China contribute together to managing sustainability, which is coordinated by the Group's Human Resources and Administration Department. By adhering to its core values, which are innovative, teamwork, care and respect, integrity, customer-oriented, and pursuit of excellence, the Group approaches sustainability with systemically formulated policies and practices.

### Initiatives Corresponding to Our Core Values



### 環境、社會及管治管理方針

本集團將可持續發展視為其業務的不可或缺一環。作為香港優質珠寶供應商之一，我們致力關注社會環境難題，擔當盡責的企業公民角色。

可持續發展表現的最終責任固然歸於董事會，海福德位於香港及中國的不同業務單位亦為共同管理可持續發展作出貢獻，並由本集團人力資源及行政部門從中協調。本集團以系統化制定的政策及守則實踐可持續發展，同時堅守「創新求進、團結合作、關懷尊重、正直公平、客戶至上及追求卓越」之核心價值。

### 因應我們核心價值之措施

### Stakeholder Engagement

The Group closely engages with key stakeholders such as employees, customers and other stakeholders, through various platforms. Hifood is committed to maintaining effective communication with its stakeholders, by helping them to understand its business performance and strategies. We take all opinions seriously and strive to engage them in our long-term business development strategy.

Below are the communication channels and related topics we use for engaging with stakeholders.

Stakeholders	Engagement Channels	Issues
Investors and shareholders	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual Report and public announcement</li> <li>ESG report</li> <li>Company website</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Operational risk</li> <li>Business operation</li> <li>Disclosure</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Product advertisements and exhibitions</li> <li>Feedback from front-line employees</li> <li>Company website</li> </ul>	<ul style="list-style-type: none"> <li>Product quality</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Labour union and Equality Working Group</li> <li>Intranet and monthly newsletter</li> <li>Mailbox</li> <li>Year-end appraisal</li> </ul>	<ul style="list-style-type: none"> <li>Training and development</li> <li>Occupational health and safety</li> <li>Workplace discrimination</li> <li>Remuneration</li> </ul>

### OUR ENVIRONMENT

*Hifood, being one of the fine jewellery providers in Hong Kong, is committed to promoting environmental stewardship and sustainability. We embrace principles and practices that help minimise our environmental, energy and climate change footprint.*

#### Environmental Compliance

Hifood takes cognizance of environmental impacts of its production operations in China and office-based operations in Hong Kong. We continuously monitor the processes to ensure compliance of the relevant laws and regulations in the People's Republic of China ("PRC"), including but not limited to the Law of Environmental Protection of the PRC, the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste, and the Law of the PRC on the Prevention and Control of Water Pollution. During the year, the Group was not aware of any non-compliance of these environmental laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharge into water and land, and generation of hazardous and non-hazardous waste.

### 持份者參與

本集團透過多個不同的平台與僱員、客戶等關鍵持份者以及其他持份者建立密切的關係。海福德致力與持份者維持有效的溝通，幫忙持份者瞭解其業務表現及策略。我們認真對待所有的意見，並努力讓持份者參與我們的長期業務發展策略。

以下為我們為建立與持份者的關係所用的溝通渠道及相關話題。

持份者	參與渠道	議題
投資者及股東	<ul style="list-style-type: none"> <li>股東週年大會</li> <li>年度報告及公開公告</li> <li>環境、社會及管治報告</li> <li>公司網站</li> </ul>	<ul style="list-style-type: none"> <li>企業管治</li> <li>經營風險</li> <li>業務經營</li> <li>披露</li> </ul>
客戶	<ul style="list-style-type: none"> <li>產品廣告及展覽</li> <li>前線僱員的反饋</li> <li>公司網站</li> </ul>	<ul style="list-style-type: none"> <li>產品質量</li> </ul>
僱員	<ul style="list-style-type: none"> <li>工會以及平等工作小組</li> <li>內聯網及每月通訊</li> <li>郵箱</li> <li>年末考核</li> </ul>	<ul style="list-style-type: none"> <li>培訓及發展</li> <li>職業健康與安全</li> <li>職場歧視</li> <li>薪酬</li> </ul>

### 環境

海福德，作為香港優質珠寶供應商之一，承諾提升環境管理及可持續性發展。我們信奉能在最大限度降低我們的環境、能源及氣候變化足跡的準則及常規。

#### 環境合規

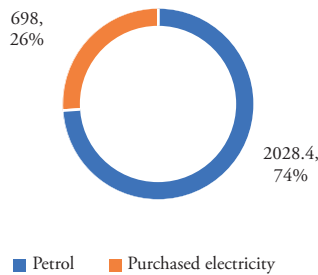
海福德明白其在中國的生產活動及在香港的辦公室經營業務導致的環境影響。我們持續監督流程以確保遵守中華人民共和國（「中國」）的相關法律法規，包括但不限於《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染環境防治法》以及《中華人民共和國水污染防治法》。年內，本集團並不知悉已在廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物方面違反任何該等環保法律法規並對本集團造成重大影響。

**Resources Consumption**

In our office in Hong Kong, we consume a considerable amount of energy, water and packaging materials in the course of our daily operations.

We have about 7 private cars for our employees to commute and they are all using petrol as the combustion fuel, which is relatively environment friendly compared to diesel. During the year, the Group's total direct and indirect energy consumption was approximately 63,643 litres of petrol and 193,876 kWh of purchased electricity respectively. The total energy consumption was about 2,726 gigajoules, electricity being the major component, contributing almost 75% or 2,028 gigajoules. The total energy intensity was approximately 41.94 gigajoules/person during the year.

**Total Energy Consumption (Gigajoules)**

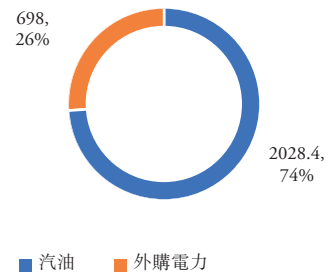


**資源消耗**

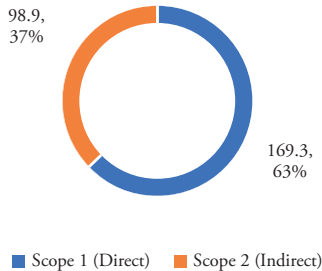
在我們的香港辦公室，我們的日常營運過程消耗大量的能源、水及包裝材料。

我們有大約七輛私人汽車供僱員通勤之用，且該等汽車均使用汽油作為燃料，比使用柴油相對而言更環保。年內，本集團的直接及間接總能源消耗分別約為63,643升汽油及193,876千瓦時外購電力。總能源消耗約為2,726千兆焦耳，其中電力是最大的組成部分，約佔75%或2,028千兆焦耳。年內的總能源密度約為41.94千兆焦耳/人。

**總能源消耗 (千兆焦耳)**

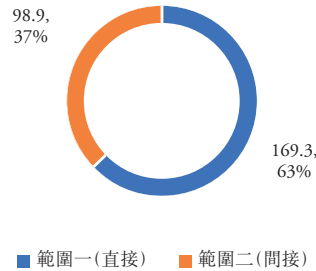


**Carbon Emission (tCO<sub>2</sub>e)**



Our operations do generate carbon emissions either directly from petrol consumed by vehicles (Scope 1) or indirectly from purchased electricity (Scope 2). During the year, carbon emissions from Scope 1 and Scope 2 were 169.3 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) (37%) and 98.9 tCO<sub>2</sub>e (63%) respectively, the total carbon emissions being about 268.2 tonnes.

**碳排放 (噸二氧化碳當量)**



我們的營運或因汽車消耗汽油而直接(範圍一)或因外購電力而間接(範圍二)產生碳排放。年內，範圍一及範圍二的碳排放分別為169.3噸二氧化碳當量(37%)及98.9噸二氧化碳當量(63%)，碳排放總量約為268.2噸。

We consumed approximately 116 m<sup>3</sup> of municipal water for domestic use during the year, and the total water intensity was approximately 1.78 m<sup>3</sup>/person. There were no issues on sourcing of water reported.

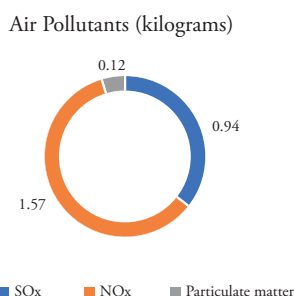
我們年內消耗約116立方米的城用水作生活用途，總用水密度約為1.78立方米/人，並無收到關於水源問題的報告。

Paper and plastic packaging materials are required for our finished products. In 2018, a total of 1,400 kg of paper and 20 kg plastic packaging materials were used, the plastics included protective bubble and labels.

我們的製成品需要使用紙及塑料包裝材料。於2018年，我們使用了合共1,400公斤的紙以及20公斤的塑料包裝材料，其中塑料包括保護氣泡及標籤。

### Air Emissions

Consumption of petrol in private cars in Hong Kong operations emits air pollutants including SO<sub>x</sub>, NO<sub>x</sub> and particulate matter, amounting to 0.94 kg, 1.57 kg and 0.12 kg respectively.



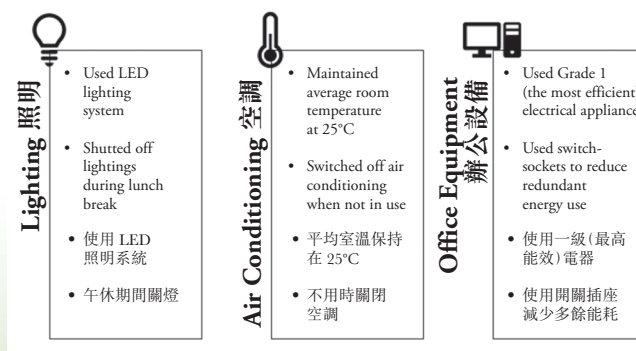
Our plants in China generate exhaust fumes during the process of polishing of jewellery and canteen operations. The fumes pass through a baghouse and a desulphurisation device to remove particles and neutralise acidic sulphuric gases before discharge. The emissions of air pollutant comply with the level 2 standard of Integrated Emission Standard of Air Pollutants of the PRC.

### Green-Office Initiatives — Let's GO

The Group promotes the concept of energy- and resources-saving by participating in "Let's Go", a green office scheme designed by a consulting firm, for our office-based operations in Hong Kong. This certification scheme aims at embedding environmental sustainability into our daily operations.



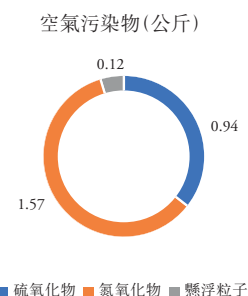
Our environmental performance in the office was evaluated under the scheme; results summarised in the graphs below. After the on-site assessment, stickers and posters were provided, and they were posted at prominent positions to educate our employees to develop greener habits.



Energy conservation initiatives  
節能措施

### 大氣排放物

香港業務經營中的私人汽車消耗汽油，會排放出大氣污染物，包括硫氧化物、氮氧化物及懸浮粒子，分別為 0.94 公斤、1.57 公斤及 0.12 公斤。



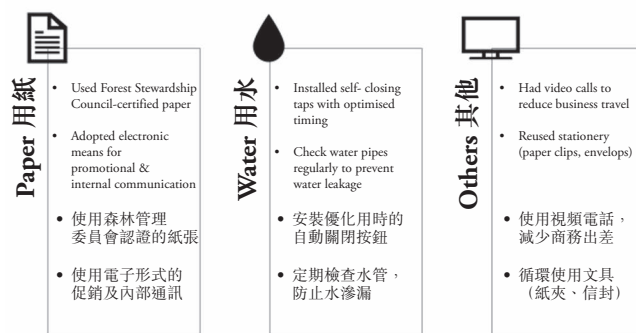
我們位於中國的廠房於珠寶拋光過程中以及食堂經營會產生尾氣。煙霧通過袋濾室及脫硫設備以去除顆粒，並於排出之前中和硫酸氣體。大氣污染排放符合《中國大氣污染綜合排放標準》二級標準。

### 綠色辦公措施 — 綠識空間

本集團為我們於香港的辦公室經營業務加入「綠識空間」(一家諮詢公司設計的綠色辦公計劃)，推廣能源和資源節約的概念。此認證計劃旨在將環保可持續性發展嵌入到我們的日常經營中。



我們的辦公室環保表現乃根據此計劃評估，其結果概述見下圖。經現場評核後，我們獲提供貼紙及海報並張貼在顯眼的位置，以教育僱員養成更環保的習慣。



*Resources conservation initiatives*  
 資源保護措施

### Resources Conservation

Hifood is committed to continuously working to mitigate environmental impacts by reducing its carbon footprint in ways both large and small. We have gradually incorporated sustainability into our daily business operations in both Hong Kong and China, setting out strategies to minimise the usage of resources, as well as to guarantee environmental issues are monitored and well-managed.

#### Effluent and Waste

Water usage in our China operations involve domestic and production consumption. We have received the water discharge permit from the Guangzhou government and there is a half-yearly assessment for regular monitoring.

To reduce water consumption in production processes, we recycle the water used for washing gypsum molds. There is a small amount of effluents containing metal particles and colorants and a specialized service provider is commissioned to collect the effluent for recycling.

For domestic water, the Group has established facilities to remove more than 80% of pollutants from the sewage, such as oil, scrap and organic compounds by the three-level treatment, so that the emission standards for discharge in public utilities are met. Also, we reuse wastewater in water dispensers for cooling purposes in the central air-conditioning system. The Group carefully monitors its discharge to conserve this precious resource and ensures no hazardous effluents are discharged into the neighbourhood.

The production processes in China generate hazardous waste such as organic solvents, mercury-containing acidic and alkaline waste. Hifood has appointed a licensed solid waste collector to handle the waste and has received a permit from the local government to dispose waste. The hazardous waste is separately stored and carefully transported to prevent any leakage and nuisance. The Group does not violate any relevant environmental laws and regulations. The performance of the contractor is reviewed on an annual basis, to guarantee the validity of license and consistency of the service throughout the contract period.

### 資源保護

海福德致力在大小方面減少其碳足跡，不懈努力地降低環境影響。我們已逐漸將可持續發展加入到我們在香港及中國的日常業務，制定策略以減少資源耗用，及保證環境議題受監控及妥善管理。

#### 污水及廢棄物

我們中國業務涉及生活和生產用水。我們已收到廣州政府頒發的排水許可證，且每半年評估一次以作定期監控。

為減少生產用水，我們循環使用清洗石膏模具所用的水。金屬屑以及著色劑含有少量的污水，我們委託專門的服務提供商收集污水重新利用。

對於生活用水，本集團建有設施經過三層處理，從污水中去除超過80%的污染物，例如油、廢金屬及有機化學物，以滿足公共事業的排放標準。此外，我們重新利用飲水機的廢水，作中央空調系統中的冷卻用途。本集團謹慎監控排放情況，以節約此珍貴資源，並確保不會向附近區域排出任何有毒污水。

中國的生產流程會產生有機溶劑、含汞酸性及鹼性廢物等有害廢棄物。海福德已委任一間持牌固體廢物收集公司處理廢物，已收到當地政府的處置廢物許可證。有害廢物獨立存放並小心運輸，防止任何洩漏及滋擾。本集團並無違反任何相關環保法律法規。我們每年審閱承包商的表現，以確保牌照有效性以及合約期內服務的一致性。

Our office in Hong Kong generated 1,600 kg non-hazardous waste during the year, and there was no hazardous waste involved. The Group has implemented a series of measures for reducing waste generation, for example, recycling old furniture, adopting social media for promotion instead of paper-printing and having four kinds of recycling bins (metals, paper, plastics and glass) in the office. It is expected that our disposal volume will be further cut down in the coming future.

### Environmental Impacts Minimisation

The Group acknowledges that noise pollution is another major emission generated from our production plants and therefore, shock absorbers and sound insulation systems are installed to minimise the impacts. The local noise monitoring unit conducts audit also on ad hoc basis to ensure the noise level remains within limits.

We also focus on the ecological environment within and outside the production base and have appointed professional personnel for taking care of the plants and foliage. These help to provide clean air to the production sites and the community nearby.

## OPERATIONAL EXCELLENCE

*Hifood pledges to offer the finest quality of jewellery products to customers through establishing a series of comprehensive quality management procedures and maintaining a good relationship with its suppliers.*

### Product Quality

Hifood is committed to providing high quality jewellery products and services to meet the customers' expectations, which is one of the Group's core values. Our production site is certified with ISO 9001:2008 Quality Management System and we strictly adhere to the principles of "adjusting strategies, modifying techniques, consolidating and improving quality". To fulfill the requirements listed in ISO 9001, we have established a quality management handbook for monitoring our daily jewellery production processes. Annual evaluation and assessment are done in order to review quality management and ensure compliance of relevant laws and regulations. During the year, we were not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

All raw materials such as precious metals, diamonds and gems are classified and graded according to the Chinese national standards issued by the Standardisation Administration of China. While these materials are tested before being used in production, employees must obtain related certifications before reporting for duty due to the stringent technical proficiency requirements.

我們香港的辦公室年內產生1,600公斤無害廢物，並不涉及任何有害廢物。本集團實行一系列減少廢物的措施，例如回收舊傢俱、使用社交媒體代替紙張打印進行宣傳以及在辦公室內設有四類回收箱(金屬、紙製、塑料及玻璃)。我們的棄置量於不久的未來預期將會進一步削減。

### 減少環境影響

本集團明白噪音污染為我們生產廠房另一主要排放物，因此，我們安裝了減震器及隔音系統，以盡量降低影響。當地噪聲監測單位亦按特別情況專門記錄音頻，以確保噪聲水平維持在限額之內。

我們亦關注生產基地內外的生態環境，並委任專業人員照料植物綠化，為生產工地及附近社區供應新鮮空氣。

### 卓越營運

海福德建立了一系列的全面質量管理程序並與供應商維持良好的關係，從而保證向客戶提供最優質的珠寶產品。

### 產品質量

海福德致力提供高品質珠寶產品及服務以符合客戶的期望，同時亦是本集團的核心價值之一。我們的生產工地獲ISO 9001：2008質量管理體系認證，且我們堅守「調整策略、修改技術、整合及改善質量」的原則。為符合ISO 9001所列規定，我們已制定質量管理指南以監督我們的日常珠寶生產流程。我們會進行年度考核評價，以檢討質量管理和確保遵守相關法律法規。年內，我們並不知悉任何因不遵守有關產品及服務的健康及安全、廣告、標籤及私隱事宜以及補救方法的法律及法規，而對本集團造成重大影響的事件。

所有原材料，如貴金屬、鑽石及寶石，乃根據中國國家標準化管理委員會頒佈的中國國家標準分類及評級。於生產過程中使用的該等材料乃經過事前測試，而基於嚴格的技术能力要求，僱員於履職前必須取得相關證書。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

We adhere to a set of comprehensive quality assurance procedures for all raw materials, semi-finished and finished products. Semi-finished products are checked by both quality assurance and quality control personnel, while the finished products are examined by the responsible workers and supervisors. The products are sold to the customers only after they have passed all quality assurance procedures. Any unqualified products are separated and returned to the production unit for correction before being tested again. All records of quality assurance are kept and approved by the responsible departments.



*The quality assurance procedures*  
質量擔保程序

Hifood takes feedback from customers seriously. We strive to provide high quality products and services to meet their expectations by maintaining effective communication with them. The International Sales Department introduces the products through multiple platforms such as advertisements and exhibitions, and we answer customers' questions from time to time. All complaints from customers are recorded and referred to the responsible departments and personnel for handling. Corresponding corrections are done immediately after identifying the problems and Sales Department replies to the customers promptly. Through listening to the feedbacks from our customers, we continue to improve our products and services as best as we can.

### Supply Chain Management

By having stringent supply chain management, we ensure our product quality and maintain our competitiveness in the market. The Group conducts a market research every quarter before the procurement process, so that jewellery products with stable and fair prices can be provided to our customers. We purchase select polished diamonds and other raw materials from legitimate suppliers who comply with our Supplier Selection Standards on a fair and just principle. Suppliers are evaluated based on three aspects which are the delivery performance, quality consistency and competitiveness and examined by the Vendor Semi-annual Appraisal Form. Those with unacceptable performance are removed from our list.

### Intellectual Property Rights Protection

With innovation as one of our core values, Hifood continuously develops innovative jewellery designs. And we are committed to protecting our intellectual property rights in respect of our unique designs. The Group has a total of 7 design patents and they are protected under the Registered Design Ordinance and Trade Marks Ordinance of Hong Kong and the Patent Law of the PRC. During the year, the Group also registered 6 new trademarks in Hong Kong, China and the European Union, which are protected under relevant laws and regulations. Any person who infringes upon our intellectual rights will be reported and we may take legal prosecution.

我們對全部原材料、半成品及成品遵循一套全面質量擔保程序。半成品經質量擔保及質量控制人員檢查，而成品則由負責的工人及主管檢視。產品需通過所有的質量擔保程序後方會向客戶出售。任何不合資格產品將劃分開並送回生產單位，修正後再次測試。所有質量擔保記錄均有保存並由負責部門通過。

海福德認真對待客戶的反饋。我們致力與客戶維持有效的溝通，提供高品質的產品及服務，以符合客戶的期望。國際銷售部透過廣告及展覽會等不同平台介紹產品，而我們不時回答客戶問題。客戶的所有投訴均會記錄在案並轉至負責部門及人員處理。一旦發現問題，我們會立即實施相應的糾正措施，而銷售部會即時回覆客戶。通過聽取我們客戶的反饋，我們繼續竭盡所能提升我們的產品及服務。

### 供應鏈管理

我們通過嚴格的供應鏈管理，確保我們的產品質量以及保持我們的市場競爭力。執行採購流程前，本集團每個季度進行市場調查，以便按穩定且公平的價格向客戶提供珠寶產品。我們按公平公正的原則和符合我們供應商挑選準則的合法供應商購買挑選已打磨的鑽石及其他原材料。我們根據三個方面考核供應商：交付表現、質量一致性及競爭力，並根據《供應商半年度評核表》予以審查。表現不佳者會被移出我們的名單。

### 知識產權保護

創新進取是我們的核心理念之一，海福德會持續不斷創新珠寶設計。我們亦致力保護我們獨特設計的知識產權。本集團共持有7項設計專利，均受香港《註冊外觀設計條例》及《商標條例》以及《中華人民共和國專利法》的保護。年內，本集團亦已在香港、中國及歐盟註冊了6項新商標，均受相關法律法規的保護。任何人士侵犯我們的知識產權將被舉報且受到我們的法律訴訟。

### Business Ethics

Hifood has defined ethical practices for the employees to follow in the Code of Conduct. Unethical behaviours are strictly prohibited in the Group. During the reporting period, the Group was not aware of any non-compliance with laws and regulations having a significant impact on the Group, on bribery, extortion, fraud and money laundering, nor of any legal cases regarding corrupt practices brought against the Group or its employees.

Our Conflicts of Interest Declaration Policy requires employees to make annual declaration of any conflict of interests with the Group, our suppliers and customers. The head of Human Resources and Administrative Department (“HR”) and internal audit committee take the responsibility of assuring all reports are acted upon and for taking appropriate decisions for suspected cases. There are clear and stringent restrictions on receiving festive gifts for our employees.

A whistleblowing policy is in place that mandates employees to report any suspicious cases of unethical behaviours to the HR or internal audit committee. They can report to the Group orally or in writing. Once we have received the complaints and enough evidence, the cases are passed on to the governmental bodies for further handling.

### OUR PEOPLE

*Hifood's success relies on the continued support of its dedicated workforce, the most valuable asset for sustaining business. We respect and care for our employees by creating a delightful and safe workplace, as well as providing training opportunities.*

### Labour Practices

All labour related issues in terms of compensation, working hours, holidays, recruitment and promotion, dismissal procedures equal opportunity, diversity, anti-discrimination are in compliance with the Employment Ordinance in Hong Kong, the Labour Law of the PRC and other local relevant laws and regulations in places we have operations.

Hifood is committed to creating a working atmosphere free of discrimination and harassment. Discriminatory acts or motives in all phases of employment on the grounds of nationality, physical ability, gender, age and any other legally protected status are strictly prohibited in the Group. We believe diversity in our workplace leads to greater business success, and recruit individuals who bring diverse talents and perspectives to their respective roles. Sticking to the Law of the PRC on the Protection of Persons with Disabilities, the Group employs 6 individuals with disabilities and assists them in integrating into our workplaces.

### 商業道德

海福德的行為守則訂立了僱員應遵守的道德守則，並嚴禁集團內部出現不道德行為。於報告期內，本集團並不知悉在防止賄賂、勒索、欺詐及洗黑錢方面違反任何法律法規並對本集團造成重大影響，亦不知悉本集團或其僱員因賄賂行為的任何法律案件。

我們的利益衝突申報政策規定僱員需每年申報與本集團、我們的供應商及客戶之間的任何利益衝突。人力資源及行政部門（「人力資源部」）主管及內部審核委員會確保對所有報告已採取行動和對涉嫌案件作出適宜決策。我們對於僱員收取節日禮品有清晰且嚴謹的限制。

我們設有舉報政策授權僱員向人力資源部或內部審核委員會報告任何可疑的不道德行為。他們可以口頭或書面形式向本集團報告。我們一旦收到投訴且證據充足，該案件會被移交政府機構作進一步處理。

### 員工

海福德的成功有賴敬業員工的持續支持，該等員工是我們維持業務的最寶貴資產。我們尊重及關懷僱員，為其創造愉悅安全的工作環境以及提供培訓機會。

### 勞工常規

所有有關勞工的事項，例如工時、假期、僱傭及解僱程序，均遵照香港的《僱傭條例》、《中華人民共和國勞動法》以及我們經營所在地的其他地方相關法律法規。

海福德致力創造一個沒有歧視及騷擾的工作環境。本集團內嚴禁於所有僱傭階段中因國籍、身體機能、性別、年齡以及任何其他受法律保護狀態的理由作出的歧視行為或動機。我們相信工作環境的多樣性有助我們於業務取得更大成功，故招募可以為有關職位帶來多樣才能及見解的人才。根據《中華人民共和國殘疾人保障法》，本集團僱用6名殘障人士並幫助他們融入我們的工作環境。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

Employees can report to their supervisors or the HR if they are subjected to unlawful discrimination or any form of harassment. We investigate every case expeditiously and take appropriate corrective actions once we have confirmed the allegations. In China, we have further set up an Equality Working Group to monitor the implementation of anti-discrimination policies and handle the related complaints. We are aiming at ensuring all our employees have a workplace where they are respected, satisfied and appreciated.

Labour rights are protected in accordance with the local laws and regulations. Hiring child labour and forced labour are strictly prohibited in the Group. Identification documents of newcomers are checked, and labour contracts are based on mutual agreement from both the Group and employees. These measures prevent any form of illegal employment. Labour union and women workers' committee are set up to serve the purpose of mediation in case of labour disputes and to safeguard the lawful rights and interests of workers, especially female employees. During the year, we were not aware of any non-compliance relating to employment and labour practices that had a significant impact to the Group.

#### Employee Rights and Benefits

Remuneration is determined with reference to market conditions and individual employee performance, qualifications and experience. Hifood has created a culture of excellence across its operations by recognising and rewarding performing staff within the general framework of the Group's salary and bonus system, which is reviewed annually.

In addition to performance bonus and statutory benefits according to the local labour laws, our employees enjoy a competitive remuneration package including healthcare benefits, maternity and paternity leave, marriage leave, gifts on festive occasions and birthdays, etc. Employees who have served the Group for more than five years receive long service awards and bonuses as appreciation of their continuous contributions. Employees in China are entitled to annual health checks; almost 400 of them received this benefit during the year. With comprehensive benefit plans, we hope to demonstrate respect to each of our employees, who make a great contribution to the Group's growth.

#### Employee Communication

Hifood regularly shares information through a variety of electronic communications such as intranet and monthly newsletter to help employees understand the most updated policies and development of the Group. We have an open-door policy, encouraging every employee to come up with new ideas on product designs and policy improvements by having a mailbox. HR replies promptly once it receives suggestions from the staff. We believe this mutual communication benefits the growth of the Group in an efficient way.

僱員倘遭受非法歧視或任何形式的騷擾，可向其主管或人力資源部報告。我們會迅速調查每個案件，且一旦我們確認指控，則會採取適當的糾正行動。在中國，我們已設立平等工作小組，監督反歧視政策的實行情況以及處理相關投訴。我們旨在確保我們的所有僱員能在受尊重、有滿足感以及被欣賞的環境中工作。

勞工權利受地方法律法規的保護。本集團嚴禁聘用童工及強迫勞工。我們會檢查新來者的身份文件，且基於本集團與僱員的雙方協商訂立勞動合同。該等措施防止了任何形式的非法僱傭。我們成立工會及女工委員會，以調解勞工糾紛和保障工人（尤其是女性僱員）的合法權利及利益。年內，我們並不知悉在僱傭及勞工常規方面有任何違規情況，並對本集團造成重大影響。

#### 僱員權益

薪酬乃參考市況以及個人的表現、資格及經驗予以釐定。海福德通過在本集團薪金及花紅體系（會每年檢討）的整體框架內認可及獎勵表現出色的員工，已在其業務經營中形成了卓越的文化。

除表現花紅以及基於地方法律的法定福利外，我們的僱員享有具競爭力的薪酬待遇，包括醫療福利、產假、待產假、婚假、節日及生日禮品等。服務本集團超過五年的僱員會收到長期服務獎及花紅，以資感謝持續的貢獻。中國的僱員有權享有年度健康體檢，年內約有400名中國僱員享受了此項福利。每位僱員為本集團成長作出了巨大的貢獻，我們希望藉此全面的福利計劃，向他們致以敬意。

#### 僱員溝通

海福德利用內聯網及每月通訊等多種電子通訊方式定期分享資訊，幫助僱員瞭解本集團的最新政策及發展。我們的開放政策鼓勵每名僱員透過郵箱提出關於產品設計及政策改良的新觀點。人力資源部會即時回覆員工的建議。我們相信此互相溝通方式有效地幫助本集團成長。

### Training and Development

People are regarded as the most important asset and of overriding priority, and we aim at providing suitable and valuable opportunities for our talents. The Group assesses each employee at the end of every year, on working performance, attitudes and other key performance indicators. The appraisal results are used as one of the considerations in promotion, position and salary adjustment. Through this reviewing process, they can make corresponding improvements and discuss their training needs with direct supervisors so that their potentials are exerted to the fullest.

Talent development is another priority of the Group. We provide newcomers internal and external training to let their full potential come to the fore and help them contribute to long-term development of the Group. All new comers have to participate in training courses within the first month for understanding working responsibilities and procedures. Based on the developmental needs of the Group and feedback from employees during year-end assessments, HR organises internal training including technical knowledge, stone jewellery classification, management skills, etc. The managerial employees take the roles of being internal trainers and share their experiences with participants.

The Group also subsidises employees for taking external training courses which facilitates their personal and the Group's development. During the year, there were approximately 1,330 training hours and 479 person-times had received training and education in both Hong Kong and PRC operations. Among our employees in Hong Kong and China, respectively and approximately 15% of both management executives and general staff received training.

### 培訓及發展

員工被認為是最重要的資產且重於一切，我們旨在為我們的人才提供合適且寶貴的機會。本集團每年年末評估每名僱員的工作表現、態度以及其他關鍵績效指標。考核結果被用作晉升、職位及工資調整的考慮因素之一。通過此檢討流程，他們能夠作出相應的改進並與直屬上級討論其培訓需要，從而充份發揮出其潛能。

人才發展是本集團的另一項重點事項。我們向新來者提供內部及外部的培訓，使他們能夠充份展現潛力以及幫助他們為本集團的長期發展作出貢獻。所有新來者首個月必須參加培訓課程，以瞭解工作職責及程序。根據本集團的發展需要以及僱員在年末考核中的反饋，人力資源部會組織內部培訓，包括技術知識、寶石分類、管理技能等。管理層僱員擔負內部培訓師的角色，與參加者分享經驗。

本集團亦資助僱員參加有益其個人及本集團發展的外部培訓課程的費用。年內，培訓時間約為1,330個小時，且香港及中國的業務經營有479人次接受了培訓及教育。我們的香港及中國僱員中分別約有15%的管理高級人員及一般員工接受了培訓。



*Internal training on computer skills*  
電腦技能內部培訓

Hifood is committed to providing training opportunities for young talents in jewellery making industry. Therefore, we collaborate with Panyu Vocational Training Center through providing technical support and assigning trainers to conduct courses on fine jewellery design and professional skills such as Jewel CAD system<sup>1</sup>.

海福德致力為珠寶製造行業的青年才俊提供培訓機會。因此，我們與番禺就業訓練中心合作，提供技術支持以及指派培訓師教授優質珠寶設計及專業技能，如Jewel CAD系統課程<sup>1</sup>。

<sup>1</sup> Jewel CAD system enhances the processing speed and accuracy of the jewellery mould with help of advanced technology.

<sup>1</sup> 利用先進技術，Jewel CAD系統可提升寶珠模具的加工速度及準確度。

### Occupational Health and Safety

The Group proactively works to reduce injury risks and occupational diseases by establishing related management systems and organising safety training for its workforce. We have formulated the Production Safety Management Policy for monitoring daily production processes to ensure there are no violations of relevant laws and regulations, such as the Law of the PRC on the Prevention and Control of Occupational Diseases and the Law of the PRC on Work Safety. During the year, the Group was not aware of any non-compliance with laws and regulations having a significant impact on the Group relating to health and safety issues, nor any cases regarding work-related incidents.

Under this policy, an occupational hygiene management organisation has been formulated. The HR is responsible for leading the annual safety evaluation and monitoring the usage of personal protective equipment, while the person-in-charge of each production unit has to implement the safety practices and deliver relevant education to employees. The head of HR is also the leader of the emergency handling group, responsible for managing both natural and man-made accidents such as fire, flooding and chemical leakage.

We aim to ensure a safe occupational environment and manage health and safety risk at our production facilities. Working according to the nature of fine jewellery production, we emphasise minimising dust and noise, as well as preventing leakage of hazardous chemicals, to protect employees from potential harm during the casting, polishing and gold-filling processes. Corresponding warning signs are posted at prominent positions, with potential health impacts, handling procedures and preventive measures. Handling of all flammable and explosive materials must strictly adhere to Regulations on the Safety Administration of Dangerous Chemicals issued by the State Council of the PRC, during all stages of transportation, storage, usage and disposal. Personal protective equipment such as safety gloves, masks and safety goggles are provided and required at work. Evaluation of safety practices is conducted on a regular basis. Once there are any potential or existing harms discovered, they are recorded, and corrective measures must be taken within an assigned period. We award and punish the responsible persons economically based on their performance on safety issues.

Hifood is committed to promoting the culture of production safety and therefore, we have allocated resources for safety training. There are three major categories of programmes: safety education programmes for newcomers, transferees and temporary workers. Since the manufacturing procedure is highly technical, employees are required to complete professional safety training and obtain the relevant certificate for safe operation of specific machineries. Also, they need to have a thorough understanding of local occupational laws and regulations. The Group invites related governmental officers to deliver safety education for enhancing employees' awareness. During the year, there were safety education programmes aggregating to 75 person-times and a total of 241.5 hours.

### 職業健康與安全

本集團建立相關管理系統並為員工組織安全培訓，從而積極降低受傷風險及職業疾病。我們制定了安全生產管理制度監督日常的生產流程，以確保不會違反相關法律法規，例如《中華人民共和國職業病防治法》及《中華人民共和國安全生產法》。年內，本集團並不知悉在健康與安全事項方面違反任何法律法規並對本集團造成重大影響，亦不知悉任何生產事故的案件。

根據此制度，我們成立了職業衛生管理機構。人力資源部負責統領年度安全考核及監督個人防護裝備的使用情況，而各生產單位的負責人則必須實施安全常規以及向僱員灌輸相關教育。人力資源部主管亦是緊急處理小組的帶頭人，負責管理火警、洪災及化學洩漏等自然性及人為的事故。

我們旨在保證一個安全的職業環境，並管理生產設施的健康及安全風險。根據優質珠寶生產的工作特質，我們著重盡量減少灰塵和噪聲及防止危險化學品洩露，以防止於鑄造、拋光及鑲金過程中對僱員的潛在危害。相應的警示標語會張貼在顯眼的位置，包括潛在的健康影響、處理程序及預防措施。處理所有的易燃易爆材料，於運輸、儲存、使用及處理全部階段，均必須嚴格遵守中國國務院頒佈的《危險化學品安全管理條例》。工作時必須裝備個人防護裝備，如安全手套、面罩及防護眼鏡。我們會定期檢查安全常規。一旦發現任何潛在或現有的損害，將會記錄在案並必須於指定時間內採取修正措施。我們會根據負責人員在安全事項中的表現對其給予經濟上的獎罰。

海福德致力推廣安全生產文化，因此，我們已分配資源開展安全培訓。我們有分別針對新來者、調崗者及臨時工人的三大類安全培訓項目。鑑於製造過程涉及高度技術，僱員須完成專業安全訓練且獲得安全操作特定器械的證書。此外，他們需要對當地職業法律法規有透徹的理解。本集團邀請有關政府官員提供安全教育，提高僱員的意識。年內，共有75人次參與安全教育，共241.5小時。

## COMMUNITY INVOLVEMENT

Hifood has always strived to embed social responsibility in its corporate culture. We are holding high the value of “taking from society and giving back to society”. During the year, the Group was recognised as a Caring Company by the Hong Kong Council of Social Service. This is an indication of our efforts in developing a sustainable society through caring for the community, employees and the environment. The Group will continue to discharge its corporate social responsibility for building a cohesive society.

## 社區參與

海福德一直努力將社會責任植入到其企業文化。我們高舉「取之於社會，回饋予社會」的價值觀。年內，本集團獲香港社會服務聯會嘉許為「商界展關懷」公司。這是表彰我們通過關懷社區、僱員及環境以建立可持續發展社會所作的努力。本集團將繼續履行建設團結社會的企業社會責任。

## HKEX ESG CONTENT INDEX

## 香港交易所環境、社會及管治內容索引

KPIs 關鍵績效指標	ESG Reporting Guide Requirements 環境、社會及管治報告指引規定	Section/Remarks 節／備註
<b>A. Environmental 環境</b>		
<b>Aspect A1 層面 A1</b>	<b>Emissions 排放物</b>	
General Disclosure 一般披露	Information on: 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例的資料。 relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Compliance 環境合規
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and their respective emissions data. 排放物種類及相關排放數據。	Air Emissions 大氣排放物
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Resources Consumption 資源消耗
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity. 所產生有害廢棄物總量(以噸計算)及(如適用)密度。	Resources Conservation 資源保護
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Resources Conservation 資源保護
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Resources Conservation 資源保護
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Resources Conservation 資源保護

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT**  
**環境、社會及管治報告**

KPIs 關鍵績效指標	ESG Reporting Guide Requirements 環境、社會及管治報告指引規定	Section/Remarks 節／備註
<b>Aspect A2 層面 A2</b>	<b>Use of Resources 資源使用</b>	
General Disclosure 一般披露	Policies on efficient use of resources including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Resources Conservation 資源保護
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Resources Consumption 資源消耗
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量、每項設施計算)。	Resources Consumption 資源消耗
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Resources Conservation, Green-Office Initiatives — Let's GO 資源保護, 綠色辦公措施 — 綠識空間
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, water usage efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題, 以及提升用水效益計劃及所得成果。	Resources Conservation 資源保護
KPI A2.5 關鍵績效指標 A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量。	Resources Consumption 資源消耗
<b>Aspect A3 層面 A3</b>	<b>The Environment and Natural Resources 環境及天然資源</b>	
General Disclosure 一般披露	Policies on minimizing the issuers' significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	Environmental Compliance 環境合規
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Environmental Impacts Minimisation, Green-Office Initiatives — Let's GO 減少環境影響, 綠色辦公 措施 — 綠識空間

KPIs 關鍵績效指標	ESG Reporting Guide Requirements 環境、社會及管治報告指引規定	Section/Remarks 節／備註
<b>B. Social 社會</b>		
<b>Aspect B1 層面 B1</b>		
<b>Employment 僱傭</b>		
General Disclosure 一般披露	Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利措施的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. 遵守對發行人有重大影響的相關法律及規例的資料。	Labour Practices 勞工常規
KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	—
KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	—
<b>Aspect B2 層面 B2</b>		
<b>Health and Safety 健康與安全</b>		
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 遵守對發行人有重大影響的相關法律及規例的資料。	Occupational Health and Safety 職業健康與安全
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	Occupational Health and Safety 職業健康與安全
KPI B2.2 關鍵績效指標 B2.2	Lost person days due to work injuries. 因工傷損失工作日數	Occupational Health and Safety 職業健康與安全
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Occupational Health and Safety 職業健康與安全



**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT**  
**環境、社會及管治報告**

KPIs 關鍵績效指標	ESG Reporting Guide Requirements 環境、社會及管治報告指引規定	Section/Remarks 節／備註
<b>Aspect B3 層面 B3</b>	<b>Development and Training 發展及培訓</b>	
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Training and Development 培訓及發展
KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層)劃分，受訓僱員百分比。	Training and Development 培訓及發展
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成的平均培訓時數。	Training and Development 培訓及發展
<b>Aspect B4 層面 B4</b>	<b>Labour Standards 勞工準則</b>	
General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to prevention of child or forced labour. 遵守對發行人有重大影響的相關法律及規例的資料。	Labour Practices 勞工常規
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	Labour Practices 勞工常規
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Labour Practices 勞工常規
<b>Aspect B5 層面 B5</b>	<b>Supply Chain Management 供應鏈管理</b>	
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地理區位分類的供應商數目。	—
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Supply Chain Management 供應鏈管理

KPIs 關鍵績效指標	ESG Reporting Guide Requirements 環境、社會及管治報告指引規定	Section/Remarks 節/備註
<b>Aspect B6 層面 B6</b>	<b>Product Responsibility 產品責任</b>	
General Disclosure 一般披露	Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redressal. 遵守對發行人有重大影響的相關法律及規例的資料。	Product Quality 產品質量
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	–
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 收到的有關產品及服務的投訴數目以及處理方法。	–
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Intellectual Property Rights Protection 知識產權保護
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量擔保流程及召回程序。	Product Quality 產品質量
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	–
<b>Aspect B7 層面 B7</b>	<b>Anti-Corruption 反貪污</b>	
General Disclosure 一般披露	Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 遵守對發行人有重大影響的相關法律及規例的資料。	Business Ethics 商業道德
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於報告期間內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Business Ethics 商業道德
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Business Ethics 商業道德

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT**  
**環境、社會及管治報告**

KPIs 關鍵績效指標	ESG Reporting Guide Requirements 環境、社會及管治報告指引規定	Section/Remarks 節／備註
<b>Aspect B8 層面 B8</b>	<b>Community Investment 社區投資</b>	
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	–
KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	–



羅兵咸永道

To the Shareholders of Hifood Group Holdings Co., Limited  
(incorporated in the Cayman Islands with limited liability)

## OPINION

### What we have audited

The consolidated financial statements of Hifood Group Holdings Co., Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 74 to 151, which comprise:

- the consolidated statement of financial position as at 31 March 2018;
- the consolidated statement of profit or loss and other 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.

### Our opinion

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 2018, 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.

致海福德集團控股有限公司股東  
(於開曼群島註冊成立的有限公司)

## 意見

### 吾等已審核的內容

海福德集團控股有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第74至151頁的綜合財務報表，包括：

- 於2018年3月31日的綜合財務狀況表；
- 截至該日止年度的綜合損益及其他全面收益表；
- 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。

### 吾等的意見

吾等認為，該等綜合財務報表已根據香港會計師公會(「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2018年3月31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》的披露規則妥為擬備。



羅兵咸永道

### **BASIS FOR OPINION**

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKASAs”) 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.

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### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgement, 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.

### **意見的基礎**

吾等已根據香港會計師公會頒布的《香港審核準則》（「香港審核準則」）進行審核。吾等在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表承擔的責任」部分中作進一步闡述。

吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

#### *獨立性*

根據香港會計師公會頒布的《專業會計師道德守則》（「守則」），吾等獨立於 貴集團，並已履行守則中的吾等其他道德責任。

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### **關鍵審計事項**

關鍵審計事項是根據吾等的專業判斷，認為吾等對本期財務報表的審核最為重要的事項。這些事項是在吾等審核整體綜合財務報表及出具意見時進行處理的，而吾等不會對這些事項提供單獨的意見。



羅兵咸永道

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

- Revenue Recognition: Sales of goods
- Disposal gains of a subsidiary and a property

**Key Audit Matters**  
關鍵審計事項

**Revenue Recognition: Sales of goods**  
收益確認：產品銷售

Refer to Note 2.3 Revenue Recognition: (a) Sales of goods and Note 5 to the consolidated financial statements.  
請參考綜合財務報表附註2.3收益確認：(a) 產品銷售及附註5。

During the year ended 31 March 2018, the Group has recognised revenue from sales of goods of approximately HK\$424,452,000.  
截至2018年3月31日止年度，貴集團已確認貨品銷售收益約424,452,000港元。

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group, and when the risks and rewards have been transferred to the buyer upon delivery of the products to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership.  
當收益的金額能可靠地計量、當未來經濟利益很可能流入貴集團以及當風險及回報已於向買方交付貨物時轉移至買方，而貴集團並不保留與所有權有關的管理時確認收益。

We focused on this area due to the large volume of sales transactions generated from different customers in different locations during the year, and thus significant time and resources were devoted in this area.  
吾等關注該領域是由於於本年度不同地區的不同客戶產生大量銷售交易，因此在該領域投放了大量時間及資源。

吾等在審核中識別的關鍵審計事項概述如下：

- 收益確認：產品銷售
- 出售一間附屬公司及一項物業的收益

**How our audit addressed the Key Audit Matters**  
吾等的審核如何處理關鍵審計事項

We understood, evaluated and validated management's key controls in respect of the Group's sales transactions from the approval of contract or sales order, recording of sales upon goods delivery, through to reconciliations with cash receipts, goods delivery notes, shipping documents and records of each sales details and approval over sales return.  
吾等從合約或銷售訂單的審批、交付貨物時的銷售記錄、核對至現金收據對貨物交付票據、貨運單據及每筆銷售記錄詳情以及銷售退回的審批等各方面瞭解、評估和驗證管理層對貴集團銷售交易的關鍵控制。

We conducted testing of revenue transactions covering different locations and customers, on a sample basis, by examining the relevant supporting documents, including sales orders, invoices, goods delivery notes, shipping documents and bank statements for cash receipts.  
吾等透過檢查相關支持文件(包括銷售訂單、發票、貨物交付票據、貨運單據及現金收據的銀行結單)對涵蓋不同地區及客戶錄得的收益交易進行測試。

We also focused on sales transactions that took place shortly before and after the balance sheet date. We examined the goods delivery notes and shipping documents, to assess whether revenue was recognised in the correct reporting periods.  
吾等同時專注於資產負債表日前後發生的銷售交易。吾等審查了貨物交付票據和貨運單據，以評估是否在正確的報告期內確認了收益。

We inspected the sales ledger after the year end date to identify significant sales return.  
吾等在年結日期後檢查了銷售分類賬，以確定重大銷售退回。

Based on our audit procedures, we found the Group's revenue recognition in relation to sales of goods was supported by the evidence that we gathered.  
根據吾等的審核程序，吾等發現吾等所收集到的證據支持貴集團有關銷售貨物的收益確認。



**Key Audit Matters (continued)**  
關鍵審計事項 (續)

**Disposal gains of a subsidiary and a property**  
出售一間附屬公司及一間物業的收益

Refer to Notes 26 and 6 to the consolidated financial statements.  
請參考綜合財務報表中附註26和6。

In August 2017, the Group disposed one of its subsidiaries to a third party for a total consideration of HK\$35,000,000. The Group recognised a disposal gain of approximately HK\$12,992,000 in the consolidated statement of profit or loss and other comprehensive income.

於2017年8月，貴集團向一名第三方出售其中一間附屬公司，總對價為35,000,000港元。貴集團在綜合損益及其他全面收益表中確認出售收益約12,992,000港元。

In July 2017, the Group disposed a property in the mainland China for a total consideration of HK\$154,513,000, and recognised a disposal gain of HK\$4,409,000 in the consolidated statement of profit or loss and other comprehensive income.

於2017年7月，貴集團出售一項在中國大陸的物業，總對價為154,513,000港元，並在綜合損益及其他全面收益表中確認出售收益4,409,000港元。

We focused on this area due to the gains on disposal of a subsidiary and property are significant to the results of the Group and thus significant time and resources were devoted in these areas.

吾等關注該領域是由於出售一間附屬公司及一項物業的收益對貴集團的業績影響重大，因此在該領域投入了大量時間及資源。

羅兵咸永道

**How our audit addressed the Key Audit Matters (continued)**  
吾等的審核如何處理關鍵審計事項 (續)

We reviewed the relevant minutes of the board of directors and announcement of the transactions.  
吾等審閱了相關董事會會議紀要及交易的公告。

We inquired management about background of the transactions, and reviewed the procedures carried out by management to ascertain the relationship between the Group and the transacting parties.

吾等向管理層詢問了交易背景，並審閱了管理層為驗證貴集團與交易方之間關係而執行的程序。

We examined the related agreements and performed background search of the transacting parties.

吾等檢查了相關的協議，並對交易各方進行背景調查。

We validated the date of completion of the disposal and the respective net book values as of the date of disposal by checking against the documents and information we gathered.

透過核對吾等收集的文件及資料，吾等對出售事項的完成日期及於出售日期的相關賬面淨值進行驗證。

We agreed the cash considerations received to the respective sales agreements and bank-in slips. We recalculated the gains on disposal arising from the transactions.

吾等同意銀行收據與相關銷售協議收取的現金對價一致。吾等重新計算了該交易所產生的出售收益。

Based on the procedures performed, we found that the gains on disposal of the subsidiary and the property were supported by available evidence.

基於審核程序，吾等發現出售附屬公司及物業獲得憑證支持。



## 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.

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## 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.

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羅兵咸永道

## 其他信息

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吾等的核數師報告。

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

結合吾等對綜合財務報表的審核，吾等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吾等在審核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。

基於吾等已執行的工作，如果吾等認為其他信息存在重大錯誤陳述，吾等需要報告該事實。於此方面，吾等沒有任何報告。

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## 董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須對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》的披露規則所擬備真實而中肯的綜合財務報表負責，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。

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羅兵咸永道

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

**核數師就審核綜合財務報表承擔的責任**

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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

吾等的目標，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，並出具包含吾等意見的核數師報告。吾等僅向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等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《香港審核準則》進行的審核，總能在某一重大錯誤陳述存在時發現。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合計時可能影響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。

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

在根據《香港審核準則》進行審核的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 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.

- 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，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，作為吾等意見的基礎。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。
- 了解與審核相關的內部控制，以設計適當的審核程序，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，並根據所獲取的審核憑證，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。如果吾等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，則吾等應當發表非無保留意見。吾等的結論是基於核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。



羅兵咸永道

- 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 Li, Jack.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 12 June 2018

- 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 貴集團內各實體或業務活動的財務資料獲得充足而恰當的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

除其他事項外，吾等與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等，包括吾等在審核中識別出內部控制的任何重大缺陷。

吾等還向審核委員會提交聲明，說明吾等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吾等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，吾等確定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審計事項。吾等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，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，吾等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核項目合夥人是黎英杰。

**羅兵咸永道會計師事務所**  
執業會計師

香港，2018年6月12日

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收益表

Year ended 31 March 2018  
截至2018年3月31日止年度

		Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>	4&5	<b>433,666</b>	547,623
Cost of sales	銷售成本	8	(355,041)	(440,824)
Gross profit	毛利		<b>78,625</b>	106,799
Other income	其他收入	5	<b>2,660</b>	2,890
Selling expenses	銷售開支	8	<b>(31,826)</b>	(42,608)
Administrative expenses	行政開支	8	<b>(61,610)</b>	(70,997)
Other (losses)/gains, net	其他(虧損)/收益淨額	6&8	<b>(12,518)</b>	3,926
			<b>(24,729)</b>	10
Finance costs	財務成本	7	<b>(8,714)</b>	(6,153)
Share of loss of a joint venture	應佔合營公司虧損	16	<b>(140)</b>	(27)
<b>LOSS BEFORE TAX</b>	<b>除稅前虧損</b>		<b>(33,583)</b>	(6,170)
Income tax expense	所得稅開支	11	<b>(3,714)</b>	(2,984)
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY</b>	<b>本公司股權擁有人應佔年內虧損</b>		<b>(37,297)</b>	(9,154)
<b>LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:</b>	<b>本公司普通股權益持有人應佔每股虧損：</b>			
— Basic and diluted	— 基本及攤薄	13	<b>HK\$(0.22) (0.22) 港元</b>	HK\$(0.06) (0.06) 港元
<b>OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS, NET OF TAX</b>	<b>日後期間將予重新分類至損益賬的其他全面收益/(虧損)，扣除稅項</b>			
Change in fair value of an available-for-sale investment	可供出售投資之公允值變動		<b>491</b>	520
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額		<b>18,352</b>	(16,659)
Realisation of exchange fluctuation reserve upon disposal/ deregistration of a subsidiary	出售/註銷一間附屬公司時變現匯兌波動儲備		<b>1,020</b>	(6,056)
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX</b>	<b>年內其他全面收益/(虧損)，扣除稅項</b>		<b>19,863</b>	(22,195)
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY</b>	<b>本公司股權擁有人應佔年內全面虧損總額</b>		<b>(17,434)</b>	(31,349)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

以上綜合損益及其他全面收益表應連同附註一起參閱。

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 綜合財務狀況表

As at 31 March 2018  
於2018年3月31日

		Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	27,460	171,871
Prepaid land lease payments	預付土地租賃款項	15	–	13,271
Prepayments for construction in progress	在建工程預付款項		–	267
Investment in a joint venture	於合營公司之投資	16	140	367
Other non-current assets	其他非流動資產	16	454	–
Available-for-sale investment	可供出售投資	17	15,674	15,015
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>43,728</b>	200,791
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	18	49,659	109,590
Trade receivables	貿易應收款項	19	67,934	176,125
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	7,741	23,561
Tax recoverable	可收回稅項		1,158	1,901
Prepaid land lease payments	預付土地租賃款項	15	–	389
Pledged bank deposits	已質押銀行存款	21	–	55,495
Cash and bank balances	現金及銀行結餘	21	230,489	152,090
<b>Total current assets</b>	<b>流動資產總值</b>		<b>356,981</b>	519,151
<b>Total assets</b>	<b>資產總值</b>		<b>400,709</b>	719,942
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	22	28,034	160,304
Interest-bearing bank and other borrowings	計息銀行及其他借貸	23	–	232,438
Obligations under finance leases	融資租賃承擔	24	560	1,580
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>28,594</b>	394,322

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 綜合財務狀況表

As at 31 March 2018

於2018年3月31日

		Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Obligations under finance leases	融資租賃承擔	24	1,417	4,120
Deferred tax liabilities	遞延稅項負債	25	1,922	236
Total non-current liabilities	非流動負債總額		3,339	4,356
Total liabilities	負債總額		31,933	398,678
<b>EQUITY</b>	<b>權益</b>			
Equity attributable to the equity holders of the Company	本公司股權擁有人應佔權益			
Share capital	股本	27	863	800
Reserves	儲備	28	367,913	320,464
Total equity	權益總額		368,776	321,264
Total equity and liabilities	權益及負債總額		400,709	719,942

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

以上綜合財務狀況表應連同附註一起參閱。

The financial statements on page 74 to 151 were approved by the Board of Directors on 12 June 2018 and were signed on its behalf.

隨附74至151頁財務報表已於2018年6月12日由董事會批准及代表簽署。

**NANG Qi**  
龔麟  
Director  
董事

**CHEN Peiliang**  
陳佩良  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

Year ended 31 March 2018  
截至2018年3月31日止年度

		Attributable to the owners of the parent 母公司擁有人應佔									
		Share capital	Share premium	Statutory surplus reserve	Merger reserve	Capital surplus	Available- for-sale investment revaluation reserve	Exchange fluctuation reserve	Warrant reserve	Retained profits	Total equity
		股本 HK\$'000 千港元 (附註 27)	股份溢價 HK\$'000 千港元 (附註 27)	法定盈餘 儲備 HK\$'000 千港元 (附註 28)	合併儲備 HK\$'000 千港元 (附註 28)	資本盈餘 HK\$'000 千港元 (附註 28)	重估可供 出售投資 儲備 HK\$'000 千港元 (附註 17)	外匯波動 儲備 HK\$'000 千港元	認股權證 儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	權益總額 HK\$'000 千港元
At 1 April 2016	於2016年4月1日	800	60,374	6,953	1,940	105,366	(3,550)	4,105	-	176,625	352,613
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(9,154)	(9,154)
Transfer from retained profits	轉撥自保留溢利	-	-	587	-	-	-	-	-	(587)	-
Other comprehensive loss for the year:	年內其他全面 虧損:										
Changes in fair value of an available-for-sale investment	可供出售投資之 公允價值變動	-	-	-	-	-	520	-	-	-	520
Exchange differences on translation of foreign operations	換算國外業務產 生的匯兌差額	-	-	-	-	-	-	(16,659)	-	-	(16,659)
Realisation of exchange fluctuation reserve upon deregistration of a subsidiary	註銷一間附屬公司 後變現匯兌 波動儲備	-	-	-	-	-	-	(6,056)	-	-	(6,056)
<b>Total comprehensive loss for the year</b>	<b>年內全面虧損總額</b>	-	-	587	-	-	520	(22,715)	-	(9,741)	(31,349)
At 31 March 2017	於2017年3月31日	800	60,374*	7,540*	1,940*	105,366*	(3,030)*	(18,610)*	-	166,884*	321,264
At 1 April 2017	於2017年4月1日	800	60,374*	7,540*	1,940*	105,366*	(3,030)*	(18,610)*	-	166,884*	321,264
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(37,297)	(37,297)
Transfer from retained profits	轉撥自保留溢利	-	-	145	-	-	-	-	-	(145)	-
Other comprehensive loss for the year:	年內其他全面 虧損:										
Changes in fair value of an available-for-sale investment	可供出售投資之 公允價值變動	-	-	-	-	-	491	-	-	-	491
Exchange differences on translation of foreign operations	換算國外業務產 生的匯兌差額	-	-	-	-	-	-	18,352	-	-	18,352
Disposal of exchange fluctuation reserve upon deregistration of a subsidiary	處置一間附屬公司 時變現匯兌 波動儲備	-	-	-	-	-	-	1,020	-	-	1,020
<b>Total comprehensive loss for the year</b>	<b>年內全面虧損總額</b>	-	-	145	-	-	491	19,372	-	(37,442)	(17,434)
<b>Transaction with owners</b>	<b>與擁有人交易</b>										
Issue of unlisted warrants net off expense	發行未上市認股權 證，扣除開支	-	-	-	-	-	-	-	2,470	-	2,470
The places shares net of expenses	配售股份，扣除開支	63	62,413	-	-	-	-	-	-	-	62,476
		63	62,413	-	-	-	-	-	2,470	-	64,946
At 31 March 2018	於2018年3月31日	863	122,787	7,685	1,940	105,366	(2,539)	762	2,470	129,442	368,776

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

以上綜合權益變動表應連同附註一起參閱。

## CONSOLIDATED STATEMENT OF CASH FLOWS

### 綜合現金流量表

Year ended 31 March 2018

截至2018年3月31日止年度

		Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		附註		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金流量</b>			
Loss before tax	除稅前虧損		<b>(33,583)</b>	(6,170)
Adjustments for:	調整：			
Finance costs	財務成本	7	<b>8,714</b>	6,153
Share of loss of a joint venture	應佔合營公司虧損		<b>140</b>	27
Interest income	利息收入	5	<b>(1,236)</b>	(1,389)
Losses/(gains) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損/(收益)	6	<b>1,063</b>	(287)
Depreciation	折舊	8	<b>8,191</b>	10,538
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	15	<b>221</b>	399
Write-back of inventories to net realisable value	撥回存貨至可變現淨值	18	<b>(168)</b>	(1,486)
Allowance for doubtful, debts net	呆賬撥備淨額	19	<b>782</b>	-
Net realised gain on bank and other borrowings	銀行及其他借貸淨變現收益		<b>1,090</b>	-
Net realised gain on trading securities	買賣證券變現收益淨值		-	(55)
Realisation of exchange fluctuation reserve upon deregistration or disposal of a subsidiary	註銷或處置一間附屬公司時變現匯兌波動儲備	26	<b>1,020</b>	(6,056)
Gain on disposal of a subsidiary	處置一間附屬公司的收益	26	<b>(12,992)</b>	-
			<b>(26,758)</b>	1,674
Decrease/(increase) in inventories	存貨減少/(增加)		<b>61,711</b>	(17,372)
Decrease in trade receivables	貿易應收款項減少		<b>110,455</b>	7,345
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少		<b>15,590</b>	8,350
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加		<b>(128,967)</b>	69,555
Increase in other non-current assets	其他非流動資產增加		<b>(367)</b>	-
Cash generated from operations	經營所得現金		<b>31,664</b>	69,552
Interest paid	已付利息		<b>(8,553)</b>	(5,811)
Interest element on finance lease rental payments	融資租賃租金付款的利息部分		<b>(257)</b>	(227)
Income tax paid	已付所得稅		<b>(1,243)</b>	(1,816)
Net cash flows from operating activities	經營活動所得現金流量淨額		<b>21,611</b>	61,698

## CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

Year ended 31 March 2018  
截至2018年3月31日止年度

	Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Net cash flows from operating activities		<b>21,611</b>	61,698
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動所得現金流量</b>		
Interest received		<b>1,236</b>	1,389
Purchases of items of property, plant and equipment		<b>(8,530)</b>	(6,116)
Proceeds from disposal of items of property, plant and equipment		<b>140,381</b>	824
Decrease in an amount due from a joint venture		–	12
Purchase of trading securities		–	(172)
Proceeds from disposal of trading securities		–	227
Net proceeds from disposal of a subsidiary	26	<b>33,839</b>	–
Decrease in pledged bank deposits		<b>58,421</b>	31,141
Net cash flows from investing activities		<b>225,347</b>	27,305
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金流量</b>		
Proceeds from bank and other borrowings		<b>219,570</b>	588,677
Repayment of bank and other borrowings		<b>(453,098)</b>	(582,325)
Capital element of finance lease rental payments		<b>(3,824)</b>	(1,473)
Proceeds from the placement of shares		<b>62,476</b>	–
Proceeds from issue of unlisted warrants		<b>2,470</b>	–
Net cash flows (used in)/from financing activities		<b>(172,406)</b>	4,879
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加淨額</b>	<b>74,552</b>	93,882
Cash and cash equivalents at beginning of year		<b>152,090</b>	62,106
Effect of foreign exchange rate changes, net		<b>3,847</b>	(3,898)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年末現金及現金等價物</b>	<b>230,489</b>	152,090
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物結餘分析</b>		
Cash and bank balances as stated in the consolidated statement of financial position	綜合財務狀況表所列的現金及 銀行結餘	<b>230,489</b>	152,090

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

以上綜合現金流量表應連同附註一起參閱。



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

#### 1. CORPORATE AND GROUP INFORMATION

Hifood Group Holdings Co., Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 6 June 2014. The registered office of the Company is located at Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The Company was formerly known as KTL International Holdings Group Limited and the name of the Company was changed to its current name on 24 October 2017.

During the year, the Company and its subsidiaries (collectively the “Group”) were principally involved in the manufacture and sale of jewellery and related products.

In the opinion of the directors, the holding company of the Company is HNA Aviation Investment Holding Company Ltd., which was incorporated in Cayman Islands. The ultimate controlling company is HNA Group Co., Ltd.

The Shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 11 March 2015 (the “Listing”).

#### Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊 及經營地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
KTL Brilliant Limited 三和展利有限公司	Hong Kong 香港	HK\$100,000 100,000 港元	–	100	Investment holding and provision of car rental service to inter-group companies 投資控股及向集團內公司提供汽車租賃服務
KTL Management Limited 三和管理有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	–	100	Investment holding 投資控股
K.T.L. Development Co., Limited 三和展貿有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	–	100	Investment holding and provision of car rental service to inter-group companies 投資控股及向集團內公司提供汽車租賃服務
KTL (Guangzhou) Jewellery Limited 雅和(廣州)首飾有限公司	Mainland China 中國大陸	HK\$40,000,000 40,000,000 港元	–	100	Manufacture of jewellery 珠寶製造

#### 1. 公司及集團資料

Hifood Group Holdings Co., Limited (「本公司」) 於2014年6月6日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處設於 Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。本公司前稱為 KTL International Holdings Group Limited，本公司的名稱於2017年10月24日變更為目前名稱。

年內，本公司及其附屬公司(統稱「本集團」)主要從事珠寶及相關產品的製造及銷售。

董事認為，本公司的控股公司為於開曼群島註冊成立的 HNA Aviation Investment Holding Company Ltd.，而其最終控股公司為海航集團有限公司。

本公司股份於2015年3月11日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

#### 關於附屬公司的資料

本公司主要附屬公司的詳情如下：

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊 及經營地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
K.T.L Jewellery Manufacturer Limited 三和珠寶有限公司	Hong Kong 香港	HK\$500,000 500,000 港元	-	100	Trading of jewellery 珠寶貿易
Alan's Jewellery Company Limited 雅倫珠寶有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	-	100	Trading of jewellery 珠寶貿易
Guangzhou KTL Jewellery Limited 廣州市卡締爾首飾有限公司	Mainland China 中國大陸	HK\$55,000,000 55,000,000 港元	-	100	Manufacture and trading of jewellery 珠寶製造及貿易
KTL Jewellery Trading Limited ("KTL Trading") 三和珠寶貿易有限公司 (「三和珠寶貿易」)	Hong Kong 香港	HK\$10,000 10,000 港元	-	100	Manufacture and trading of jewellery and investment holding 珠寶製造及貿易 以及投資控股
KTL Jewellery Manufacturer (Europe) Limited	Hong Kong 香港	HK\$1 1 港元	-	100	Trading of jewellery 珠寶貿易
JPI (HK) Limited	Hong Kong 香港	HK\$1 1 港元	-	100	Trading of jewellery 珠寶貿易

During the year ended 31 March 2018, the Company disposed Guangzhou Dihe Jewellery Limited ("Dihe") one of its subsidiaries. For detailed information please refer to Note 26.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. As at 31 March 2018, the consolidated net asset value of all subsidiaries other than the Company was approximately HK\$193.4 million (2017: approximately HK\$198.6 million). To give details of other subsidiaries would, in the opinion of the directors, result in excessive length of particulars.

1. 公司及集團資料(續)

關於附屬公司的資料(續)

本公司主要附屬公司的詳情如下:(續)

於截至2018年3月31日止年度,本公司處置其中一間附屬公司廣州締和首飾有限公司(「締和」),詳情請參見附註26。

上表列示本公司之附屬公司,而董事認為,該等附屬公司對年度業績產生重大影響或構成本集團資產淨值之主要部份。於2018年3月31日,除本公司以外的所有附屬公司的綜合資產淨值約為193.4百萬港元(2017年:約198.6百萬港元)。董事認為,詳列其他附屬公司之詳情將會引致內容過於冗長。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

#### 2.1 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for available-for-sale investment which has been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

##### Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 March 2018. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

#### 2.1 編製基準

綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例的披露規定編製。綜合財務報表乃按歷史成本法編製，惟可供出售投資按公允值計量除外。該等綜合財務報表以港元（「港元」）呈列，除非另有指明，否則所有價值均已約整至最接近千位數。

##### 綜合基準

綜合財務報表包括本集團截至2018年3月31日止年度的財務報表。附屬公司指本公司直接或間接控制的實體。當本集團因參與被投資方的業務而可或有權獲得可變回報，並有能力通過對被投資方行使的權力（即賦予本集團目前支配被投資方相關活動的能力的現有權利）影響該等回報時，則視為擁有控制權。

當本公司直接或間接擁有少於被投資方過半數投票權或類似權利時，本集團於評估其是否對被投資方擁有權力時會考慮所有相關事實及情況，包括：

- (a) 與該被投資方的其他投票權持有人的合約安排；
- (b) 根據其他合約安排享有的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司採用與本公司一致的會計政策編製相同報告期間的財務報表。附屬公司的業績乃自本集團取得控制權日期起綜合入賬，並繼續綜合入賬直至該等控制權終止之日為止。與本集團成員公司之間交易有關的所有集團內公司間資產及負債、權益、收入、開支及現金流量於綜合入賬時全數對銷。

倘有事實及情況顯示上文附屬公司會計政策所述控制權的三個因素中，有一個或以上出現變化，本集團會重估其是否仍然控制該被投資方。附屬公司擁有權益的變動（並無失去控制權）乃按權益交易列賬。

## 2.1 BASIS OF PREPARATION (CONTINUED)

### Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

### (a) New standards and interpretations already adopted

The following new and amended standards have been adopted since the financial year beginning 1 January 2017:

HKAS 7 (Amendments) "Statement of cash flows" is effective for annual periods beginning on or after 1 January 2017. The amendments introduced an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities.

The amendments to HKAS 7 require disclosure of changes in liabilities arising from financing activities. See Note 29.

### (b) Standards, amendments and interpretations to existing standards effective in 2017 but not relevant to the Group.

HKAS 12 (Amendments)  
香港會計準則第12號(修訂本)  
HKFRS 12 (Amendment)  
香港財務報告準則第12號(修訂本)

Income taxes  
所得稅  
Disclosure of interest in other entities  
於其他實體的權益披露

Effective for annual  
periods beginning  
on or after  
於以下日期或之後  
開始的年度期間生效

1 January 2017  
2017年1月1日  
1 January 2017  
2017年1月1日

## 2.1 編製基準(續)

### 綜合基準(續)

倘本集團失去對一家附屬公司的控制權，則其終止確認(i)該附屬公司的資產(包括商譽)和負債、(ii)任何非控股權益的賬面值及(iii)在權益內記錄的累計匯兌差額；以及確認(i)所收對價的公允值、(ii)任何保留投資的公允值及(iii)損益賬中任何因此產生的盈餘或虧絀。先前已於其他全面收益確認之本集團應佔部分，按假設本集團直接出售相關資產或負債所須採用之相同基準，視乎情況重新分類至損益或保留溢利。

## 2.2 會計政策變動及披露

### (a) 已採納的新訂準則及詮釋

以下新訂及經修訂準則須於2017年1月1日開始的財政年度採納：

香港會計準則第7號(修訂本)「現金流量表」於2017年1月1日或之後開始的年度期間生效。該等修訂本引入額外披露，致使財務報表的用者能夠評估融資活動所產生的負債變動。

香港會計準則第7號(修訂本)要求披露融資活動所產生的負債變動。參見附註29。

### (b) 於2017年生效但與本集團無關的準則及現行準則的修訂和解釋。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

#### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (c) The following new standards, new interpretations and amendments to standards and interpretations have been issued and been effective for the financial year beginning on 1 January 2018 and after, and have not been early adopted:

#### 2.2 會計政策變動及披露(續)

- (c) 以下新準則、新詮釋及準則和詮釋的修訂本已頒布及已於2018年1月1日及之後開始的財政年度生效，惟尚未提早採納：

		Effective for annual periods beginning on or after 於以下日期或之後開始的年度期間生效
HKFRS 1 (Amendment) 香港財務報告準則第1號(修訂本)	First time adoption of HKFRS 首次採納香港財務報告準則	1 January 2018 2018年1月1日
HKFRS 2 (Amendments) 香港財務報告準則第2號(修訂本)	Classification and measurement of share-based payment transactions 以股份為基準的付款交易之分類及計量	1 January 2018
HKFRS 4 (Amendments) 香港財務報告準則第4號(修訂本)	Insurance contracts 保險合約	2018年1月1日 1 January 2018 or when the entity first applies HKFRS 9
HKFRS 9 (Amendments) 香港財務報告準則第9號(修訂本)	Financial instruments 金融工具	2018年1月1日 1 January 2018
HKFRS 15 香港財務報告準則第15號	Revenue from contracts with customers 客戶合約收益	2018年1月1日
HK (IFRIC) 22 香港(國際財務報告詮釋委員會) 詮釋第22號	Foreign currency transactions and advance consideration 外幣交易及預付對價	2018年1月1日 1 January 2018
HKAS 28 (Amendment) 香港會計準則第28號(修訂本)	Investments in associates and joint ventures 於聯營公司及合營企業之投資	2018年1月1日
HKAS 40 (Amendments) 香港會計準則第40號(修訂本)	Transfers of investment property 投資物業轉撥	1 January 2018
HKFRS 16 香港財務報告準則第16號	Leases 租賃	2018年1月1日
HK (IFRIC) 23 香港(國際財務報告詮釋委員會) 詮釋第23號	Uncertainty over income tax treatments 所得稅處理之不確定性	1 January 2019 2019年1月1日
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2021 2021年1月1日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計 準則第28號之修訂	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企業之間的資產 出售或出資	To be determined 待定

The Group is assessing the full impact of other new standards, new interpretations and amendments to standards and interpretations.

本集團正在評估其他新準則、新詮釋及準則和詮釋的修訂本的全面影響。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### (d) HKFRS 9, Financial Instruments

#### Nature of change

HKFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

#### Impact

The Group does not expect the new guidance to have significant impact on the classification and measurement of its financial assets.

The Group has reviewed its financial assets and liabilities and is expecting the following impact from the adoption of the new standard on 1 January 2018:

The Group does not have any hedge instrument. Therefore, the Group does not expect any impact on the new hedge accounting rules.

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets under HKFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. Based on the preliminary assessment result, the Group will expect increase in expected credit losses, but does not expect to material change to the loss allowance for trade debtors and other receivables.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

HKFRS 9 must be applied for financial years commencing on or after 1 January 2018. The group will apply the new rules use modified retrospective approach from 1 January 2018, with the practical expedients permitted under the standard. Comparatives for 2017 will not be restated.

## 2.2 會計政策變動及披露(續)

### (d) 香港財務報告準則第9號，金融工具 變動性質

香港財務報告準則第9號處理金融資產和金融負債的分類、計量和終止確認，並引入了有關套期會計的新規定以及金融資產的新減值模型。

#### 影響

本集團預期新指引不會對其金融資產的分類及計量產生重大影響。

本集團已審閱其金融資產及負債並預期於2018年1月1日採納新準則起產生下列影響：

本集團並無任何對沖工具。因此，本集團預期不會對新對沖會計規則產生任何影響。

新減值模式要求按預期信貸虧損，而非香港會計準則第39號項下僅以已產生的信貸虧損確認減值撥備。其適用於按攤銷成本分類之金融資產、按公允值計入其他全面收益之債務工具、香港財務報告準則第15號客戶合約收益項下合約資產、租賃應收賬款、貸款承擔及若干財務擔保合約。根據初步評估結果，本集團預期信貸虧損將會上升，但預期有關上升對貿易債務人和其他應收款項的虧損撥備影響並不重大。

新準則亦引入延伸的披露規定及呈列方式變動。該等規定及呈列方式預期將改變本集團有關其金融工具披露的性質及程度，尤其是採納新準則的年度。

香港財務報告準則第9號必須在2018年1月1日或之後開始的財政年度應用。本集團將自2018年1月1日按修改追溯法應用新規則及準則項下所允許的可行權宜處理。2017年的比較數字將不予重列。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### (e) HKFRS 15, Revenues from Contracts with Customers

#### Nature of change

The HKICPA issued HKFRS 15 as a new standard for the recognition of revenue to replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Based on the preliminary assessment result, the Group does not expect any material impact on the adoption of new HKFRS 15.

HKFRS 15 is mandatory for financial years commencing on or after 1 January 2018. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

## 2.2 會計政策變動及披露(續)

### (e) 香港財務報告準則第15號客戶合約收益

#### 變動性質

香港會計師公會已頒佈香港財務報告準則第15號作為收益確認之新訂準則，以取代香港會計準則第18號(涵蓋貨品及服務合約)及香港會計準則第11號(涵蓋建築合約及相關文獻)。

新訂準則乃基於貨品或服務控制權轉移至客戶時確認收益之原則。

該準則允許在採納時採用全面追溯方式或修改追溯方式。

根據初步評估結果，本集團預期採納新訂香港財務報告準則第15號不會產生任何重大影響。

香港財務報告準則第15號在2018年1月1日或之後開始的財政年度強制生效。本集團擬於採納該準則時採用修改追溯法，即表示採納的累計影響將於2018年1月1日的保留盈利確認，且比較數字將不予重列。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Separate financial statements

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

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the year 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.

### Investment in a joint venture

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

The Group's investment in a joint venture is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of a joint venture is included in the consolidated statement of profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint venture are eliminated to the extent of the Group's investments in the joint venture except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of a joint venture is included as part of the Group's investment in joint venture. When an investment in a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

## 2.3 主要會計政策概要(續)

### 獨立財務報表

於附屬公司的投資按成本減減值列賬。成本包括投資直接應佔成本。附屬公司的業績由本公司按已收及應收股息基準列賬。

於附屬公司的投資須於自該等投資獲發股息而股息超過宣派股息年度的附屬公司全面收益總額時，或獨立財務報表內投資賬面值超過綜合財務報表內被投資方資產淨值(包括商譽)的賬面值時進行減值測試。

### 於合營公司之投資

合營公司為一項共同安排，據此，擁有該安排共同控制權的各方有權享有該合營公司的資產淨值。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權的各方作出一致同意之決定時存在。

本集團於合營公司的投資乃根據權益會計法按本集團所佔資產淨值扣除減值虧損後於綜合財務狀況表中列示。我們已作出調整，以使可能存在的不同會計政策保持一致。

本集團應佔收購後的業績與合營公司的其他全面收益分別載於綜合損益及其他全面收益表。此外，倘一項變動直接於合營公司的股權中確認，則本集團將於綜合權益變動表中確認其股本的任何變動(倘適用)。除未實現虧損能為轉讓資產之減值提供證據的情況外，本集團與其合營公司之間的交易產生的未實現損益按本集團於合營公司的投資程度對銷。合營公司產生的商譽為本集團於合營公司之投資的一部分。倘於合營公司之投資分類為持作出售，則按香港財務報告準則第5號持作出售之非流動資產及終止經營業務入賬。



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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their profit or loss and other comprehensive income are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

### 2.3 主要會計政策概要 (續)

#### 外幣

該等財務報表乃以港元呈列，港元為本公司的功能貨幣。本集團旗下各實體自行決定其功能貨幣，而各實體財務報表內所包含項目均以該功能貨幣計量。本集團旗下實體錄得的外幣交易初始按交易日期各自的功能貨幣匯率入賬。以外幣計值的貨幣資產及負債按報告期末適用的功能貨幣匯率換算。結算或換算貨幣項目產生的差額於損益內確認。

因貨幣項目結算或換算產生的差額於損益賬確認，惟指定為本集團境外業務投資淨額對沖部分的貨幣項目除外。該等差額於其他全面收益確認，直至出售該投資淨額為止，屆時累計金額重新分類至損益。屬於該等貨幣項目匯兌差額的稅項支出及抵免亦於其他全面收益列賬。

以外幣列值按歷史成本計量的非貨幣項目按首次交易日期的匯率換算。以外幣列值按公允價值計量的非貨幣項目按釐定公允價值當日的匯率換算。換算按公允價值計量的非貨幣項目產生的收益或虧損的處理方法，與該項目公允價值變動產生的收益或虧損的確認方法一致（即於其他全面收益或損益確認公允價值收益或虧損的項目，其換算差額亦分別於其他全面收益或損益賬確認）。

若干海外附屬公司的功能貨幣並非港元。於報告期末，該等實體的資產與負債均以報告期末的現行匯率換算為港元，而該等公司的損益及其他全面收益則以該年度的加權平均匯率換算為港元。由此產生的匯兌差額在其他全面收益中確認並累積在外匯波動儲備中。在出售國外業務時，與特定國外業務有關的其他全面收益的組成部分在損益中得到確認。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress (“CIP”), are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on a straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

• Leasehold land	Over the lease terms
• Buildings	2% to 2.5%
• Leasehold improvement	Over the shorter of the lease terms and 20%
• Furniture and fixtures	20%
• Office equipment and computers	20% to 33%
• Plant and machinery	20%
• Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

## 2.3 主要會計政策概要(續)

### 外幣(續)

收購海外業務產生的任何商譽及收購時產生的資產及負債的眼面值的公允值調整被視作該海外業務的資產及負債並按收市匯率換算。

就綜合現金流量表而言，海外附屬公司的現金流量乃按現金流量日期的匯率換算為港元。海外附屬公司於整個年度不斷出現的現金流量，按年內加權平均匯率換算為港元。

### 物業、廠房及設備與折舊

除在建工程(「在建工程」)外，物業、廠房及設備乃以成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價及使資產處於擬定用途之運作狀態及地點的任何直接應佔成本。物業、廠房及設備項目投入運作後產生的支出，如維修保養等，一般於產生期間在損益中扣除。於符合確認條件的情況下，重大檢查支出资本化計入資產的眼面值作為重置項目。倘物業、廠房及設備的主要部分須分階段重置，則本集團確認該等部分為有具體可使用年期的個別資產，並據此計提折舊。

折舊乃以直線法計算，按其估計可使用年期將每項物業、廠房及設備的成本撇銷至其剩餘價值。就此所使用的主要年率如下：

• 租賃土地	租期
• 樓宇	2%至2.5%
• 租賃物業裝修	租期或20% (以較短者為準)
• 傢俬及裝置	20%
• 辦公設備及電腦	20%至33%
• 廠房及機器	20%
• 汽車	20%

倘物業、廠房及設備項目的不同部分的可使用年期有別，該項目的成本乃按合理基準分配至不同部分且各部分獨立進行折舊。剩餘價值、可使用年期及折舊方法至少須於各財政年末進行審閱及調整(如適用)。

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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

CIP represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. CIP is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

### 2.3 主要會計政策概要(續)

#### 物業、廠房及設備與折舊(續)

一項物業、廠房及設備項目(包括已作初步確認的任何重要部分)於出售或預期其使用或出售不會產生未來經濟利益時,將予以終止確認。於資產終止確認的年度因出售或報廢而於損益內確認的任何收益及虧損,乃有關資產的出售所得款項淨額與賬面值之間的差額。

在建工程指在建建築物,按成本扣除任何減值虧損列賬,且不計算折舊。成本包括直接建築成本及建築期內相關借貸產生的資本化借貸成本。在建工程於落成及可供使用時重新分類至物業、廠房及設備的適當類別。

#### 非金融資產減值

倘一項資產(存貨及金融資產除外)存在減值跡象,或需要進行年度減值測試,則會估計資產的可收回金額。資產可收回金額按該資產或現金產生單位的使用價值及其公允值減出售成本兩者中的較高金額計算,並按個別資產釐定,除非有關資產並無產生在頗大程度上獨立於其他資產或資產組別所產生之現金流入,在此情況下,可收回金額就資產所屬之現金產生單位釐定。

減值虧損僅於資產賬面值超逾其可收回金額時確認。於評估使用價值時,估計日後現金流量乃按稅前貼現率貼現至其現值。稅前貼現率反映當時市場對貨幣時間值的評估及該資產的特有風險。減值虧損乃按與減值資產功能相符的相關開支類別於產生期間自損益扣除。

於各報告期末,會評估是否有跡象顯示先前確認的減值虧損不再存在或可能已減少。倘有該等跡象存在,便會估計可收回金額。先前就資產(商譽除外)確認的減值虧損,僅於用以釐定該資產可收回金額的估計有變時予以撥回,但撥回金額不得高於假設過往年度並無就該資產確認減值虧損而釐定的賬面值(扣除任何折舊/攤銷)。撥回的減值虧損於其產生期間計入損益。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets

#### Initial recognition and measurement

##### (i) Classification

The Group classifies its financial assets in the following categories:

- loans and receivables,
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

##### a. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The Group's loans and receivables comprise of trade and other receivables and cash and cash equivalents.

##### b. Available-for-sale financial investment

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at FVPL, loans and receivables) are also included in the available-for-sale category.

The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of the reporting period.

Available-for-sale financial investment is a non-derivative financial asset in a life insurance policy.

## 2.3 主要會計政策概要(續)

### 投資及其他金融資產

#### 初始確認及計量

##### (i) 分類

本集團將其金融資產分為以下各類：

- 貸款及應收款項，
- 可供出售金融資產。

分類取決於收購投資的目的。管理層於初始確認時釐定其投資的類別，倘資產分類為持有至到期，則會於各報告期末重新評估這一分類。

##### a. 貸款及應收款項

貸款及應收款項為並非於活躍市場報價具有固定或可釐定付款的非衍生金融資產。倘預期於一年或以下收回款項，則分類為流動資產；否則呈列為非流動資產。本集團的貸款及應收款項包括貿易及其他應收款項以及現金及現金等價物。

##### b. 可供出售金融資產

倘投資並無固定到期日及固定或可釐定的付款，及管理層擬按中至長期持有該等投資，則指定為可供出售金融資產。並無分類為任何其他類別(按公允值計入損益、貸款及應收款項)的金融資產亦計入可供出售類別。

除非到期或管理層擬於報告期末後12個月內出售金融資產，否則將其呈列為非流動資產。

可供出售金融投資為一人壽保險保單中的非衍生金融資產。

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## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (continued)

#### Initial recognition and measurement (continued)

##### (ii) Recognition and derecognition

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

## 2.3 主要會計政策概要(續)

### 投資及其他金融資產(續)

#### 初始確認及計量(續)

##### (ii) 確認及終止確認

凡循正常途徑買入及出售的金融資產於交易日(即本集團承諾買入或出售資產之日)確認。循正常途徑買入或出售乃指買入或出售須於法規或市場慣例一般設定的期間內交付資產的金融資產。

金融資產(或如適用,一項金融資產的一部分或一組相若金融資產的一部分)於下列情況下將從根本上終止確認(即從本集團的綜合財務狀況表中移除):

- 收取資產現金流量的權利已到期;或
- 本集團已轉讓其收取資產現金流量的權利,或根據一項「過手」安排在未有嚴重拖欠第三方的情況下,已就所收取現金流量承擔全部付款責任;且不論(a)本集團已轉讓資產的絕大部分風險及回報,或(b)本集團並無轉讓或保留資產絕大部分的風險及回報,惟已轉讓資產的控制權。

當本集團已轉讓其收取資產現金流量的權利或已訂立過手安排時,本集團評估其是否已保留資產擁有權的風險及回報以及保留程度。當本集團並無轉讓或保留資產的絕大部分風險及回報,亦無轉讓資產的控制權時,本集團以持續參與該項資產的程度為限繼續對所轉讓資產予以確認。在該情況下,本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團所保留的權利及責任的基準計量。

持續參與指本集團就已轉讓資產作出之保證,已轉讓資產乃以該項資產之原賬面值與本集團或須償還之對價數額上限(以較低者為準)計算。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (continued)

#### Initial recognition and measurement (continued)

##### (iii) Measurement

- (a) Loans and receivables  
After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in profit or loss. The loss arising from impairment is recognised in finance costs for loans and in other expenses for receivables in profit or loss.

The carrying amount of the trade receivables includes receivables which are subject to a factoring arrangement. The amount repayable under the factoring arrangement is presented as a secured borrowing.

- (b) Available-for-sale financial instrument  
After initial recognition, available-for-sale financial investment is subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to profit or loss in other gains or losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial asset in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade this financial asset due to inactive markets, the Group may elect to reclassify these financial asset if management has the ability and intention to hold the asset for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss.

## 2.3 主要會計政策概要(續)

### 投資及其他金融資產(續)

#### 初始確認及計量(續)

##### (iii) 計量

- (a) 貸款及應收款項  
於初始計量後，該等資產其後以實際利率法按攤銷成本減任何減值撥備計量。攤銷成本的計算乃計及收購時的任何折讓或溢價，且包括組成實際利率一部分的費用或成本。實際利率攤銷計入損益的其他收入。貸款減值產生的虧損乃計於損益的財務成本及應收款項減值產生的虧損乃計於損益的其他開支項下。

貿易應收款的賬面價值包含保理安排的部分。在保理安排下的還款金額列示於抵押借貸。

- (b) 可供出售金融工具  
初始確認後，可供出售金融投資以公允值作後續計量，未變現盈虧於其他全面收益確認為可供出售投資重估儲備，直至終止確認投資(累計收益或虧損於損益確認為其他收入)或釐定投資已減值(累計收益或虧損自可供出售投資重估儲備重新分類至損益之其他收益或虧損)為止。

本集團評估近期是否有能力及有意向以及是否適宜出售可供出售金融資產。當市場不活躍而無法出售該金融資產時，本集團在極特殊情況下會重新分類該金融資產(倘本集團管理層有意向及能力在可見將來持有該資產或持有至到期)。

倘金融資產從可供出售類別重新劃分為其他類別，則重新分類當日之公允值的賬面值為其新攤銷成本，之前於權益確認的該資產之收益或虧損採用實際利率法按剩餘投資年期在損益攤銷。新攤銷成本與到期金額之差額亦採用實際利率法於資產剩餘年內攤銷。倘資產其後釐定為已減值，則計入權益之金額重新分類至損益。

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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

#### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in profit or loss.

### 2.3 主要會計政策概要(續)

#### 金融資產減值

本集團於各報告期末評估是否存在客觀證據顯示一項或一組金融資產出現減值。倘於初始確認資產後發生一項或多項事件對該項或該組金融資產之估計未來現金流量造成能可靠地估計之影響，則存在減值。減值證據可包括一名或一組債務人正面臨重大財政困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量之減少，例如欠款數目或與違約相關之經濟狀況出現變動。

#### 按攤銷成本入賬之金融資產

就按攤銷成本入賬之金融資產而言，本集團首先會評估個別屬重大之金融資產是否個別存在減值，或個別非重大之金融資產是否共同存在減值。倘本集團釐定並無客觀證據顯示個別評估之金融資產（無論具重要性與否）存在減值，則該項資產會歸入一組具有相似信貸風險特性之金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值且其減值虧損已予確認或繼續確認之資產不會納入共同減值評估之內。

任何已識別減值虧損金額按該資產賬面值與估計未來現金流量（不包括尚未產生之未來信貸虧損）現值之差額計算。估計未來現金流量之現值以金融資產之初始實際利率（即初始確認時計算之實際利率）貼現。

該資產之賬面值通過使用撥備賬而減少，而虧損於損益賬確認。利息收入繼續按減少後之賬面值累計，且採用計量減值虧損時用以貼現未來現金流量之利率累計。若日後收回之機會渺茫，而所有抵押品已變現或已轉讓予本集團，則貸款及應收款項連同任何相關撥備予以撇銷。

倘其後期間估計減值虧損金額由於確認減值以後發生之事項而增加或減少，則通過調整撥備賬增加或減少先前確認之減值虧損。倘撇銷其後收回，則該項收回計入損益內之其他開支項下。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Impairment of financial assets (Continued)

#### Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is removed from other comprehensive income and recognised in profit or loss.

#### Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The gain or loss on remeasurement to fair value is recognized immediately in profit or loss in the consolidated statement of profit or loss and other comprehensive income.

Warrants issued by the Company that will be settled by a fixed amount of cash for a fixed number of the Company's own equity instruments are an equity instrument.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables, interest-bearing bank and other borrowings and obligations under finance leases.

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

## 2.3 主要會計政策概要(續)

### 金融資產減值(續)

#### 可供出售金融投資

就可供出售金融投資而言，本集團於各報告期末評估是否有客觀證據顯示一項投資或一組投資出現減值。

倘可供出售資產已減值，其成本(扣除任何本金付款及攤銷)與當時公允值的差額，減任何先前於損益確認的減值虧損，從其他全面收益剔除，並於損益確認。

#### 衍生金融工具

衍生工具最初在衍生合約訂立的公允值計量，隨後根據公允值的變動的重新計量。公允值重新計量的損益隨即於綜合損益及其他全面收益表的損益中確認。

本公司發行將以定額現金結算為本公司自身的定額權益工具的認股權證乃權益工具。

### 金融負債

#### 初始確認及計量

金融負債於初步確認時分類為按公允值計入損益的金融負債、貸款及借貸，或作為有效對沖中指定為對沖工具的衍生工具(如適用)。

所有金融負債初始按公允值確認，如屬貸款及借貸，則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款項、計入其他應付款項的金融負債、計息銀行及其他借貸以及融資租賃下的責任。

#### 後續計量

金融負債之後續計量根據其如下所示分類進行：



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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial liabilities (continued)

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

##### Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

##### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

### 2.3 主要會計政策概要 (續)

#### 金融負債 (續)

##### 貸款及借貸

初步確認後，計息貸款及借貸其後採用實際利率法按攤銷成本計量，除非貼現影響不大，在該情況下則按成本列賬。收益及虧損於負債終止確認時在損益內確認，以及在實際利率法攤銷過程中確認。

攤銷成本之計算計及收購產生之任何貼現或溢價以及屬於實際利率組成部分之費用或成本。按實際利率法計量之攤銷納入損益之財務成本項下。

##### 財務擔保合約

本集團提供之財務擔保合約為規定須付款以彌償持有人因特定債務人未能根據債務工具條款償還到期款項所招致損失之合約。財務擔保合約初始按其公允值確認為負債，並就發出擔保直接應佔之交易成本作出調整。初始確認後，本集團按 (i) 於報告期末就履行現有責任所需支出所作之最佳估計金額及 (ii) 初始確認之金額 (於適當時) 扣除累計攤銷兩者中之較高者計量財務擔保合約。

##### 終止確認金融負債

金融負債於負債之責任已解除或註銷或屆滿時終止確認。

當現有金融負債為同一貸款人以基本不同條款之另一負債取代時，或現有負債之條款有重大修改時，此等取代或修改會被視為終止確認原有負債及確認一項新負債，而有關賬面值之差額乃於損益內確認。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits are subject to an insignificant risk of changes in value, and have a short maturity of generally three month or less when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks.

## 2.3 主要會計政策概要(續)

### 抵銷金融工具

倘現時存在一項可強制執行的法定權利以抵銷已確認金額，且有意以淨額結算或同時變現資產及清償負債的情況下，金融資產與金融負債可相互抵銷，並以抵銷後淨額於綜合財務狀況表內呈報。

### 存貨

存貨乃按成本與可變現淨值兩者中之較低者列賬。成本乃按先進先出基準釐定及(倘為在製品及製成品)包括直接材料、直接勞工及適當比例之日常開支。可變現淨乃是根據估計售價扣除直至完成及出售所需之任何估計成本計算。

### 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，價值變動風險極微及一般於購入後三個月或以內到期(扣除須按要求償還及構成本集團現金管理不可分割部分的銀行透支)。

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及銀行存款。

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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Borrowings

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

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 reporting period.

HK Interpretation 5 “Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause” requires that a loan which includes a clause that gives the lender the unconditional right to call the loan at any time (“repayment on demand clause”) shall be classified in total by the borrower as current in the statement of financial position.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### Current and deferred Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

### 2.3 主要會計政策概要(續)

#### 借貸

如金融負債的條款重新商討，而實體向債權人發行股權票據，以消除全部或部份負債(權益與債務掉期)，該項金融負債賬面值與所發行權益票據公允值的差額在損益表中確認為收益或虧損。

除非本集團有無條件權利將債務結算日期遞延至報告期後至少十二個月，否則借貸將分類為流動負債。

香港詮釋第5號「財務報表之呈列 — 借貸人對包含於要求時償還條款之定期貸款之分類」規定，借貸人應將賦予貸款人無條件權利隨時催繳貸款之條款(「於要求時償還條款」)所涉貸款於財務狀況表內全數分類為流動部分。

收購、建造或生產合資格資產(即須一段頗長時間達至其擬定用途或銷售用途的資產)直接應佔的借貸成本乃撥作該等資產成本的一部分。當資產大致上可以投入擬定用途或出售後，該等借貸成本便不再撥作資本。特定借貸於撥作合資格資產的支出前用作短暫投資所賺取的投資收入，會從撥作資本的借貸成本中扣除。所有其他借貸成本於產生期間列作開支。借貸成本包括利息及實體就資金借貸產生的其他成本。

#### 即期及遞延所得稅

所得稅包括即期稅項和遞延稅項。與於損益外確認項目相關的所得稅乃於損益外確認，即在其他全面收益入賬或直接於權益入賬。

即期稅項資產及負債根據截至報告期末已制定或實際已制定的稅率(及稅法)，按預期將自稅務機關收回的金額或支付予稅務機關的金額計量，並考慮本集團經營業務所在國家通行的詮釋及慣常做法。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Current and deferred Income tax (continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

## 2.3 主要會計政策概要(續)

### 即期及遞延所得稅(續)

就財務呈報而言，遞延稅項乃就資產及負債的計稅基準與其賬面值的所有暫時性差額，於報告期末以負債法撥備。

遞延稅項負債乃就所有應課稅暫時性差額而確認，惟：

- 倘遞延稅項負債乃因在一項並非業務合併的交易中初始確認商譽或資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損，則作別論；及
- 就與附屬公司及合營投資有關的應課稅暫時性差額而言，倘暫時差額撥回的時間可以控制，及暫時性差額有可能在可見將來不會撥回，則作別論。

遞延稅項資產乃就所有可扣減暫時性差額、未動用稅項抵免及任何未動用稅項虧損結轉而確認。在應課稅溢利將可供用作對銷可扣減暫時性差額、未動用稅項抵免及未動用稅項虧損結轉的情況下，遞延稅項資產將予以確認，惟：

- 倘與可扣減性暫時差額有關的遞延稅項資產乃因在一項並非業務合併的交易中初始確認資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損，則作別論；及
- 就與附屬公司及合營投資有關的可扣減暫時性差額而言，只會在暫時性差額有可能在可見將來撥回，並有應課稅溢利可供用作對銷暫時性差額，遞延稅項資產方會確認。

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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Current and deferred Income tax (continued)

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Dividend income derived from the Company's Mainland China subsidiaries is subject to a withholding tax under the prevailing tax rules and regulations of PRC.

#### Employee benefits

##### Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

### 2.3 主要會計政策概要 (續)

#### 即期及遞延所得稅 (續)

遞延稅項資產的賬面值會在各報告期末接受審閱，如不再可能有充足應課稅溢利以對銷全部或部分遞延稅項資產，則減少遞延稅項資產賬面值。各報告期末對未確認的遞延稅項資產進行重新評估，倘很可能有足夠應課稅溢利使全部或部分遞延稅項資產被收回時，則該遞延稅項資產將予以確認。

遞延稅項資產及負債乃按預期適用於資產變現或負債清償期間的稅率計量，並以截至報告期末已制定或實質上已制定的稅率（及税法）為基準。

就財務呈報而言，遞延稅項乃就資產及負債的計稅基準與其賬面值的所有暫時性差額，於報告期末以負債法撥備。

自本公司中國大陸附屬公司取得的股息收入須根據中國的現行稅務規則及法規繳納預扣稅。

#### 僱員福利

##### 短期責任

工資和薪金的負債，包括非現金福利及累計的病假，預計在僱員提供相關服務後的12個月內結算，並就僱員直至報告期末的服務確認，且按負債結算時預期支付的金額計量。該負債列示於資產負債表的流動員工福利責任。

##### 退休金計劃

本集團根據強制性公積金計劃條例為其香港僱員經營一項界定供款強制性公積金退休福利計劃（「強積金計劃」）。根據強積金計劃的規則，供款額乃根據僱員基本薪酬百分比計算，並於應付時從損益內扣除。強積金計劃之資產與本集團資產分開並存放於獨立管理基金。本集團向強積金計劃作出僱主供款，款額即時全數歸僱員所有。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Employee benefits (continued)

#### Pension schemes (continued)

The employees of the Group's subsidiary which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute a percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

#### Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to other leaves are not recognised until the time of leave.

#### Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

#### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in profit or loss.

## 2.3 主要會計政策概要(續)

### 僱員福利(續)

#### 退休金計劃(續)

本集團於中國大陸經營的附屬公司的僱員須參與地方市政府管理的中央退休金計劃。該附屬公司須按其薪酬成本的若干百分比向中央退休金計劃供款。供款於根據中央退休金計劃的規則應付時於損益內扣除。

#### 員工休假

員工可享有年假。規定在資產負債日確認該部分年假的負債。

其他性質的假期不被確認直到該日。

#### 離職福利

離職福利於本集團不再能取消提供該等福利時及本集團確認涉及支付離職福利的重組成本時(以較早者為準)確認。

#### 撥備

倘因過往事件而導致現時責任(法律或推定)，且將來極可能需要撥出資源以清償有關責任，則在所涉及責任金額能可靠地估計的情況下確認撥備。

當貼現之影響屬重大時，就撥備而確認之數額乃預期於日後清償該責任所需支出於報告期末之現值。因時間流逝而導致貼現現值增加之數額計入損益項下。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- a. from the sale of goods, revenue is recognised when the Group upon delivery of the products to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, the risks and rewards have been transferred to the buyer; and
- b. from the render of processing services is recognized when the relevant service has been rendered; and
- c. interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

#### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

#### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to profit or loss so as to provide a constant periodic rate of charge over the lease terms.

### 2.3 主要會計政策概要(續)

#### 收益確認

收益於經濟利益極可能會流入本集團及當收益能夠按下列基準可靠地計量時確認：

- a. 銷售貨品，收益於本集團交付產品予買方，有關風險及回報已轉移至買方，而本集團不再參與與擁有權有關之管理事務時確認；
- b. 提供服務，收益於提供有關服務時確認；
- c. 利息收入，按應計基準採用實際利息法按於金融工具的預計年期或較短期間(如適當)將估計未來現金收益確切貼現至金融資產賬面淨值的貼現率計算。

#### 股息

末期股息獲股東在股東大會上批准時，則確認為負債。

由於本公司的組織章程大綱及細則授權董事宣派中期股息，故中期股息可同時建議派付及宣派。因此，中期股息會於建議派付及宣派時即時確認為負債。

#### 租賃

凡將資產擁有權(法定所有權除外)絕大部分回報及風險撥歸本集團的租賃均列為融資租賃。融資租賃開始時，租賃資產的成本按最低租賃款項的現值入賬，並一同記錄反映購買及融資的債務(不包括利息部分)。按資本化融資租賃持有的資產包括融資租賃下的預付土地租賃款項，乃計入物業、廠房及設備項下，並按租期及資產的估計可使用年期兩者中較短者折舊。該等租賃的財務成本自損益扣除，以得出一個租期內的固定週期支銷率。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Leases (continued)

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms except where the property is classified as an investment property.

### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of reducing depreciation charge.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for "Financial liabilities" above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

## 2.3 主要會計政策概要(續)

### 租賃(續)

通過融資性質租購合約取得的資產按融資租賃列賬，惟按其估計可使用年期折舊。

凡由出租人保留資產擁有權的絕大部分回報及風險的租賃均列為經營租賃。倘本集團為出租人，由本集團根據經營租賃出租的資產計入非流動資產，而經營租賃項下應收租金則於租期內以直線法計入損益。倘本集團為承租人，根據經營租賃應付的租金經扣除自出租人獲取的任何優惠後於租期內以直線法自損益扣除。

經營租賃下的預付土地租賃款項初始按成本列賬，其後則以直線法於租期內確認，惟倘物業被分類為投資則作別論。

### 政府補助

政府補助在合理確保可收取有關補助及符合一切附帶條件的情況下按其公允值予以確認。倘有關補助乃與一項開支項目有關，則補助於擬用作補償的成本支銷期間按系統基準確認為收入。

倘補助與一項資產有關，則公允值會計入遞延收入賬目，並按有關資產的預計可使用年期以每年等額分期款項撥入損益，或自該項資產的賬面值中扣除並通過減少折舊開支方式撥入損益。

倘本集團收取非貨幣性資產補助，補助按非貨幣性資產的公允值入賬並按有關資產的預計可使用年期以每年等額分期款項撥入損益。

如本集團就建設合資格資產而獲取不計息或以低於市場利率計息的政府貸款，則有關政府貸款的初始賬面值將以實際利率法釐定，有關方法已於上文「金融負債」的會計政策內進一步闡釋。獲授不計息或以低於市場利率計息的政府貸款的益處，即該等貸款初始賬面值與所得款項兩者間之差額，會被當作政府補助處理，並於有關資產的預計可使用年期內以每年等額分期款項撥入損益。



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### 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### 2.3 主要會計政策概要 (續)

#### 關聯方

在下列情況下，一方將被視為本集團之有關聯人士：

- (a) 該方為一名人士或該名人士的直系親屬，而該名人士
  - (i) 對本集團擁有控制權或共同控制權；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司的主要管理人員；

或

- (b) 該方為符合下列任何條件之一的實體：
  - (i) 該實體與本集團屬同一集團的成員；
  - (ii) 一個實體為另一個實體(或為另一個實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營公司；
  - (iii) 該實體與本集團均為同一第三方的合營公司；
  - (iv) 一個實體為第三方實體的合營公司，而另一個實體為該第三方實體的聯營公司；
  - (v) 該實體是為本集團或本集團關聯實體的僱員的利益而設的離職後福利計劃；
  - (vi) 該實體受(a)項所識別人士控制或共同控制；
  - (vii) (a)(i)項所識別人士對該實體有重大影響力或為該實體(或該實體母公司)的主要管理人員；及
  - (viii) 提供主要管理人員服務予本集團或本集團母公司之實體或其任何集團成員。

## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Fair value measurement

The Group measures its available-for-sale investment at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly;

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2.3 主要會計政策概要(續)

### 公允值計量

本集團於各報告期末按公允值計量其可供出售投資。公允值為市場參與者於計量日期進行的有序交易中出售資產所收取或轉讓負債所支付之價格。公允值計量假設出售資產或轉讓負債的交易於資產或負債的主要市場或於資產或負債的最有利市場(並無主要市場)進行。本集團必須可於該主要市場或最有利市場進行交易。資產或負債的公允值乃採用假設市場參與者按其最佳經濟利益行事時，市場參與者為資產或負債定價時所用的假設計量。

本集團採用在各情況下適當的估值技術，而其有足夠資料以計量公允值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

於財務報表中計量或披露公允值的所有資產及負債，均根據對公允值計量整體而言屬重大的最低層輸入數據按下述公允值層級進行分類：

第一級 — 基於相同資產或負債於活躍市場的報價(未經調整)；

第二級 — 基於估值技術，而該技術採用對公允值計量而言屬重大的最低層輸入數據可直接或間接觀察得到；

第三級 — 基於估值技術，而該技術採用對公允值計量而言屬重大的最低層輸入數據不可觀察得到。

就按經常基準於財務報表確認的資產及負債而言，本集團於各報告期末按對公允值計量整體而言屬重大的最低層輸入數據重新評估分類，以釐定各層級之間有否出現轉移。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

#### (a) Net realisable value of inventories

Net realisable value of inventories is based on estimated selling price less any estimated costs to be incurred to completion and disposal with reference to prevailing market information. These estimates are based on the current market condition and the historical experience in selling goods of similar nature. It could change significantly as a result of changes in market conditions. The Group reassesses the end of each reporting period. Further details are contained in Note 18 to the financial statements.

#### (b) Impairment of trade receivables

The Group maintains an allowance for the estimated loss arising from the inability of its customers to make the required payments. The Group makes its estimates based on the ageing of its trade receivable balances, customers' creditworthiness, and historical write-off experience. If the financial condition of its customers was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance. Further details are contained in Note 19 to the financial statements.

#### (c) Income tax and deferred tax assets

Significant judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Group carefully evaluates tax implications of transactions and tax provisions are recorded accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

### 3. 關鍵會計估計及判斷

估計及判斷會持續予以評估，並且乃根據過往經驗及其他因素而作出，包括對相信在有關情況下屬合理之未來事件之預期。

本集團就未來作出有關估計及假設。顧名思義，該等會計估計甚少與有關實際結果相同。有重大風險可能導致下個財政年度須對資產及負債之賬面值作出重大調整之估計及假設討論如下。

#### (a) 存貨可變現淨值

存貨的可變現淨值乃基於估計售價減直至完工及出售前估計將產生之任何成本得出，並會參考現行市場信息。此等估計乃基於當前市況及銷售類似性質貨品的過往經驗而作出，且可能隨著市況變化而出現大幅變動。本集團於各報告期末對有關估計進行重新評估。進一步詳情載於財務報表附註18。

#### (b) 貿易應收款項減值

本集團就因其客戶未能按要求付款而產生的估計虧損計提撥備。本集團根據其貿易應收款項結餘的賬齡、客戶的信譽及歷史撇銷經驗作出估計。倘客戶的財政狀況惡化以致實際減值虧損或高於預期，本集團將須修訂撥備基準。進一步詳情載於財務報表附註19。

#### (c) 所得稅和遞延稅項資產

釐定所得稅撥備時需要對若干交易之未來稅務處理作出重大判斷。本集團詳細評估該等交易所帶來之稅務影響及已記錄相應之所得稅撥備。該等交易之稅務處理將定期檢討，以計入所有稅務條例之變動。

在釐定可確認之遞延稅項資產的金額時，須根據可能的時間、未來應課稅溢利水平連同未來稅項計劃策略作出重大管理層判斷。

倘可能有應課稅溢利可用以對銷可動用的稅務虧損，則遞延稅項資產就可對銷部分未動用稅項虧損予以確認。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 4. OPERATING SEGMENT INFORMATION

The Group is primarily engaged in the manufacture and sale of jewellery products. Management has determined the operating segments based on the reports reviewed by the chief operating decision makers, who have been identified as the executive Directors of the Company. Information reported to the Group's chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated. Accordingly, the Group has identified one reportable operating segment, i.e. manufacture and sale of jewellery products, and no further analysis thereof is presented.

##### Geographical information

Information about the Group's revenue by geographical locations is presented based on the area or country in which the external customer is operated.

##### (a) Revenue from external customers

Americas	美洲
Russia	俄羅斯
Mainland China	中國大陸
Europe (other than Russia)	歐洲(俄羅斯除外)
Middle East	中東
Other countries	其他國家

Information about the Group's non-current assets, excluding an available-for-sale investment, is presented based on the locations of the assets.

#### 4. 經營分部資料

本集團主要從事珠寶產品的製造及銷售業務。管理層已根據首席營運決策者(已獲確定為本公司的執行董事)審閱的報告釐定經營分部。就資源分配及業績評估向本集團首席營運決策者報告的資料著重本集團的整體經營業績，原因在於本集團的資源已整合。因此，本集團已確定一個可報告經營分部，即珠寶產品的製造及銷售，且並無呈列有關進一步分析。

##### 地域資料

有關根據外部客戶經營業務所在地區或國家按所在地域呈列的本集團收益的資料。

##### (a) 來自外部客戶的收益

2018	2017
2018年	2017年
HK\$'000	HK\$'000
千港元	千港元
159,540	301,320
105,250	59,324
103,113	93,488
35,679	64,495
–	2,765
30,084	26,231
433,666	547,623

本集團非流動資產(不包括可供出售投資)的資料乃根據資產所在地區呈列。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 4. OPERATING SEGMENT INFORMATION (CONTINUED)

##### (b) Non-current assets excluding an available-for-sale investment

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Mainland China	中國大陸	5,024	164,813
Hong Kong	香港	23,030	20,963
		<b>28,054</b>	185,776

The Company is domiciled in the Cayman Islands while the Group operates its business in Hong Kong and Mainland China. During the year, no revenue was generated from any customer in the Cayman Islands and no assets were located in the Cayman Islands.

##### Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the year, including sales to a group of entities which are known to be under common control with that customer, is as set out below:

Customer A	客戶A
Customer B	客戶B
Customer C	客戶C

\* Less than 10% of revenue

#### 4. 經營分部資料(續)

##### (b) 非流動資產(不包括可供出售投資)

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
	5,024	164,813
	23,030	20,963
	<b>28,054</b>	185,776

本公司的原駐地為開曼群島，而本集團於香港及中國大陸經營其業務。年內，開曼群島的任何客戶並無產生任何收益，且並無任何資產位於開曼群島。

##### 有關主要客戶的資料

年內各主要客戶所得收益(佔本集團收益10%或以上)(包括向與有關客戶受共同控制的一組實體作出的銷售)載列如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Customer A	客戶A	79,471	163,729
Customer B	客戶B	72,461	62,107
Customer C	客戶C	81,412	42,608*

\* 少於收益的10%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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### 5. REVENUE AND OTHER INCOME

Revenue represents the net amounts received and receivable arising from sale of jewellery products during the year.

Sales of jewellery products*	銷售珠寶產品*
Service revenue	服務收益

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		424,452	547,623
		9,214	-
		433,666	547,623

\* Among the sales of jewellery products, approximately HK\$615,000 (2017: approximately HK\$871,000) are sold to a related party.

An analysis of other income is as follows:

Interest income from bank deposits	銀行存款利息收入
Government grants*	政府補助*
Others	其他

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		1,236	1,389
		534	811
		890	690
		2,660	2,890

\* Government grants were received by certain subsidiaries of the Company in Mainland China as compensation for expenses already incurred. There are no unfulfilled conditions or contingencies in relation to the grants.

### 5. 收益及其他收入

收益指年內銷售珠寶產品所產生的已收及應收款項淨額。

\* 在銷售珠寶產品中，約615,000港元(2017年：約871,000港元)為售予一名關聯方。

其他收入分析如下：

\* 本公司若干中國大陸附屬公司已收取政府補助以補貼所產生的開支。概無有關補助的未達成條件或或然事項。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 6. OTHER (LOSSES)/GAINS

An analysis of other (losses)/gains, net, is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Realisation of exchange fluctuation reserve upon disposal or deregistration of a subsidiary	附屬公司出售或撤銷登記後變現匯兌波動儲備	(1,020)	6,056
Gain on disposal of a subsidiary	出售附屬公司收益	12,992	-
Employment termination expense	裁員費用	(19,508)	-
(Losses)/gains on disposal of items of property, plant and equipment, net*	出售物業、廠房及設備項目(虧損)/收益淨額*	(1,063)	287
Disposal of loose diamonds, net	裸鑽處置淨額	(1,487)	-
Net realised gains on trading securities	證券交易變現收益淨額	-	54
Foreign exchange differences, net	外匯差額淨額	(2,492)	(2,471)
		<b>(12,578)</b>	<b>3,926</b>

\* In July 2017, the Group entered into a sale and purchase agreement with an independent third party to dispose of a property in the Mainland China. The property comprised of in-construction industrial buildings, ancillary facilities and a land parcel for industrial use. The consideration in relation to the disposal is approximately HK\$154,513,000. The Group recognised a disposal gain of approximately HK\$4,409,000 included in "gains/losses on disposal of items of property, plant and equipment, net," as described below:

#### 6. 其他(虧損)/收益

其他(虧損)/收益淨額分析如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Realisation of exchange fluctuation reserve upon disposal or deregistration of a subsidiary	附屬公司出售或撤銷登記後變現匯兌波動儲備	(1,020)	6,056
Gain on disposal of a subsidiary	出售附屬公司收益	12,992	-
Employment termination expense	裁員費用	(19,508)	-
(Losses)/gains on disposal of items of property, plant and equipment, net*	出售物業、廠房及設備項目(虧損)/收益淨額*	(1,063)	287
Disposal of loose diamonds, net	裸鑽處置淨額	(1,487)	-
Net realised gains on trading securities	證券交易變現收益淨額	-	54
Foreign exchange differences, net	外匯差額淨額	(2,492)	(2,471)
		<b>(12,578)</b>	<b>3,926</b>

\* 於2017年7月，本集團與獨立第三方簽訂了出售中國大陸物業的買賣協議。該物業包括在建工業建築、配套設施和工業用土地。有關出售的對價約為154,513,000港元。本集團確認出售收益約為4,409,000港元，計入「出售物業、廠房及設備項目收益/虧損」中，如下所述：

		Notes 附註	2018 2018年 HK\$'000 千港元
Consideration	對價		154,513
Construction in progress	在建工程	14	(124,671)
Prepaid land lease payments	預付土地租賃款項	15	(11,190)
Related taxes	相關稅項		(14,243)
Gains on disposal, net of taxes	除稅後的出售收益		<b>4,409</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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### 7. FINANCE COSTS

### 7. 財務成本

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Interest on other borrowings	其他借貸利息	7,045	542
Interest on factoring of trade receivables	貿易應收款項保理利息	1,051	1,447
Interest on bank borrowings	銀行借貸利息	361	3,937
Interest on finance leases	融資租賃利息	257	227
		<b>8,714</b>	<b>6,153</b>

### 8. COST OF SALES, SELLING EXPENSE, ADMINISTRATION EXPENSE AND OTHER LOSSES/(GAINS) BY NATURE

### 8. 按性質分類的銷售成本、銷售開支、行政開支及其他虧損/(收益)

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Employee benefits (including Directors' remuneration)	僱員福利(包括董事薪酬)	91,332	116,985
Salaries and other benefits	薪金及其他利益	64,170	109,368
Employment termination expenses	裁員費用	19,508	-
Pension scheme contributions	退休金計劃供款	7,654	7,617
Cost of inventories sold	已售存貨成本	299,750	369,709
Subcontracting charges	分包費用	11,249	5,798
Professional service fees	專業服務費	10,909	8,864
Depreciation	折舊	8,191	10,538
Commission fees	佣金費用	6,851	4,172
Foreign exchange differences, net	匯兌差額淨額	2,492	2,471
Advertising and exhibition expenses	廣告及展覽開支	2,407	5,600
Auditors' remuneration	核數師酬金	2,189	1,205
Auditors of the Company	本公司核數師	1,719	1,150
Other Auditors	其他核數師	470	55
Minimum lease payments under operating leases	經營租賃最低租賃款項	2,051	1,312
Disposal of loose diamonds, net	處置裸鑽淨額	1,487	-
Losses/(gains) on disposal of items of property, plant and equipment, net	出售物業、廠房及設備虧損/(收益)淨額	1,063	(287)
Realisation of exchange fluctuation reserve upon disposal or deregistration of a subsidiary	出售或註銷一間附屬公司時變現之匯兌波動儲備	1,020	(6,056)
Allowance for doubtful debts, net	呆賬撥備淨額	782	-
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	221	399
Net realised gains on trading securities	證券交易變現收益淨額	-	(54)
Write-back of inventories to net realisable value	撥回存貨至可變現淨值	(168)	(1,486)
Gains on disposal of a subsidiary	出售一間附屬公司之收益	(12,992)	-
Other operating expenses	其他營運費用	32,221	31,279
Total cost of sales, selling expenses, administration expenses and other losses/(gains), net	銷售成本、銷售開支、行政開支及其他虧損/(收益)淨額之總額	<b>461,055</b>	<b>550,503</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 9. BENEFITS AND INTERESTS OF DIRECTORS

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Fees	袍金	600	2,310
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	—	9,996
Pension scheme contributions	退休金計劃供款	—	51
		—	10,047
		600	12,357

No directors were granted share options for the year ended 31 March 2018 (2017: Nil).

截至2018年3月31日止年度，概無董事獲授購股權(2017年：無)。

##### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

##### (a) 獨立非執行董事

年內付予獨立非執行董事的袍金如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Lo Chun Pong	盧振邦	200	200
Chan Chi Kuen	陳志權	200	200
Ting Tit Cheung	丁鐵翔	200	200
		600	600

There were no other emoluments payable to the independent non-executive directors during the year (2017: Nil).

年內，並無其他應付獨立非執行董事的薪酬(2017年：無)。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

### 9. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

#### (b) Executive directors

		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total
		袍金 HK\$'000 千港元	薪金、津貼 及實物利益 HK\$'000 千港元	退休金 計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
2018	2018年				
NANG Qi	曩麒	-	-	-	-
Chen Peiliang	陳佩良	-	-	-	-
Xue Qiang	薛強	-	-	-	-
		-	-	-	-
2017	2017年				
NANG Qi	曩麒	-	-	-	-
Chen Peiliang	陳佩良	-	-	-	-
Xue Qiang	薛強	-	-	-	-
Kei York Pang Victor	紀若鵬	679	4,839	17	5,535
Li Man Chun	李文俊	679	4,073	17	4,769
Kei Yeuk Lun Calan	紀若麟	352	1,084	17	1,453
		1,710	9,996	51	11,757

During the year, no emoluments, retirement benefits, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable (2017: Nil). No consideration was provided to or receivable by third parties for making available directors' services (2017: Nil). There are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2017: Nil).

The directors are not paid directly by the Company but receive remuneration from other companies in HNA Group Co. Ltd., in respect of their services to the larger group which includes the Company and its subsidiaries.

在本年度內，本公司未直接或間接向董事支付或作出薪酬、退休福利或與董事終止服務相關的費用或福利，也不存在任何應付款項(2017：無)。概無就提供董事服務向第三方提供對價或由第三方收取對價(2017年：無)。概無貸款、准貸款或其他有利於董事及其所控制實體公司及關聯實體的交易(2017年：無)。

對於董事為本公司及附屬公司等較大集團提供的服務，董事未於本公司直接獲得薪酬，而是從HNA Group Co. Ltd.中其他公司收取。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 10. FIVE HIGHEST PAID INDIVIDUALS

No directors were included in the five highest paid employees for the year ended 31 March 2018 (2017: three directors) were included. Details are set out in Note 9 above. The five highest paid employees excluding directors are as follow:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	11,896	3,315
Pension scheme contributions	退休金計劃供款	54	33
		<b>11,950</b>	<b>3,348</b>

The number of non-director highest paid individuals whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2018 2018年	2017 2017年
HK\$500,001 to HK\$1,000,000	500,001 港元至 1,000,000 港元	1	–
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	–	1
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	–
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	2	–
		<b>5</b>	<b>2</b>

#### 10. 五名最高薪酬人員

截至2018年3月31日止年度的五名最高薪酬人員並不包括董事(2017年：三名董事)，詳情載於上文附註9。董事以外的五名最高薪酬僱員如下：

酬金屬以下範圍的非董事最高薪人員人數如下：

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018  
截至2018年3月31日止年度

### 11. INCOME TAX EXPENSE

The profit tax of the Group has been provided at the applicable tax rates on estimated assessable profits arising in Hong Kong and Mainland China during the year.

### 11. 所得稅開支

年內，本集團的利得稅乃就於香港和中國大陸產生的估計應課稅溢利按適用稅率計提撥備。

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	年內支出	928	49
(Over)/under provision in prior year	過往年度(超額撥備)/撥備不足	(35)	1
Current — Mainland China	即期 — 中國大陸		
Charge for the year	年內支出	1,135	2,923
Deferred	遞延	1,686	11
<b>Total tax charge for the year</b>		<b>3,714</b>	<b>2,984</b>

#### (i) PRC corporate income tax (“CIT”)

The Company is not subject to any taxation in the Cayman Islands.

The BVI subsidiaries are not subject to any taxation in the British Virgin Islands.

Hong Kong subsidiaries are subject to Hong Kong profits tax at the rate of 16.5% (2017: 16.5%).

PRC subsidiaries is subject to the PRC corporate income tax, which has been calculated based on the corporate income tax rate of 25% (2017: 25%).

#### (i) 中國企業所得稅(「企業所得稅」)

本公司在開曼群島不需要繳納任何稅項。

英屬維爾京群島附屬公司在英屬維爾京群島不需要繳納任何稅項。

香港附屬公司須按16.5%的稅率(2017年：16.5%)繳納香港利得稅。

中國附屬公司須繳納中國企業所得稅，其按25%的企業所得稅率(2017年：25%)計算。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

#### 11. INCOME TAX EXPENSE (CONTINUED)

##### (ii) PRC withholding income tax

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. As at 31 March 2018, deferred tax liability of approximately HK\$1,872,000 has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China (31 March 2017: nil). The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised amounted to approximately HK\$2,149,000 (2017: approximately HK\$49,196,000) as at 31 March 2018.

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the statutory tax rate to the effective tax rate, are as follows:

#### 11. 所得稅開支(續)

##### (ii) 中國代扣代繳所得稅

根據中國企業所得稅法，於中國大陸成立的外商投資企業須就向外國投資者宣派的股息提撥10%預扣稅。該規定由2008年1月1日起生效，並適用於2007年12月31日後產生的盈利。若中國大陸與外國投資者所屬司法權區有稅務協議，外國投資者可申請較低的預扣稅率。於2018年3月31日，本集團於中國大陸成立的附屬公司應付的未匯出盈利所產生的預扣稅確認遞延所得稅負債約1,872,000港元(於2017年3月31日：零)。於2018年3月31日，與於中國大陸的附屬公司的投資有關的暫時性差額總額約2,149,000港元(2017年：約49,196,000港元)尚未確認作遞延稅項負債。

採用本公司及大部分附屬公司所在司法權區的法定稅率計算得出適用於除稅前虧損的稅項開支與按實際稅率得出的稅項開支的對賬，以及法定稅率與實際稅率的對賬如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Loss before tax	除稅前虧損	(33,583)	(6,170)
Tax at the statutory tax rate of 16.5%	按法定稅率16.5%計算的稅項	(5,541)	(1,018)
Different tax rates for specific provinces or enacted by local authority	特定省份的不同稅率或由地方機關頒佈的不同稅率	587	1,901
Income not subject to tax	毋須繳稅收入	(2,911)	(1,069)
Expenses not deductible for tax	不可扣稅開支	178	933
Tax losses not recognised	未確認稅項虧損	7,784	1,650
Effect of tax impact of apportionment under a 50:50 basis	稅務影響(按50:50基準攤分)	1,290	440
Utilisation of temporary differences previously not recognised	動用過往未確認的暫時差額	(397)	(63)
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	88	160
PRC withholding tax for dividend	分配內地公司股息稅費	2,309	-
Tax effect of income for a subsidiary disposed	處置一間附屬公司的收入的稅務影響	492	-
Others	其他	(165)	50
		3,714	2,984

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 12. DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2018 (2017: Nil).

### 12. 股息

董事會不建議就截至2018年3月31日止年度派付末期股息(2017年：無)。

### 13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of approximately HK\$37,297,000 (2017: approximately HK\$9,154,000), and the weighted average number of ordinary shares of 171,016,393 (2017: 160,000,000) in issue during the year. The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2018 and 2017.

### 13. 母公司普通股股權擁有人應佔每股虧損

每股基本虧損金額乃根據本公司普通股股權擁有人應佔年內虧損約37,297,000港元(2017年：約9,154,000港元)及年內已發行普通股的加權平均數171,016,393股(2017年：160,000,000股)計算。截至2018年及2017年3月31日止年度，本集團並無已發行的具有潛在攤薄效應的普通股。

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Loss</b>	<b>虧損</b>		
Loss attributable to ordinary equity holders of the Company used in the basic loss per share calculation	計算每股基本虧損時使用的本公司普通股股權擁有人應佔虧損	37,297	9,154
		<b>Number of shares</b> 股份數目	
		2018 2018年	2017 2017年
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	計算每股基本虧損時使用的年內已發行普通股加權平均數	171,016,393	160,000,000

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

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#### 14. PROPERTY, PLANT AND EQUIPMENT

#### 14. 物業、廠房及設備

		Leasehold land	Buildings	Leasehold improvement	Furniture and fixtures 傢俬及 裝置	Office equipment and computers 辦公設備 及電腦	Plant and machinery 廠房及 機器	Motor vehicles 汽車	Construction in progress 在建工程	Total 總計
Note		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
For the year ended 31 March 2018	截至2018年3月31日 止年度									
At 31 March 2017 and at 1 April 2017:	於2017年3月31日 及2017年4月1日:									
Cost	成本	14,959	26,386	45,065	4,441	37,411	22,116	17,813	119,436	287,627
Accumulated depreciation	累計折舊	(5,073)	(9,036)	(31,980)	(4,245)	(35,068)	(21,004)	(9,350)	-	(115,756)
Net carrying amount	賬面淨值	9,886	17,350	13,085	196	2,343	1,112	8,463	119,436	171,871
At 1 April 2017, net of accumulated depreciation	於2017年4月1日， 經扣除累計折舊	9,886	17,350	13,085	196	2,343	1,112	8,463	119,436	171,871
Additions	添置	-	-	934	389	544	82	5,132	-	7,081
Depreciation during the year	年內折舊	(327)	(265)	(2,889)	(205)	(1,065)	(653)	(2,787)	-	(8,191)
Disposals	出售	6	-	(5,643)	-	(51)	-	(27)	(124,671)	(130,392)
Disposal of a subsidiary	處置一間附屬公司	26	(15,428)	(4,299)	-	-	-	-	-	(19,677)
Exchange realignment	匯兌重新調整	-	596	488	11	96	69	273	5,235	6,768
At 31 March 2018, net of accumulated depreciation	於2018年3月31日， 經扣除累計 折舊	9,559	2,253	1,726	391	1,867	610	11,054	-	27,460
At 31 March 2018:	於2018年3月31日:									
Cost	成本	14,959	3,828	10,640	5,023	37,953	22,573	21,240	-	116,216
Accumulated depreciation	累計折舊	(5,400)	(1,575)	(8,914)	(4,632)	(36,086)	(21,963)	(10,186)	-	(88,756)
Net carrying amount	賬面淨值	9,559	2,253	1,726	391	1,867	610	11,054	-	27,460

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14. PROPERTY, PLANT AND EQUIPMENT  
(CONTINUED)

14. 物業、廠房及設備(續)

		Leasehold land	Buildings	Leasehold improvement	Furniture and fixtures 傢俬及 裝置	Office equipment and computers 辦公設備 及電腦	Plant and machinery 廠房及 機器	Motor vehicles 汽車	Construction in progress 在建工程	Total 總計
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
For the year ended 31 March 2017	截至2017年3月31日 止年度									
At 31 March 2016 and at 1 April 2016: Cost	於2016年3月31日 及2016年4月1日: 成本	14,959	27,863	45,445	6,387	38,397	24,199	13,932	126,795	297,977
Accumulated depreciation	累計折舊	(4,746)	(8,970)	(28,135)	(5,983)	(35,260)	(22,415)	(9,439)	-	(114,948)
Net carrying amount	賬面淨值	10,213	18,893	17,310	404	3,137	1,784	4,493	126,795	183,029
At 1 April 2016, net of accumulated depreciation	於2016年4月1日, 經扣除累計折舊	10,213	18,893	17,310	404	3,137	1,784	4,493	126,795	183,029
Additions	添置	-	-	1,950	170	1,610	100	6,535	442	10,807
Depreciation during the year	年內折舊	(327)	(542)	(5,280)	(358)	(1,469)	(692)	(1,870)	-	(10,538)
Disposals	出售	-	-	-	(6)	(863)	(1)	(579)	-	(1,449)
Exchange realignment	匯兌重新調整	-	(1,001)	(895)	(14)	(72)	(79)	(116)	(7,801)	(9,978)
At 31 March 2017, net of accumulated depreciation	於2017年3月31日, 經扣除累計 折舊	9,886	17,350	13,085	196	2,343	1,112	8,463	119,436	171,871
At 31 March 2017: Cost	於2017年3月31日: 成本	14,959	26,386	45,065	4,441	37,411	22,116	17,813	119,436	287,627
Accumulated depreciation	累計折舊	(5,073)	(9,036)	(31,980)	(4,245)	(35,068)	(21,004)	(9,350)	-	(115,756)
Net carrying amount	賬面淨值	9,886	17,350	13,085	196	2,343	1,112	8,463	119,436	171,871



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### 綜合財務報表附註

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#### 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The net carrying amounts of the Group's property, plant and equipment held under finance leases included in the total amounts of office equipment and computers and motor vehicles as at 31 March 2018 were approximately nil (2017: approximately HK\$898,000) and approximately HK2,218,000 (2017: approximately HK\$5,287,000), respectively.

The net carrying amounts of the Group's property, plant and equipment that were pledged to secure the banking facilities and the bank borrowings of the Group as at 31 March 2018 and 2017 is summarized in Note 23(a):

#### 15. PREPAID LAND LEASE PAYMENTS

Carrying amount at beginning of the year	年初賬面值		13,660	14,969
Amortization during the year	年內攤銷		(221)	(399)
Exchange realignment	匯兌重新調整		570	(910)
Disposal	處置	6	(11,190)	-
Disposal of a subsidiary	處置一間附屬公司	26	(2,819)	-
<hr/>				
Carrying amount at end of the year	年末賬面值		-	13,660
Current portion	流動部分		-	(389)
<hr/>				
Non-current portion	非流動部分		-	13,271

#### 14. 物業、廠房及設備(續)

於2018年3月31日本集團根據融資租賃所持物業、廠房及設備的賬面淨值計入辦公設備及電腦以及汽車的總額分別約為零(2017年:約898,000港元)及約2,218,000港元(2017年:約5,287,000港元)。

於2018年及2017年3月31日本集團物業、廠房及設備賬面淨值已就本集團獲授之銀行融資及銀行借貸作出的質押於附註23(a)概述:

#### 15. 預付土地租賃款項

Note	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
	13,660	14,969
	(221)	(399)
	570	(910)
6	(11,190)	-
26	(2,819)	-
<hr/>		
	-	13,660
	-	(389)
<hr/>		
	-	13,271

## 16. INVESTMENT IN A JOINT VENTURE

## 16. 於合營公司之投資

Name 名稱	Amount of issued capital 已發行股本額	Place of registration and business 註冊與業務地點	Percentage of 百分比			Principal activities 主要活動
			Ownership interest 利益所有權	Voting power 投票權	Profit sharing 利潤分配	
Dynamic Tactics (Hong Kong) Limited	HK\$780,000 780,000 港元	Hong Kong 香港	50	50	50	Trading of jewellery 珠寶貿易

The above investment is held by Dynamic Tactics Limited, a subsidiary of the Group.

以上投資是由本集團附屬公司Dynamic Tactics Limited持有。

The table below provides summarised financial information for the joint ventures. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not the Group's share of those amounts. They have been amended to reflect adjustments made by the management of the Group when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

下表匯總了合營公司的財務資訊。這些披露的資訊反映了有關合營公司財務報表呈列的金額，而非本集團於該等金額所佔股權份額。該等金額已作修訂，以反映本集團管理層在使用權益法時作出的調整，包括公允價值調整及會計政策差異的修改。

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Summarised balance sheet</b>	<b>匯總資產負債表</b>		
Total current assets	流動資產合計	899	986
Total current liabilities	流動負債合計	620	427
Net assets	淨資產	279	559
Group's share in %	集團持股份額 (%)	50%	50%
Group's share in HK\$	集團持股份額 (港元)	140	280
Carrying amount	賬面價值	140	280

As 31 March 2018, the Group's trade receivable and non-trade receivable due from the joint venture amounted to HK\$152,388 (Note 19) and HK\$454,000, respectively. The non-trade receivable was disclosed as "other non-current assets". These receivables were interest-free and had no fixed terms of repayment.

於2018年3月31日，本集團的貿易應收款項及非貿易應收款項分別為152,388港元(附註19)及454,000港元。非貿易應收賬款被披露為「其他非流動資產」，為無息且沒有固定的還款條件。

There are no contingent liabilities relating to the Company's interest in the joint venture, and no contingent liabilities of the venture itself.

該合營公司不存在與本公司利息相關的或有負債，也不存在與合營公司本身相關的或有負債。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### 17. AVAILABLE-FOR-SALE INVESTMENT

#### 17. 可供出售投資

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Life insurance policy, at fair value	人壽保險保單，按公允值	15,674	15,015

Under the life insurance policy (the "Policy"), the beneficiary and policy holder is the Group and the total insured sum is approximately US\$6,500,000 (approximately HK\$50,375,000). The Group paid an upfront premium for the Policy of approximately US\$2,325,000 (approximately HK\$18,020,000) and may surrender any time by filing a written request and receive cash based on the surrender value of the Policy at the date of withdrawal, which is calculated by the insurer. In the opinion of the Directors, the surrender value of the Policy provided by the insurance company is the best approximation of its fair value, which is categorised within Level 3 of the fair value hierarchy.

During the year, the gain in respect of the change in fair value of the Group's available-for-sale investment recognised in other comprehensive loss amounted to approximately HK\$491,000 (2017: gain of approximately HK\$520,000). There was no reclassification from other comprehensive loss to profit or loss during the year.

The net carrying amount of the Group's available for sale investment that was pledged to secure the bank borrowings of the Group is summarised in Note 23(a).

根據人壽保險保單(「該保單」)，受益人及保單持有人為本集團，且承保總金額約為6,500,000美元(約50,375,000港元)。本集團為該保單預付保費約2,325,000美元(約18,020,000港元)及可能透過提交書面請求隨時退保，及根據該保單於撤回日期的退保金額(由承保人計算)收取現金。董事認為，保險公司規定的該保單退保金額與其公允值相若，歸類為公允值架構的第3級。

於本年度，就於其他全面虧損中確認的本集團可供出售投資公允值變動的收益約為491,000港元(2017年：收益約520,000港元)。於本年度，並無任何金額由其他全面虧損重新分類至損益表。

本集團已質押作為本集團銀行借貸擔保抵押的可供出售投資的賬面淨值於附註23(a)概述。

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### 18. INVENTORIES

### 18. 存貨

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Raw materials	原材料	25,323	36,692
Work in progress	在製品	6,307	39,893
Finished goods	製成品	18,029	33,005
		49,659	109,590

The write-down and reversal of write-down of inventories to net realisable value of approximately HK\$5,750,000 and HK\$5,918,000, respectively, (2017: write-down and reversal of write-down of approximately HK\$5,906,000 and HK\$7,392,000, respectively) for the year is included in “cost of sales” in the consolidated statement of profit or loss and other comprehensive income. The movements in the write-down of inventories to net realisable value are as follows:

年內存貨撇減及撥回存貨撇減至可變現淨值分別約5,750,000港元及5,918,000港元(2017年：撇減及撥回存貨撇減分別約5,906,000港元及7,392,000港元)已計入綜合損益及其他全面收益表內「銷售成本」中。有關存貨撇減至可變現淨值變動如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At beginning of the year	於年初	5,892	7,493
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	5,750	5,906
Reversal of write-down of inventories to net realisable value	撥回存貨撇減至可變現淨值	(5,918)	(7,392)
Exchange realignment	匯兌重新調整	62	(115)
At the end of the year	於年末	5,786	5,892

The reversal of write-down of inventories to net realisable value made during the year was mainly due to sales and utilisation of obsolete raw materials, and sample products sold higher than the previously written-down value on an exhibition held by the subsidiaries of the Group during the year ended 31 March 2018.

年內將撥回存貨撇減至可變現淨值，主要由於截至2018年3月31日止年度銷售及利用過時的原材料，以及在本集團附屬公司舉辦的展覽會上樣品的售價高於之前撇減的價值。

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### 綜合財務報表附註

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#### 19. TRADE RECEIVABLES

Trade receivables  
Less: Allowance for doubtful debts

貿易應收款項  
減：呆賬撥備

2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
84,083	191,324
(16,149)	(15,199)
<b>67,934</b>	<b>176,125</b>

The Group's trading terms with its customers are mainly on credit, except for new customers. Before accepting any new customer, the Group will apply an internal credit assessment policy to assess the potential customer's credit quality and define credit limits by customer. The credit period is generally for a period of 60 to 120 days for major customers. Each customer has a credit limit. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

Within 1 month	一個月內
1 to 2 months	一至兩個月
2 to 3 months	兩至三個月
Over 3 months	超過三個月

#### 19. 貿易應收款項

本集團與其客戶的貿易條款主要為信貸，惟新客戶除外。於接納任何新客戶之前，本集團將採用內部信貸評估政策以評估潛在客戶的信貸質素並確定客戶的信貸額度。主要客戶的信貸期一般為60至120天。每位客戶均設有信貸額度。逾期結餘由高級管理層定期檢討。貿易應收款項不計利息。

於報告期末按發票日期呈列及扣除撥備的貿易應收款項的賬齡分析如下：

2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
11,613	43,508
11,435	32,742
27,657	45,505
17,229	54,370
<b>67,934</b>	<b>176,125</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 19. TRADE RECEIVABLES (CONTINUED)

Trade receivables of approximately HK\$16,149,000 (As at 31 March 2017: approximately HK\$15,199,000) were individually determined to be impaired as at 31 March 2018. The individually impaired trade receivables relate to customers that were in unexpected financial difficulties and it is assessed that only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances. The movements in the allowance for doubtful debts are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
At beginning of the year	於年初	15,199	15,173
Allowance for doubtful debts	呆賬撥備	782	
Exchange realignment	匯兌重新調整	168	26
<hr/>			
At the end of the year	於年末	16,149	15,199

The ageing analysis of trade receivables at the end of the reporting period that are not individually nor collectively considered to be impaired is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Neither past due nor impaired	並未逾期或減值	57,399	124,818
Past due but not impaired	逾期但未減值		
Less than 61 days past due	逾期少於61天	10,445	47,837
61 days to 120 days past due	逾期61天至120天	3	2,780
Over 120 days past due	逾期超過120天	87	690
<hr/>			
		67,934	176,125

### 19. 貿易應收款項(續)

於2018年3月31日，已個別釐定為減值的貿易應收款項約為16,149,000港元(於2017年3月31日：約為15,199,000港元)。個別減值貿易應收款項與存在無法預測的財務困難的客戶有關且經評估預期僅部分應收款項可予收回。本集團並無持有該等結餘的任何抵押品或其他信貸負擔。有關呆賬撥備變動如下：

於報告期末個別或共同未被視為減值的貿易應收款項的賬齡分析如下：

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 19. TRADE RECEIVABLES (CONTINUED)

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

As at 31 March 2018, included in the Group's trade receivables are an amount due from the Group's joint venture of approximately HK\$152,000 (as at 31 March 2017: approximately HK\$243,000), which is repayable on credit terms similar to those offered to the major customers of the Group.

The net carrying amounts of the Group trade receivables that were pledged to secure the banking facilities and the bank borrowings is summarised in Note 23(a).

#### 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments	預付款項
Deposits	按金
Other receivables	其他應收款項

As at March 2018 and 2017, none of the above assets is either past due or impaired.

#### 19. 貿易應收款項(續)

已逾期但未減值的貿易應收款項與多名與本集團有良好往績記錄的獨立客戶有關。根據過往經驗，董事認為毋須就該等結餘作出減值撥備，因為信貸質素並無重大變動，而該等結餘仍被視為可全數收回。本集團並無就該等結餘持有任何抵押品或其他提升信貸措施。

於2018年3月31日，本集團的貿易應收款項中包括應收本集團合營公司之款項，金額約為152,000港元(於2017年3月31日：約243,000港元)。該筆款項須按信貸條款償還，內容與向本集團主要客戶提供的信貸條款相若。

本集團已質押作為銀行融資及銀行借貸擔保抵押的應收賬款賬面淨值於附註23(a)概述。

#### 20. 預付款項、按金及其他應收款項

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Prepayments	預付款項	3,800	6,488
Deposits	按金	856	1,423
Other receivables	其他應收款項	3,085	15,650
		<b>7,741</b>	<b>23,561</b>

於2018年及2017年3月，以上資產均未逾期或減值。

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### 21. CASH AND BANK BALANCES AND PLEDGED BANK DEPOSITS

### 21. 現金及銀行結餘與已質押銀行存款

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Total cash and bank balances, including pledged bank deposits	現金及銀行結餘總額 (包括已質押銀行存款)	230,489	207,585
Less: Pledged bank deposits for bank borrowings and facilities (note 23(a))	減：已為銀行借貸及融資 質押的銀行存款(附註23(a))	-	(55,495)
Non-pledged cash and bank balances	未質押現金及銀行結餘	230,489	152,090
Non-pledged cash and bank balances denominated in:	按下列貨幣計值的未質押現金及 銀行結餘：		
HK\$	港元	195,292	138,896
Renminbi ("RMB")	人民幣(「人民幣」)	34,266	7,718
US\$	美元	930	5,475
Euro	歐元	1	1
		230,489	152,090

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

銀行結餘按每日銀行存款利率的浮動利率計息。短期定期存款的存款期介乎一日至三個月，視本集團的即時現金需求而定，並按各短期定期存款利率計息。銀行結餘與已質押存款乃於近期無拖欠歷史且信譽良好的銀行儲存。

人民幣不能自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可通過獲授權經營外匯業務的銀行將人民幣兌換成其他貨幣。



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### 22. TRADE AND OTHER PAYABLES

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Trade payables	貿易應付款項	5,236	81,258
Other payables:	其他應付款項：		
Commission fee payables	應付佣金費用	4,935	2,326
Salaries and bonus payables	應付薪金及花紅	3,449	12,727
Accrued auditor's remuneration	應計核數師薪酬	1,913	1,204
Others	其他	12,501	62,789
		<b>28,034</b>	160,304

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within 1 month	一個月內	3,624	31,853
1 to 2 months	一至兩個月	112	19,920
2 to 3 months	兩至三個月	53	8,496
Over 3 months	超過三個月	1,447	20,989
		<b>5,236</b>	81,258

The trade payables are non-interest-bearing and the credit period of purchases ranges from 30 to 180 days. Other payables are non-interest-bearing and have an average term of 1 to 3 months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

#### 22. 貿易及其他應付款項

於報告期末按發票日期呈列的貿易應付款項的賬齡分析如下：

貿易應付款項乃不計息且採購的信貸期介乎30天至180天。其他應付款項乃不計息且平均期限為1至3個月。本集團已實施財務風險管理政策，以確保全部應付款項於信貸期間償付。

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23. INTEREST-BEARING BANK AND OTHER BORROWINGS

23. 計息銀行及其他借貸

		2018 2018年		2017 2017年	
		Effective contractual interest rate 實際合約利率 (%)	Amount 金額 HK\$'000 千港元	Effective contractual interest rate 實際合約利率 (%)	Amount 金額 HK\$'000 千港元
Current:	即期：				
Bank loans — Secured	銀行貸款 — 有抵押	1.50–4.94	–	1.56–3.28	132,438
Other borrowings	其他借貸	6.00–12.00	–	6.00	100,000
Maturity profile:	還款期限：				
On demand	於要求時償還		–		232,438

All the borrowings as at 31 March 2017 were repaid in full during the year 2018. As at 31 March 2018, the group had no borrowings.

所有截至2017年3月31日的借貸均在2018年償還。於2018年3月31日，本集團沒有借貸。

(a) The Group's bank borrowings as at the end of the reporting period are secured by:

(a) 於報告期末，本集團銀行借貸乃由下列各項作抵押：

		Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Current assets</b>	<b>流動資產</b>			
Restricted cash	受限制現金	21	–	55,495
Trade receivables	貿易應收款項	19	–	69,162
<b>Total current assets pledged as security for borrowing</b>	<b>被質押作為借貸擔保的流動資產總額</b>		–	124,657
<b>Non-current assets</b>	<b>非流動資產</b>			
Buildings	樓宇		2,253	17,350
Leasehold land	租賃土地		9,559	9,886
Prepaid land lease payments	預付土地租賃款項		–	2,806
Available-for-sale investment	可供出售投資		15,674	15,015
<b>Total non-current assets pledged as security</b>	<b>被質押作為借貸擔保的非流動資產總額</b>		27,486	45,057
<b>Total assets pledged as security for borrowing</b>	<b>被質押作為借貸擔保的資產總額</b>		27,486	169,714

Above pledges as at 31 March 2018 were released in May 2018.

上述於2018年3月31日的質押已於2018年5月解除。

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#### 23. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

- (b) The Group's other borrowings as at the end of the reporting period are secured by:

Current assets	流動資產
Trade receivables	貿易應收款項

- (c) The bank and other borrowings and overdraft were denominated in the following currencies:

HK\$	港元
US\$	美元

#### 23. 計息銀行及其他借貸(續)

- (b) 於報告期末，本集團其他借貸乃由下列各項作抵押：

Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
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19	—	142,311
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- (c) 銀行及其他借貸及透支乃以以下貨幣計值：

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
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—	145,769
—	86,669

—	232,438
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### 24. OBLIGATIONS UNDER FINANCE LEASES

The Group leases certain of its motor vehicles and office equipment for its operations. These leases are classified as finance leases and have remaining lease terms ranging from one to five years as at the end of the reporting period. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

The Group has paid HK\$2.9 million for finance lease payments in advance during the year ended 31 March 2018.

As at 31 March 2018, the total future minimum lease payments under finance leases and their present values were as follows:

### 24. 融資租賃承擔

本集團就其營運租賃其部分汽車及辦公設備。於報告期末，此等租賃乃分類為融資租賃，剩餘租賃期限介乎一至五年。所有租賃均採用定額還款方式，故並無就或然租金付款訂立任何安排。本集團的融資租賃承擔乃以出租人的租賃資產抵押作擔保。

截至2018年3月31日止年度，本集團提前支付融資租賃款項2.9百萬港元。

於2018年3月31日，融資租賃項下的日後最低租賃款項總額及其現值如下：

		Minimum lease payments		Present value of	
		最低租賃款項		最低租賃款項現值	
		2018	2017	2018	2017
		2018年	2017年	2018年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Amounts payable:	應付款項：				
Within one year	一年內	606	1,824	560	1,580
In the second year	第二年	606	1,824	575	1,654
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	858	2,614	842	2,466
Total minimum finance lease payments	最低融資租賃款項 總額	2,070	6,262	1,977	5,700
Future finance charges	日後融資支出	(93)	(562)		
Total net finance lease payables	融資租賃應付款項 總淨額	1,977	5,700		
Portion classified as current liabilities	分類為流動負債部分	(560)	(1,580)		
Non-current portion	非流動部分	1,417	4,120		

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#### 25. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the year are as follows:

		Plant and equipment depreciation	PRC withholding income tax	Loss available for offsetting future taxable profits	Total
		廠房及 設備折舊 HK\$'000 千港元	中國代扣 代繳所得稅 HK\$'000 千港元	可供抵銷未來 應課稅溢利 之虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2016	於2016年4月1日	(346)	–	121	(225)
Deferred tax charged during the year (note 11)	年內遞延稅項支出 (附註11)	(30)	–	19	(11)
Exchange realignment	匯兌重新調整	1	–	(1)	–
At 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日	(375)	–	139	(236)
Deferred tax charged during the year (note 11)	年內遞延稅項支出 (附註11)	(356)	(1,872)	542	(1,686)
At 31 March 2018	於2018年3月31日	(731)	(1,872)	681	(1,922)

As at 31 March 2018, the Group did not recognised deferred tax assets in relation to deductible temporary differences of approximately HK\$7,565,000 (2017: approximately HK\$9,441,000) contributed by the Hong Kong subsidiaries, as it is not considered probable that taxable profits will be available to utilised these deductible temporary differences.

As at 31 March 2018, the Group did not recognised deferred assets in relation to tax losses of approximately HK\$71,088,000 (2017: approximately HK\$29,678,000), as it is not considered probable that tax profits will be available to utilised these tax losses. Of the total amount, tax losses of approximately HK\$ 24,957,000 (2017: approximately HK\$ 261,000) attributable to the subsidiaries in Mainland China, will expire after five years of accounting year when the losses were incurred. The remaining balance can be carried forward indefinitely.

#### 25. 遞延稅項負債

於年內，遞延稅項負債變動如下：

		Plant and equipment depreciation	PRC withholding income tax	Loss available for offsetting future taxable profits	Total
		廠房及 設備折舊 HK\$'000 千港元	中國代扣 代繳所得稅 HK\$'000 千港元	可供抵銷未來 應課稅溢利 之虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2016	於2016年4月1日	(346)	–	121	(225)
Deferred tax charged during the year (note 11)	年內遞延稅項支出 (附註11)	(30)	–	19	(11)
Exchange realignment	匯兌重新調整	1	–	(1)	–
At 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日	(375)	–	139	(236)
Deferred tax charged during the year (note 11)	年內遞延稅項支出 (附註11)	(356)	(1,872)	542	(1,686)
At 31 March 2018	於2018年3月31日	(731)	(1,872)	681	(1,922)

於2018年3月31日，本集團未確認有關來自香港附屬公司的可扣減暫時性差額的遞延稅項資產約7,565,000港元(2017年：約9,441,000港元)，因認為不太可能將應課稅溢利用於該等可扣減暫時性差額。

於2018年3月31日，本集團未確認有關稅項虧損的遞延資產約71,088,000港元(2017年：約29,678,000港元)，因認為不太可能將應課稅溢利用於該等可扣減暫時性差額。中國大陸的附屬公司應佔的稅項虧損總額約為24,957,000港元(2017年：約261,000港元)並將於產生虧損的會計年度五年後到期。餘下結餘可以無限期結轉。

**26. DISPOSAL OF A SUBSIDIARY AND CERTAIN LEASEHOLD IMPROVEMENT**

In August 2017, the Group entered into a sale and purchase agreement with a third party, to sell 100% equity interest in Guangzhou Dihe Jewellery Limited (“Dihe”), at a cash consideration of HK\$35 million. The transaction was consummated on 29 August 2017. The Group recognised a gain of this transaction in consolidated statement of profit or loss and other comprehensive income, representing the excess of consideration over the book value of Dihe’s net assets.

Financial information relating to the subsidiary for the period to the date of disposal is set out below:

**26. 出售一間附屬公司及若干租賃物業裝修工程**

於2017年8月，本集團與第三方簽訂了一份以現金對價35百萬港元出售廣州締和首飾有限公司（「締和」）100%的股權的買賣協議。該項交易已於2017年8月29日完成。本集團已於綜合損益及其他全面收益表內將對價超出締和賬面淨資產的部分確認為此項交易的收益。

截至出售日止期間有關附屬公司的財務資料列示如下：

		HK\$'000 千港元
Consideration received:	已接獲對價：	
Cash	現金	35,000
<b>Total disposal consideration</b>	<b>出售對價總額</b>	<b>35,000</b>
Carrying amount of net assets sold	出售淨資產的賬面值	(22,008)
Gain on sale before income tax and reclassification of foreign currency translation reserve	除所得稅前及將外匯換算儲備重新分類前的出售收益	12,992
Reclassification of foreign currency translation reserve	外匯換算儲備的重新分類	(1,020)
Income tax expense on gain	就收益繳納的所得稅開支	(492)
Gain on sale after income tax	除所得稅後出售收益	11,480

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#### 26. DISPOSAL OF A SUBSIDIARY AND CERTAIN LEASEHOLD IMPROVEMENT (CONTINUED)

The carrying amounts of assets and liabilities as at the date of sale were:

		Notes 附註	2017 2017年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	14	19,677
Prepaid lease-land	預付土地租賃款項	15	2,819
Deposits, prepayment and other receivables	按金、預付款項及其他應收款項		607
Bank balances and cash	銀行結餘及現金		1,161
<b>Total assets</b>	<b>資產總額</b>		<b>24,264</b>
Other payables	其他應付款項		(2,256)
<b>Total liabilities</b>	<b>負債總額</b>		<b>(2,256)</b>
<b>Net assets *</b>	<b>淨資產*</b>		<b>22,008</b>

\* In addition, as part of the disposal of the subsidiary, the Group also disposed of certain leasehold improvement attached to this building (Note 14). Such leasehold improvement was owned by another subsidiary of the Group with net book value of approximately HK\$5,643,000. No consideration was paid by the third party for these assets.

#### 26. 出售一間附屬公司及若干租賃物業裝修工程(續)

於出售日期的資產及負債的賬面值:

	Notes 附註	2017 2017年 HK\$'000 千港元
Property, plant and equipment	14	19,677
Prepaid lease-land	15	2,819
Deposits, prepayment and other receivables		607
Bank balances and cash		1,161
<b>Total assets</b>		<b>24,264</b>
Other payables		(2,256)
<b>Total liabilities</b>		<b>(2,256)</b>
<b>Net assets *</b>		<b>22,008</b>

\* 除此之外，作為附屬公司出售的一部分，本公司同時出售賬面淨值約為5,643,000港元該建築物所附的若干租賃物業裝修工程(附註14)。有關租賃物業裝修工程乃由本集團另一間附屬公司擁有。概無第三方就該等資產支付任何對價。

Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	
Cash consideration	現金對價	35,000
Less: cash balance on subsidiary disposed	減：被出售的附屬公司的現金結餘	(1,161)
<b>Net proceeds from disposal of a subsidiary</b>	<b>出售附屬公司的所得款項淨額</b>	<b>33,839</b>

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### 27. SHARE CAPITAL AND SHARE PREMIUM

### 27. 股本及股份溢價

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Authorised:	法定：		
2,000,000,000 (2017: 2,000,000,000) ordinary shares of HK\$0.005 each (2017: HK\$0.005 each)	2,000,000,000 股 (2017年：2,000,000,000 股) 每股面值0.005 港元 (2017年：每股面值0.005 港元) 的普通股	<b>10,000</b>	10,000
<hr/>			
Issued and fully paid:	已發行及繳足：		
172,600,000 (2017: 160,000,000) ordinary shares of HK\$0.005 each (2017: HK\$0.005 each)	172,600,000 股 (2017年：160,000,000 股) 每股面值0.005 港元 (2017年：每股面值0.005 港元) 的普通股	<b>863</b>	800
<hr/>			

On 16 May 2017, 12,600,000 ordinary shares of HK\$0.005 each were allotted and issued at a price of HK\$5.06 per share under the placing agreement for the net proceeds, after deducting the placing fee, stamp duty and other related expenses payable by the Company, of approximately HK\$62,476,000.

於2017年5月16日，12,600,000股每股面值0.005港元之普通股已根據配售協議按每股5.06港元之價格配發及發行，以獲取所得款項淨額（扣除本公司應付的配售費用、印花稅及其他相關費用後）約62,476,000港元。



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 27. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)

A summary of movements in the Company's issued share capital, share premium and warrant reserve as follows:

		Number of Shares in issue 已發行 股份數目	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Warrant Reserve 認股權證 儲備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Authorised:	法定：					
As at 31 March 2017 and 31 March 2018	於2017年3月31日及 2018年3月31日	2,000,000,000	10,000	-	-	10,000
Issued and fully paid:	已發行及繳足：					
As at 31 March 2017	於2017年3月31日	160,000,000	800	60,374	-	61,174
The placement of shares	配售股份	12,600,000	63	62,413	-	62,476
Issue of unlisted warrants	發行非上市認股權證 (a)	-	-	-	2,470	2,470
As at 31 March 2018	於2018年3月31日	172,600,000	863	122,787	2,470	126,120

Notes:

- (a) Pursuant to the Placing Agreement, the Company agreed to issue 12,600,000 unlisted warrants (the "Warrants") at an issue price of HK\$0.20 per Warrant. Each Warrant entitled the Placees to subscribe for one ordinary share of HK\$0.005 each at an initial subscription price of HK\$7.00 per share (the "Warrant Shares").

The holders of warrants can subscribe for same number of ordinary shares at any time within two years commencing from the date of the issue of warrants. The number of shares and the subscription price of the shares to be issued does not vary with changes in their fair value. Warrants are recognised initially at proceeds as a whole in equity. The transaction cost that is directly attributed to the issue of the warrants is recognised net of proceeds in equity.

#### 27. 股本及股份溢價(續)

本公司已發行股本、股份溢價及認股權證儲備的變動概要如下：

附註：

- (a) 根據配售協議，本公司同意按每份認股權證0.20港元的發行價發行12,600,000份非上市認股權證(「認股權證」)。各認股權證賦予承配人權利按每股7.00港元的初步認購價認購一股每股面值0.005港元的普通股(「認股權證股份」)。

認股權證持有人可於認股權證發行日期起計兩年內隨時認購相同數目的普通股。股份數目及發行股份的認購價不會隨其公允值的變動而改變。認股權證以初始收到的所得款項確認權益。與發行認股權證直接相關的交易成本扣除所得款項後於權益確認。

**28. RESERVES**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

**Statutory surplus reserve**

In accordance with the relevant law and regulations in the PRC, each of the subsidiaries of the Company that was registered in the PRC is required to appropriate 10% of the annual statutory profit after tax (after offsetting any prior years' losses), determined in accordance with the PRC General Accepted Accounting Principles, to the statutory reserve until the balance of the reserve funds reaches 50% of the entity's registered capital. The statutory reserve can be utilised to offset prior years' losses or to increase capital, provided the remaining balance of the statutory reserve is not less than 25% of the registered capital.

**Merger reserve**

The merger reserve of the Group represents the reserves arising from the Reorganisation for the purpose of the Listing.

**Capital surplus**

On 28 July 2014, a balance due to the immediate holding company of the Company amounting to HK\$105,366,000 was capitalised as equity of the Group.

**29. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS****Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

**(i) Repayable**

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Net asset/debt</b>	<b>資產／債務淨額</b>		
Cash and bank balances	現金及銀行結餘	230,489	152,090
Borrowings — repayable within one year	借貸 — 一年內歸還	—	(232,438)
Obligations under finance leases	融資租賃承擔	(1,977)	(5,700)
Net asset/(debt)	資產／(債務)淨額	228,512	(86,048)

**28. 儲備**

本集團於本年及往年的儲備金額及變動於財務資料的綜合權益變動表呈列。

**法定盈餘儲備**

根據中國相關法律及法規，於中國註冊的本公司各附屬公司須劃撥10%根據中國公認會計原則釐定的年度法定除稅後溢利（經抵銷任何過往年度虧損後）至法定儲備，直至儲備金結餘達到該實體註冊資本的50%為止。該法定儲備可用於抵銷過往年度虧損或用於增資，惟法定儲備的餘下結餘不少於註冊資本的25%。

**合併儲備**

本集團的合併儲備指因上市重組而產生的儲備。

**資本盈餘**

於2014年7月28日，應付本公司直屬控股公司之結餘達105,366,000港元已資本化為本集團權益。

**29. 綜合現金流量表附註****債務淨額對賬**

本節載列對每一個期間的債務淨額及債務淨額的變動的 analysis。

**(i) 歸還**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 29. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

##### Net debt reconciliation (continued)

##### (ii) Fixed interest rate

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
<b>Net asset/debt</b>	<b>資產／債務淨額</b>		
Cash and bank balances	現金及銀行結餘	230,489	152,090
Borrowings — fixed interest rates	借貸 — 固定利率	—	(232,438)
Obligations under finance leases	融資租賃承擔	(1,977)	(5,700)
<b>Net asset/(debt)</b>	<b>資產／(債務)淨額</b>	<b>228,512</b>	<b>(86,048)</b>

##### (ii) Reconciliation to cash flow

#### 29. 綜合現金流量表附註(續)

##### 債務淨額對賬(續)

##### (ii) 固定利率

		Liabilities from financing activity 融資活動產生的負債			Total 合計 HK\$'000 千港元
		Cash 現金 HK\$'000 千港元	Borrowings 借貸 HK\$'000 千港元	Finance leases 融資租賃 HK\$'000 千港元	
<b>Net debt as at 1 April 2016</b>	<b>於2016年4月1日的 債務淨額</b>	62,106	(226,086)	(2,541)	(166,521)
Cash flows	現金流量	93,882	(6,352)	1,473	89,003
Foreign exchange adjustments	外匯調整	(3,898)	—	—	(3,898)
Other non-cash movements	其他非現金變動	—	—	(4,632)	(4,632)
<b>Net debt as at 31 March 2017</b>	<b>於2017年3月31日 的債務淨額</b>	152,090	(232,438)	(5,700)	(86,048)
Net debt as at 1 April 2017	於2017年4月1日的 債務淨額	152,090	(232,438)	(5,700)	(86,048)
Cash flows	現金流量	74,552	233,528	3,824	311,904
Foreign exchange adjustments	外匯調整	3,847	(1,090)	—	2,757
Other non-cash movements	其他非現金變動	—	—	(101)	(101)
<b>Net debt as at 31 March 2018</b>	<b>於2018年3月31日 的債務淨額</b>	230,489	—	(1,977)	228,512

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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### 30. OPERATING LEASE ARRANGEMENTS

#### As lessee

The Group leases certain of its premises and office equipment under operating lease arrangements. The leases are negotiated for terms ranging from one to five years with fixed monthly rentals.

At 31 March 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	2,277	4,004
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	5,361	1,856
		<b>7,638</b>	<b>5,860</b>

### 31. COMMITMENTS

At 31 March 2018, apart from to the operating lease commitments detailed in Note 18, the Group had no capital commitments as at the end of the reporting period:

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Contracted, but not provided for:	已訂約但尚未撥備：		
Construction in progress	在建工程	-	2,587

### 30. 經營租賃安排

#### 作為承租人

本集團根據經營租賃安排租賃其若干物業及辦公設備。有關租賃乃按固定月租及租期介乎一至五年議定。

於2018年3月31日，本集團根據不可撤銷經營租賃而須於未來支付之最低租金付款總額如下：

### 31. 承擔

於2018年3月31日，除附註18詳述的經營租賃承擔外，本集團於報告期末並無以下資本承擔：

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

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### 32. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed disclosed in Note 16 and Note 19 in these financial statements, the Group had the following material transactions with related parties during the year:
- (i) During the year ended 31 March 2018, total service fee of approximately HK\$597,000 (2017: approximately HK\$125,000) were paid and payable to Guarantee Travel Limited, an entity controlled by a close family member of a key management (2017: a close family member of a director) of major subsidiaries, for provision of reservation services for tickets and hotel accommodation etc. to a subsidiary of the Group. The service charges were mutually agreed between both parties.
- (ii) During the year 31 March 2018, the Group's sales to Dynamic Tactics (Hong Kong) Limited, a joint venture of the Group, amounted to approximately HK\$615,000 (2017: HK\$871,000). The terms and conditions of the sales were mutually agreed between both parties.
- (b) Outstanding balances with related parties:  
Details of the Group's amount due from its joint venture and trade balance with its joint venture are disclosed in notes 16 and 19 to the financial statement, respectively.
- (c) Compensation of key management personnel of the Group:

### 32. 關聯方交易

- (a) 除該等財務報表附註16及附註19披露及詳述的交易外，於年內，本集團與關聯方存在以下主要交易：
- (i) 截至2018年3月31日止年度，服務費用總額約597,000港元(2017年：約125,000港元)已支付及應付予保誠旅遊有限公司，一家由主要附屬公司的主要管理人員(2017年：董事的近親)控制的實體，目的為向本集團一家附屬公司提供機票及酒店預訂服務。服務收費乃經雙方相互協定。
- (ii) 截至2018年3月31日止年度，本集團向予集團中合營公司Dynamic Tactics (Hong Kong) Limited作出的銷售額約為615,000港元(2017年：871,000港元)。銷售之條款及條件乃經雙方相互協定。
- (b) 與關聯方的未償還結餘：  
本集團的應收合營公司款項和合營公司貿易結餘詳情分別於財務報表附註16和19披露。
- (c) 本集團主要管理層成員的薪酬：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	11,194	14,662
Pension scheme contributions	退休金計劃供款	36	87
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	11,230	14,749

Further details of directors' remuneration are included in note 9 to the financial statements.

有關董事薪酬的進一步詳情載於財務報表附註9。

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

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### 33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

#### Financial assets

		<b>2018</b>	<b>2017</b>
		<b>2018年</b>	<b>2017年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
Available-for-sale financial asset:	可供出售金融資產：		
Available-for-sale investment	可供出售投資	<b>15,674</b>	15,015
Loans and receivables:	貸款及應收款項：		
Trade receivables	貿易應收款項	<b>67,934</b>	176,125
Financial assets and other receivables	金融資產及其他應收款項	<b>1,592</b>	14,000
Pledged bank deposits	已質押銀行存款	–	55,495
Cash and bank balances	現金及銀行結餘	<b>230,489</b>	152,090
		<b>315,689</b>	412,725

#### 金融資產

### 33. 按類別劃分的金融工具

於報告期末各類金融工具的賬面值如下：

#### Financial liabilities

		<b>2018</b>	<b>2017</b>
		<b>2018年</b>	<b>2017年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
Financial liabilities at amortised cost:	按攤銷成本列賬的金融負債：		
Trade payables	貿易應付款項	<b>5,236</b>	81,258
Financial liabilities included in other payables	計入其他應付款項的金融負債	<b>17,326</b>	39,884
Interest-bearing bank and other borrowings	計息銀行及其他借貸	–	232,438
Obligations under finance leases	融資租賃承擔	<b>1,977</b>	5,700
		<b>24,539</b>	359,280

#### 金融負債

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### 34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amount and fair value of the Group's financial instrument, other than those with carrying amounts that reasonably approximate to fair values, is as follows:

		Carrying amount		Fair value	
		賬面值		公允值	
		2018	2017	2018	2017
		2018年	2017年	2018年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Financial asset</b>	<b>金融資產</b>				
Available-for-sale investment	可供出售投資	15,674	15,015	15,674	15,015

The fair value of available-for-sale investment has been estimated at the surrender value of the Policy as disclosed in Note 17 as at the end of reporting period. As there is no active market to demonstrate the fair value of the available-for-sale investment, and the potential exit price in a hypothetical transfer of the available-for-sale investment to another market participant cannot be reliably estimated, the directors believe that the estimated fair value resulting from the surrender value, which is recorded in the consolidated statement of financial position, and the related changes in fair value, which are recorded in other comprehensive loss, are reasonable, and that it was the most appropriate value at the end of the reporting period.

Management has assessed that the fair values of cash and bank balances, pledged bank deposits, trade receivables, financial assets included in prepayment, deposits and other receivables, trade payables, interest-bearing bank borrowings and financial liabilities included in other payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the non-current portion of obligations under finance leases has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair value of the non-current portion of obligations under finance leases at the end of the reporting period approximates to its corresponding carrying amount.

#### 34. 金融工具公允值及公允值層級

本集團金融工具的賬面值及公允值(賬面值與公允值合理地相若的金融工具除外)載列如下:

如附註17所披露,截至報告期末可供出售投資的公允值已根據該保單的退保價值估算。由於沒有活躍市場展示可供出售投資的公允值,且無法可靠地估計假設將可供出售投資轉讓予另一個市場參與者的潛在脫售價格,董事認為根據退保價值所得出的估計公允值(計入綜合財務狀況表)及公允值的相關變動(計入綜合其他虧損)均屬合理,而且為於報告期末最恰當的價值。

管理層已評估現金及銀行結餘、已質押銀行存款、貿易應收款項、計入預付款項、按金及其他應收款項的金融資產、貿易應付款項、計息銀行借貸及計入其他應付款項的金融負債的公允值與賬面值相若,主要由於該等工具於短期內到期。

融資租賃承擔非流動部分之公允值按適用於具有類似條款、信貸風險及剩餘年期的工具的現行利率折現預期未來現金流量計算。融資租賃承擔非流動部分於報告期末之公允值與其相應賬面值相若。

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Asset measured at fair value:

As at 31 March 2018

34. 金融工具公允值及公允值層級(續)

公允值層級

下表說明本集團的金融工具的公允值計量層級：

以公允值計量的資產：

於2018年3月31日

		Fair value measurement using 採用公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場中 報價 (1級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (2級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (3級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Available-for-sale investment	可供出售投資	-	-	15,674	15,674

The movements in fair value measurement within Level 3 during the year are as follows:

公允值計量第3級的變動如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Available-for-sale investment:	可供出售投資：		
At 1 April	於4月1日	15,015	14,470
Exchange realignment	匯兌重新調整	168	25
Change in fair value recognised in other comprehensive loss	其他全面虧損中確認的公允值變動	491	520
At 31 March	於3月31日	15,674	15,015

The Group did not have any financial liabilities measured at fair value as at 31 March 2018 and 31 March 2017.

本集團在2018年3月31日及2017年3月31日並無任何按公允值計值的金融負債。

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

於年內，無第1級和第2級的公允值計量轉移及第3級的金融資產和金融負債的轉入或轉出。



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#### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, comprise interest-bearing bank and other borrowings, obligations under finance leases, cash and short term bank deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group's exposure to market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk arises in the normal course of its business. These risks are managed by the Group's financial management policies and practices described below:

##### Interest rate risk

As at 31 March 2018, the Group is exposed to fair value interest rate risk in relation to fixed-rate other borrowings. The Group's exposure to cash flow interest rate risk relates principally to the Group's bank borrowings which are based on the Hong Kong Interbank Offered Rate and London Interbank Offered Rate. The Group mitigates the risk by monitoring closely the movements in interest rates and reviewing its banking facilities regularly. The Group has not used any interest rate swap to hedge its exposure to interest rate risk. If the interest rates on borrowings had been 50 basis points higher/lower, which was considered reasonably possible by management, with all other variables held constant, the loss after tax for the year would have been increased/decreased by approximately HK\$580,000 as a result of higher/lower interest expenses on bank borrowings.

As at 31 March 2018, the Group does not have any borrowings. Therefore, the management considers the Group is not exposed to any significant interest risk.

#### 35. 財務風險管理目標及政策

本集團的主要金融工具包括計息銀行及其他借貸、融資租賃承擔、現金及短期銀行存款。該等金融工具主要用於為本集團籌集營運資金。本集團有直接來自其營運的各種其他金融資產及負債，例如貿易應收款項及貿易應付款項。

本集團面臨於其一般業務過程中產生的市場風險(包括利率風險及外幣風險)、信貸風險及流動資金風險。由本集團的財務管理政策及慣例管理的該等風險概述如下：

##### 利率風險

於2018年3月31日，本集團面臨有關固定利率其他借貸的公允值利率風險。本集團面臨的現金流利率風險主要與本集團按香港銀行同業拆息計息的銀行借貸相關。本集團通過密切監控利率變動及定期審查其銀行融資降低風險。本集團尚未使用任何利率掉期以對沖其面臨的利率風險。如果借貸利率按管理層認為可能合理上升/下降50個基準點且所有其他可變因素維持不變，年內除稅後虧損將增加/減少約580,000港元，乃由於銀行借貸的利息開支增加/減少所致。

於2018年3月31日，本集團並無任何借貸。因此，管理層認為本集團將不面臨任何重大利率風險。

**35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****Foreign currency risk**

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group manages its foreign currency risk by closely monitoring the level of foreign currency balances. The Group currently has not entered into any foreign currency forward contracts to hedge against foreign currency risk. Management will consider hedging foreign currency exposure should the need arise.

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, bank balances, trade and other payables, obligations under finance leases and bank borrowings, at the end of the reporting period are approximately as follows:

		Assets 資產		Liabilities 負債	
		2018	2017	2018	2017
		2018年	2017年	2018年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
US\$	美元	36,779	153,061	8,127	154,138
RMB	人民幣	293	51,158	1,052	3,599

Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate.

**35. 財務風險管理目標及政策(續)****外幣風險**

本集團在交易上有貨幣風險。此等風險因營運單位以該單位功能貨幣以外之貨幣進行買賣而產生。本集團通過密切監控外幣結餘水平管理其外幣風險。本集團目前尚未訂立任何外幣遠期合約對沖外幣風險。管理層將於必要時考慮對沖外幣風險。

本集團於報告期末以各集團實體的功能貨幣以外的外幣計值的貨幣資產及貨幣負債(主要為貿易應收款項、其他應收款項、銀行結餘、貿易及其他應付款項、融資租賃承擔及銀行借貸)，其賬面值概約如下：

由於港元與美元掛鈎，本集團預計港元兌美元的匯率將不會出現任何重大變動。

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### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Foreign currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's loss after tax.

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Decrease/ (increase) in loss after tax 除稅後虧損 減少/(增加) HK\$'000 千港元
2018	2018年		
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣貶值	5%	(32)
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣升值	(5%)	32

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Decrease/ (increase) in loss after tax 除稅後虧損 減少/(增加) HK\$'000 千港元
2017	2017年		
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣貶值	5%	1,986
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣升值	(5%)	(1,986)

#### Credit risk

The carrying amounts of cash and cash equivalents and trade receivables represent the Group's maximum exposure to credit risk in relation to financial assets. All the Group's cash and cash equivalents are held in major financial institutions located in the PRC and Hong Kong, which management believes are of high credit quality. The Group has policies in place to evaluate credit risk when accepting new business and to limit its credit exposure to individual customers. The Group seeks to maintain strict control over its outstanding receivables and has a treasury department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing. The directors consider that the Group does not have a significant concentration of credit risk.

### 35. 財務風險管理目標及政策 (續)

#### 外幣風險 (續)

下表呈列本集團除稅後虧損對人民幣匯率之合理可能變動而所有其他可變因素保持不變的敏感度。

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Decrease/ (increase) in loss after tax 除稅後虧損 減少/(增加) HK\$'000 千港元
2018	2018年		
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣貶值	5%	(32)
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣升值	(5%)	32

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	Decrease/ (increase) in loss after tax 除稅後虧損 減少/(增加) HK\$'000 千港元
2017	2017年		
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣貶值	5%	1,986
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣升值	(5%)	(1,986)

#### 信貸風險

現金及現金等價物及貿易應收款項的賬面值為本集團所面臨有關金融資產的最高信貸風險。本集團的現金及現金等價物均存儲於位於中國及香港且管理層認為信貸質素較高的主要金融機構。本集團已制定政策，在接納新業務時評估信貸風險，並限制其所承受來自單個客戶的信貸風險。本集團致力維持對其未收款的嚴格控制，並設立財政部門致力於減少信用風險。逾期賬款將需要高級管理層定期審閱。應收貿易賬款並不計息。董事認為，本集團並無重大信貸集中風險。

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### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Liquidity risk

The Group aims to maintain sufficient cash and credit lines to meet its liquidity requirements. The Group finances its working capital requirements through a combination of funds generated from operations and other borrowings.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period based on contractual undiscounted payments including interest payments computed using contractual rates.

31 March 2018

Non-interest-bearing payables	不計息應付款項
Obligations under finance leases	融資租賃承擔

2018年3月31日

	On demand or less than 1 year 於要求時或 少於一年 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
	22,562	-	22,562
	606	1,464	2,070
	23,168	1,464	24,632

31 March 2017

Non-interest-bearing payables	不計息應付款項
Interest-bearing bank and other borrowings	計息銀行及其他借貸
Obligations under finance leases	融資租賃承擔

2017年3月31日

	On demand or less than 1 year 於要求時或 少於一年 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
	121,142	-	121,142
	232,438	-	232,438
	1,824	4,438	6,262
	355,404	4,438	359,842

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### 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Capital 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 to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, or sell assets to reduce debt. No changes in the objectives, policies or processes for managing capital were made during the years ended 31 March 2018 and 2017.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

The Group monitors capital using, inter alia, a gearing ratio which is net debt divided by total equity plus net debt. Net debt includes interest-bearing bank and other borrowings and obligations under finance leases, less cash and bank balances. The gearing ratio as at the end of the reporting period is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	–	232,438
Obligations under finance leases	融資租賃承擔	1,977	5,700
Cash and bank balances	現金及銀行結餘	(230,489)	(152,090)
Net debt	債務淨額	(228,512)	86,048
Equity attributable to owners of the parent	母公司擁有人應佔權益	368,776	321,264
Total equity plus net debt	權益總額加債務淨額	140,264	407,312
Gearing ratio	資產負債比率	Nil 零	21.1%

### 35. 財務風險管理目標及政策 (續)

#### 資本管理

本集團管理資本的目標乃保障本集團持續經營能力，為股東創造回報以及維持最佳資本架構以降低資本成本。

本集團管理其資本架構並就經濟狀況的變動作出調整。為維持或調整資本架構，本集團可能調整向股東支付的股息、向股東償還的資金或銷售資產以減少債務。於截至2018年及2017年3月31日止年度，有關資本管理的目標、政策或程序並無任何變動。

本集團管理層定期審閱資本架構。作為審閱的一部分，管理層會考慮資本成本及與各類資本相關的風險。根據管理層建議，本集團將通過支付股息及發行新債或償還債務，以平衡整體資本架構。

本集團採用(其中包括)資產負債比率(負債淨額除以權益總額加債務淨額)以監察資本。債務淨額包括計息銀行及其他借貸、融資租賃承擔減現金及銀行結餘。於報告期末的資產負債比率如下：

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting year is as follows:

### 36. 本公司財務狀況表

本公司於報告年度末財務狀況表的資料如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司投資	107,316	108,683
CURRENT ASSETS	流動資產		
Cash and bank balances	現金及銀行結餘	188,192	125,012
Due from a subsidiary	應收一間附屬公司款項	-	-
Prepayments	預付款項	-	158
Total current assets	流動資產總值	188,192	125,170
<b>Total assets</b>	<b>資產總額</b>	<b>295,508</b>	<b>233,853</b>
CURRENT LIABILITIES	流動負債		
Financial guarantee liabilities (note a)	財務擔保負債(附註a)	-	791
Due to subsidiaries	應付附屬公司款項	10,830	1,822
Other payable	其他應付款項	1,948	680
Total current liabilities	流動負債合計	12,778	3,293
EQUITY	權益		
Share capital	股本	863	800
Reserves (note b)	儲備(附註b)	281,867	229,760
<b>Total equity</b>	<b>權益總額</b>	<b>282,730</b>	<b>230,560</b>
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>295,508</b>	<b>233,853</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018

截至2018年3月31日止年度

### 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes:

- (a) As at 31 March 2018, the banking facilities with carrying amount of approximately HK\$158,161,000 (2017: HK\$335,117,000) granted to certain subsidiaries of the Group were guaranteed by the Company, these subsidiaries did not utilise any of such facilities (2017: HK\$132,438,000). Management has assessed the fair value of these guarantees and has recognised financial guarantee liabilities initially at fair value and subsequently at amortised cost. As at 31 March 2018, the Company did not recognise any financial guarantee liabilities (2017: HK\$791,000).
- (b) A summary of the reserve movements of the Company is as follows:

### 36. 本公司財務狀況表(續)

附註：

- (a) 於2018年3月31日，由銀行授予本集團某些附屬公司賬面值約為158,161,000港元(2017年：335,117,000港元)銀行融資由本公司擔保，該等附屬公司並無動用任何該等融資(2017年：132,438,000港元)。管理層已評估該等擔保的公允值，並將財務擔保負債按公允值進行初始確認，其後按攤銷成本計量。於2018年3月31日，本公司未確認任何財務擔保負債(2017年：791,000港元)。
- (b) 本公司儲備變動概要如下：

		Share premium	Merger reserve	Capital surplus	Warrant reserve	Retained earnings	Total
		股份溢價	合併儲備	資本盈餘	認股權證儲備	保留盈利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
As at 1 April 2016	於2016年4月1日	60,374	1,940	105,366	-	19,987	187,667
Profit and total comprehensive income for the year	年內溢利和全面收益總額	-	-	-	-	42,093	42,093
As at 31 March 2017 and 1 April 2017	於2017年3月31日及2017年4月1日	60,374	1,940	105,366	-	62,080	229,760
Profit and total comprehensive loss for the year	年內溢利和全面虧損總額	-	-	-	-	(12,776)	(12,776)
The placement of shares net off expenses	配售股份(扣除開支)	62,413	-	-	-	-	62,413
Issue of unlisted warrants net off expenses	發行未上市認股權證(扣除開支)	-	-	-	2,470	-	2,470
As at 31 March 2018	於2018年3月31日	122,787	1,940	105,366	2,470	49,304	281,867

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 March 2018  
截至2018年3月31日止年度

#### 37. SUBSEQUENT EVENTS

There were no material subsequent events during the period from 31 March 2018 to the approval date of these consolidated financial statements by the board of directors on 12 June 2018.

#### 38. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 12 June 2018.

#### 37. 期後事項

自2018年3月31日起至董事會於2018年6月12日批准該等綜合財務報表的日期止，概無發生任何重大期後事項。

#### 38. 批准綜合財務報表

董事會已於2018年6月12日批准及授權刊發綜合財務報表。



**FINANCIAL SUMMARY**  
**財務概要**

**RESULTS**

**業績**

		<b>Year ended 31 March</b> <b>截至3月31日止年度</b>				
		<b>2018</b>	2017	2016	2015	2014
		<b>2018年</b>	2017年	2016年	2015年	2014年
		<b>HK\$'000</b>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		<b>千港元</b>	千港元	千港元	千港元	千港元
REVENUE	收益	<b>433,666</b>	547,623	683,687	1,036,824	1,345,822
Cost of sales	銷售成本	<b>(355,041)</b>	(440,824)	(568,772)	(856,541)	(1,101,706)
Gross profit	毛利	<b>78,625</b>	106,799	114,915	180,283	244,116
Other income	其他收入	<b>2,660</b>	2,890	4,243	6,141	5,549
Selling expenses	銷售開支	<b>(31,826)</b>	(42,608)	(34,152)	(38,527)	(50,627)
Administrative expenses	行政開支	<b>(61,610)</b>	(70,997)	(82,388)	(99,775)	(132,113)
OPERATING (LOSS)/PROFIT	營運(虧損)/溢利	<b>(12,151)</b>	(3,916)	2,618	48,122	66,925
Other gain/(expenses), net	其他收益/(開支) 淨額	<b>(12,578)</b>	3,926	(5,087)	(10,293)	(10,240)
Finance costs	財務成本	<b>(8,714)</b>	(6,153)	(9,172)	(11,232)	(12,779)
Share of loss of a joint venture	應佔合營公司虧損	<b>(140)</b>	(27)	(49)	-	-
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	<b>(33,583)</b>	(6,170)	(11,690)	26,597	43,906
Income tax expense	所得稅開支	<b>(3,714)</b>	(2,984)	(1,812)	(6,255)	(6,334)
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE PARENT	母公司擁有人應佔 年內(虧損)/溢利	<b>(37,297)</b>	(9,154)	(13,502)	20,342	37,572
<b>Total assets, total liabilities and total equity</b>	<b>資產總值、負債總額 及權益總額</b>					
Total assets	資產總值	<b>400,709</b>	719,942	674,968	802,142	833,060
Total liabilities	負債總額	<b>31,933</b>	398,678	322,355	419,432	637,050
Total equity	權益總額	<b>368,776</b>	321,264	352,613	382,710	196,010

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