

沪港联合

Hong Kong Shanghai Alliance Holdings Limited

滬港聯合控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股票代號：1001

2018/19

Annual Report 年報



CONTENTS 目錄

Corporate Information	2	公司資料
Highlights	4	摘要
Five-Year Financial Summary	5	五年財務摘要
Chairman's Statement	7	主席報告書
Management Discussion and Analysis	12	管理層討論及分析
Corporate Governance Report	26	企業管治報告
Report of the Directors	45	董事會報告
Profile of Directors and Senior Management	57	董事及高級管理人員履歷
Independent Auditor's Report	61	獨立核數師報告
Consolidated Income Statement	70	綜合損益表
Consolidated Statement of Comprehensive Income	71	綜合全面損益表
Consolidated Statement of Financial Position	72	綜合財務狀況表
Consolidated Statement of Changes in Equity	74	綜合權益變動表
Consolidated Statement of Cash Flows	76	綜合現金流量表
Notes to the Consolidated Financial Statements	78	綜合財務報表附註

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

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

Independent Non-executive Directors

Mr. Tam King Ching Kenny
Mr. Xu Lin Bao
Mr. Yeung Wing Sun Mike
Mr. Li Yinquan

EXECUTIVE COMMITTEE

Mr. Yao Cho Fai Andrew (Chairman)
Mr. Lau Chi Chiu

AUDIT COMMITTEE

Mr. Tam King Ching Kenny (Chairman)
Mr. Xu Lin Bao
Mr. Yeung Wing Sun Mike
Mr. Li Yinquan

REMUNERATION COMMITTEE

Mr. Xu Lin Bao (Chairman)
Mr. Yao Cho Fai Andrew
Mr. Tam King Ching Kenny
Mr. Li Yinquan

NOMINATION COMMITTEE

Mr. Yao Cho Fai Andrew (Chairman)
Mr. Tam King Ching Kenny
Mr. Xu Lin Bao
Mr. Yeung Wing Sun Mike

COMPANY SECRETARY

Ms. Wong Yuen Sze, ACIS, ACS

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

董事會

執行董事

姚祖輝先生
(主席兼首席執行官)
劉子超先生

獨立非執行董事

譚競正先生
徐林寶先生
楊榮樂先生
李引泉先生

執行委員會

姚祖輝先生(主席)
劉子超先生

審核委員會

譚競正先生(主席)
徐林寶先生
楊榮樂先生
李引泉先生

薪酬委員會

徐林寶先生(主席)
姚祖輝先生
譚競正先生
李引泉先生

提名委員會

姚祖輝先生(主席)
譚競正先生
徐林寶先生
楊榮樂先生

公司秘書

黃婉詩女士 · ACIS, ACS

核數師

羅兵咸永道會計師事務所
香港執業會計師

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Bangkok Bank Public Co. Ltd.
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
China Construction Bank (Asia) Corp. Ltd.
Chong Hing Bank Limited
CTBC Bank Co., Ltd.
DBS Bank (Hong Kong) Limited
Far Eastern International Bank
Fubon Bank (Hong Kong) Limited
Industrial and Commercial Bank of China Limited
Shanghai Commercial Bank Ltd.
United Overseas Bank Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

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

SHARE REGISTRARS AND TRANSFER OFFICES

Principal Registrar

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

Hong Kong Branch Registrar

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

LISTED ON THE STOCK EXCHANGE OF HONG KONG LIMITED

Stock Code : 1001

主要往來銀行

盤谷銀行
中國銀行(香港)有限公司
交通銀行股份有限公司
中國建設銀行(亞洲)股份有限公司
創興銀行有限公司
中國信託商業銀行股份有限公司
星展銀行(香港)有限公司
遠東國際商業銀行股份有限公司
富邦銀行(香港)有限公司
中國工商銀行股份有限公司
上海商業銀行有限公司
大華銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港主要營業地點

香港灣仔
駱克道41號
東城大廈
11樓1103-05室

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

股份登記過戶處

主要過戶處

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

香港過戶分處

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

在香港聯合交易所有限公司上市

股票代號 : 1001

HIGHLIGHTS

摘要

FINANCIAL HIGHLIGHTS

For the year ended 31st March

財務摘要

截至三月三十一日止年度

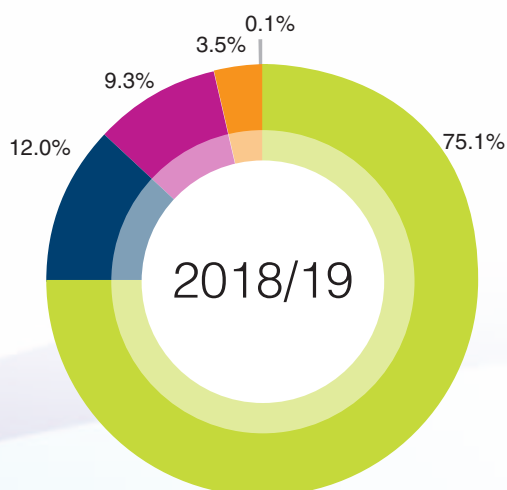
		2019 二零一九年 HK\$ million 百萬港元	2018 二零一八年 HK\$ million 百萬港元	Change 變化
Revenue	收入	2,882.6	3,032.9	-5.0%
Gross profit	毛利	275.1	197.6	+39.2%
Operating profit/(loss)	經營溢利/(虧損)	74.3	(90.7)	N/A 不適用
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	13.9	(147.7)	N/A 不適用
Basic earnings/(loss) per ordinary share (HK cents)	每股普通股基本盈利/(虧損)(港仙)	2.17	(23.02)	+25.19 cents 港仙
Proposed final dividend per ordinary share (HK cents)	建議每股普通股末期股息(港仙)	2.00	1.57	+27.4%
Gross profit margin	毛利率	9.5%	6.5%	+3.0 p.p. 百分點
Operating profit/(loss) margin	經營溢利/(虧損)率	2.6%	(3.0%)	+5.6 p.p. 百分點
Net profit/(loss) margin	淨溢利/(虧損)率	0.5%	(4.9%)	+5.4 p.p. 百分點

REVENUE BY LINES OF BUSINESS

- Construction Materials
- Building and Design Solutions
- Engineering Plastics
- Property Investment and Project Management
- Unallocated

各項業務之收入

- 建築材料
- 建築產品及設計方案
- 工程塑膠
- 房地產投資及項目管理
- 未分配



FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

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

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

CONSOLIDATED INCOME STATEMENT

綜合損益表

		Year ended 31st March 2019 截至 二零一九年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2018 截至 二零一八年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2017 截至 二零一七年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2016 截至 二零一六年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2015 截至 二零一五年 三月三十一日 止年度 HK\$'000 千港元
Revenue	收入	2,882,605	3,032,852	3,022,923	3,380,161	3,868,393
Operating profit/(loss)	經營溢利/(虧損)	74,268	(90,680)	400,749	212,535	347,968
Net finance costs	淨財務費用	(75,718)	(65,698)	(117,121)	(63,339)	(55,267)
Share of results of associates — net	應佔聯營公司之業績 — 淨額	—	—	—	(7,364)	(1,056)
Share of results of joint venture — net	應佔合營公司之業績 — 淨額	19,276	14,366	(36,511)	4,437	1,930
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	17,826	(142,012)	247,117	146,269	293,575
Income tax (expense)/credit	所得稅(支出)/抵免	(13,447)	1,772	(147,981)	(75,005)	(74,309)
Profit/(loss) for the year	年度溢利/(虧損)	4,379	(140,240)	99,136	71,264	219,266
Attributable to:	應佔:					
— Owners of the Company	— 本公司擁有人	13,888	(147,712)	101,776	70,105	215,533
— Non-controlling interests	— 非控制性權益	(9,509)	7,472	(2,640)	1,159	3,733
		4,379	(140,240)	99,136	71,264	219,266
Dividends	股息	12,825	10,057	30,490	17,950	46,785

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		As at 31st March 2019 於二零一九年 三月三十一日 HK\$'000 千港元	As at 31st March 2018 於二零一八年 三月三十一日 HK\$'000 千港元	As at 31st March 2017 於二零一七年 三月三十一日 HK\$'000 千港元	As at 31st March 2016 於二零一六年 三月三十一日 HK\$'000 千港元	As at 31st March 2015 於二零一五年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	1,907,672	1,604,281	1,581,056	2,110,217	1,549,725
Current assets	流動資產	1,088,949	1,527,607	1,802,843	1,421,542	1,372,081
Current liabilities	流動負債	(1,070,938)	(1,350,186)	(1,666,950)	(1,118,640)	(1,118,052)
Non-current liabilities	非流動負債	(812,247)	(694,261)	(586,051)	(1,351,616)	(731,653)
Net assets	資產淨額	1,113,436	1,087,441	1,130,898	1,061,503	1,072,101
Equity:	權益：					
Share capital	股本	64,123	64,055	64,188	64,064	63,227
Reserves	儲備	926,223	993,648	1,045,323	995,360	1,007,954
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備	990,346	1,057,703	1,109,511	1,059,424	1,071,181
Non-controlling interests	非控制性權益	123,090	29,738	21,387	2,079	920
Total equity	權益總額	1,113,436	1,087,441	1,130,898	1,061,503	1,072,101

Property value-added investor with regional niche
tapping into booming economic regions
具區域市場優勢之房地產增值投資者
進駐經濟繁榮地區



Yao Cho Fai Andrew
Chairman

姚祖輝
主席

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the board of directors (the "Board") of Hong Kong Shanghai Alliance Holdings Limited ("HKSHA") and its subsidiaries (collectively, the "Group"), it is my pleasure to present the audited consolidated results of the Group for the year ended 31st March 2019 (the "Year").

After taking time in its business transformation, the Group has now become a real estate value-added investor with outstanding capabilities and proven track record. Looking back, the Group was able to dispose three real estate projects, namely The Point Jing'an (disposed in March 2014), Central Park Putuo (disposed in March 2017) and Park Lane (disposed in September 2017), all at a gain with an internal rate of return of not less than 20% and an equity multiple of 1.7 or above. Meanwhile, for the two projects on hand, namely Central Park Pudong and Central Park Jing'an (formerly known as Longyu International Plaza), the Group was able to raise their occupancy rate and rental fee significantly after taking over in management. While increased the occupancy rate of Central Park Pudong from 0% to peak at approximately 91% in 2 years, the Group was also able to boost the average rental fee per square meter per day of Central Park Jing'an from RMB6.31 to RMB7.04 after acquisition, with its maximum rental fee reaching RMB8.6/sq.m. per day. Such track record demonstrates the Group's capability in real estate revitalization, as well as market recognition of its presence and effort.

Property value-added requires a wide range of network and expertise, essentially forming a high entry barrier. It requires a talent pool with an eye to undervalued projects, a proprietary pipeline, a team to carry out the suitable upgrade and improvement works, an array of staff members to market the properties for rental income and tenant upgrade, and insightful decision-makers to identify the best window and consideration for disposals. Yet, the Group's seasoned management team has empowered it to drive forward, as some had previously taken key roles at major real estate developers. Through their active participation, the Group not only meets, but breaks through the barriers, in terms of human capital.

Project financing represents another major hurdle for other real estate value-added players. However, in HKSHA, the Group is able to leverage its listing status to tap into various financing channels. By considering its established presence in both Shanghai and Hong Kong, the Group is also able to leverage its regional resources, and seek strategic collaboration with established players such as sovereign funds in meeting the capital requirement. This is highlighted by the Group's recent

各位股東：

本人謹代表滬港聯合控股有限公司(「滬港聯合」)及其附屬公司(統稱「本集團」)董事會(「董事會」)，欣然提呈本集團截至二零一九年三月三十一日止年度(「本年度」)之經審核綜合業績。

進行業務轉型一段時間後，本集團現已成為房地產增值投資者，實力超卓且往績彪炳。回望過去，本集團已成功出售三個房地產項目，即靜安門(於二零一四年三月出售)、中港匯普陀(於二零一七年三月出售)及尚泰里(於二零一七年九月出售)。該三個項目均錄得收益，而內部回報率均不低於20%及權益倍數為1.7倍或以上。此外，就兩個現有項目，即中港匯浦東及中港匯靜安(前稱隆宇國際商務廣場)而言，其出租率及租金於本集團接管管理後大幅提升。中港匯浦東之出租率於兩年內由0%增加至最高約91%，而本集團於收購中港匯靜安後，其每平方米每天平均租金由人民幣6.31元提升至人民幣7.04元，最高每日租金達每平方米人民幣8.6元。此等往績記錄足證本集團於房地產活化方面之實力，同時亦代表市場對其地位及努力之肯定。

房地產增值需要廣泛的網絡及專業知識，從而形成偏高的入行門檻。其需要具洞察力的人才團隊發掘蘊藏潛力之項目，掌握自營渠道以配合能夠妥善進行工程升級改造之團隊，再由一群擅於進行物業市場推廣的精英人才實現租金收入及租戶升級，並由對市場具敏銳觸覺之決策人員判斷物業之最佳出售時機等考慮因素。在本集團管理團隊中，部分成員曾於主要房地產發展商擔任重要職務，團隊經驗豐富，亦具備推動本集團邁步向前之能力。有賴管理團隊積極投入，本集團不但符合入行條件，更能衝破人力資源方面之種種困難。

對於其他房地產增值業者而言，項目融資是另一個主要障礙。但對於滬港聯合，本集團能夠借助其上市地位以發掘不同融資渠道。鑒於本集團在上海及香港佔有穩固地位，故本集團亦能夠利用其地區資源，並尋求與主權基金等穩健企業進行策略性合作，籌集足夠資本。本集團最近與Reco Wisteria Private Limited(其為Minister for Finance of the

CHAIRMAN'S STATEMENT

主席報告書

success in establishing a co-investment venture with Reco Wisteria Private Limited (an indirect wholly-owned subsidiary of GIC (Realty) Private Limited which is wholly-owned by the Minister for Finance of the Government of Singapore) in an attempt to create opportunities for the Group to participate in multiple, larger projects and further diversify its investment portfolio.

With such solid foundation in place, the Group will continue to explore more project opportunities in Shanghai and Hong Kong in the future. Rooted in the two respective economic hub in the Yangtze River Delta and the Greater Bay Area where cumulative GDP reached approximately RMB28.66 trillion in 2018, the Group is well-positioned to pick out projects with potential, seek further strategic partnerships, build on its revitalization expertise, derive synergies from the two areas, and eventually, to repay the faith from its shareholders in the form of dividends.

Apart from the positive performance recorded for the Property Investment and Project Management Business, the Group's Construction Materials Business also achieved a turnaround for the Year and showed encouraging signs to trend upwards. In the future, the Group will continue to drive market adoption and transform the Hong Kong construction industry into a safer and more efficient landscape. On the other hand, Building and Design Solutions Business also performed well through the successful tender of a list of premium commercial property and hotel projects. Supported by other contributing segments together with the thriving Property Investment and Project Management Business, this would ensure the Group to have a balanced, sustainable growth in the foreseeable future.

I would like to take this opportunity to express my gratitude to my fellow Board members for their contributions, to all staff for their dedication and hard work, and to our shareholders for their unequivocal support under the ever-changing market environment. The Group will continue to embrace excellence, and strive to deliver sustainable and greater returns to its shareholders and stakeholders.

Yao Cho Fai Andrew
Chairman

Hong Kong, 26th June 2019

Government of Singapore全資擁有的GIC (Realty) Private Limited旗下的間接全資附屬公司)成立共同投資企業，為本集團爭取參與多項大型投資項目的機會，令本集團的投資組合更多元化，而箇中成功之道更凸顯出本集團之實力。

透過奠下如此良好基礎，本集團日後將會繼續在上海及香港開拓更多項目。本集團植根於珠三角區及大灣區兩大經濟中心，該等地區於二零一八年之累計國內生產總值約為人民幣28.66萬億元，本集團因而擁有良好條件以挑選具潛力之項目，進一步建立策略性合作關係，發揮其活化專業知識，釋放兩區之協同效應，從而透過股息形式回報股東之信賴。

除房地產投資及項目管理業務取得亮麗業績外，本集團之建築材料業務於本年度亦扭虧為盈，呈現令人鼓舞之上升趨勢跡象。日後，本集團將繼續推動市場認可，並將重塑香港建築業以達致更安全及更高效之格局。另一方面，透過成功投得一系列高端商業房地產及酒店項目，建築產品及設計方案業務亦取得佳績。在其他分部的貢獻支持下，加上房地產投資及項目管理業務發展蓬勃，以上種種將有助本集團於可預見未來實現均衡及可持續之增長。

本人希望藉此機會向董事會各成員所作出之貢獻、全體員工之竭誠奉獻及努力不懈表示衷心謝意，另亦感謝股東在瞬息萬變之市場環境下，仍然給予我們堅實支持。本集團將繼續追求卓越，致力為股東及持份者持續帶來更豐厚的回報。

主席
姚祖輝

香港，二零一九年六月二十六日





Proven track record as property value-added investor
to drive sustainable return
在房地產增值投資上擁有彪炳往績
彰顯其創造可持續回報之實力

OVERVIEW

For the year ended 31st March 2019 (the “Year”), the Group recorded a profit attributable to owners of the Company of approximately HK\$13.9 million on revenue of approximately HK\$2,882.6 million, versus a loss attributable to owners of the Company of approximately HK\$147.7 million on revenue of approximately HK\$3,032.9 million last year. The increase in profit was mainly due to increase in revenue of Property Investment and Project Management Business and recovery of Construction Materials Business. Gross profit was approximately HK\$275.1 million, up approximately 39.2% year-on-year while gross profit margin increased to approximately 9.5% from approximately 6.5% last year.

The basic earnings per ordinary share was HK2.17 cents for the Year, versus the basic loss per ordinary share of HK23.02 cents last year.

The Board has recommended a final dividend of HK2.00 cents (2018: HK1.57 cents) per ordinary share for the Year.

概覽

於截至二零一九年三月三十一日止年度（「本年度」），本集團錄得收入約2,882,600,000港元，本公司擁有人應佔溢利約為13,900,000港元，而去年錄得收入約3,032,900,000港元，本公司擁有人應佔虧損約為147,700,000港元。溢利增加主要由於房地產投資及項目管理業務收益增加以及建築材料業務復甦所致。毛利約為275,100,000港元，按年同比增加約39.2%，而毛利率由去年約6.5%增加至約9.5%。

相對去年每股普通股基本虧損為23.02港仙，本年度之每股普通股基本盈利為2.17港仙。

董事會建議派付本年度每股普通股2.00港仙（二零一八年：1.57港仙）的末期股息。

Established presence in major economic regions in China
to capture opportunities with quality and higher return

穩健立足於中國主要經濟地區
捕捉優質及更高回報之機遇

During the Year, the Group has achieved great success in its Property Investment and Project Management Business under its project management arm Hongkong and Shanghai Land Capital Ltd. (together with its affiliated companies, collectively “HSL”). Based on its past excellent record in identifying projects with great potential for upgrade and implementing renovation and leasing plan impeccably, the Group is able to attract other investors to explore cooperation opportunities. During the Year, the Group has completed the formation of a co-investment venture (the “JV”) with Reco Wisteria Private Limited (an indirect wholly-owned subsidiary of GIC (Realty) Private Limited (“GIC”) which is wholly-owned by the Minister for Finance of the Government of Singapore), in order to further diversify its investment portfolio and provide an opportunity for the Group to participate in multiple larger size investment projects. GIC is a global long-term investor and among the largest real estate investors worldwide. Partnering with GIC would yield goodwill and enhance the Group’s reputation, while providing flexibility to the Group’s capital allocation. These achievements have demonstrated the effectiveness of our Property Investment and Project Management Business model, in which we have been devoting our efforts in value-added renovation, offering design expertise and product application knowledge, as well as cultivating supplier relationship.

In addition, through our value enhancement and tenant upgrade effort for our wholly-owned Central Park Pudong, a 12-storey (plus basement level) office building with a total gross area of about 33,191 sq.m. located in Pudong, Shanghai, China, we were able to achieve an increase in rental revenue, with its occupancy rate increased from approximately 76% as of 31st March 2018 to approximately 85% in June 2019.

於本年度，本集團透過其項目管理公司滬港地產資本有限公司(連同其聯屬公司，統稱「滬港地產」)，在房地產投資及項目管理業務方面取得巨大成功。基於在物色具有巨大優化潛力的項目及完美實施翻新及租賃計劃方面之良好往績，本集團能夠吸引其他投資者探索合作機會。於本年度，本集團與Reco Wisteria Private Limited(其為Minister for Finance of the Government of Singapore全資擁有的GIC (Realty) Private Limited(「GIC」)旗下的間接全資附屬公司)成立共同投資企業(「合營公司」)，令本集團的投資組合更多元化，並提供參與多項大型投資項目的機會。GIC是全球長期投資者，也是全球最大的房地產投資者之一。與GIC合作將可提高本集團之商譽及聲譽，同時為本集團的資本分配提供靈活性。這些成就證明了我們的房地產投資及項目管理業務模式的有效性，並展示了我們在增值翻新、提供專業設計及產品應用知識，以及維護供應商關係等方面的努力。

此外，通過提升我們全資擁有之中港匯浦東(位於中國上海市浦東之一幢十二層高(連同一層地下層)之商務大廈，總建築面積約為33,191平方米)之價值及優化其租戶組合，我們得以提高租金收入，其出租率從二零一八年三月三十一日約76%增至二零一九年六月約85%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Property Investment and Project Management Business

We are a leading real estate investor/manager. Our Property Investment and Project Management Business consists of (i) direct acquisitions of properties for investment such as our wholly-owned Central Park Pudong which generates rental income and appreciation in fair value to the Group; and (ii) investments in properties via partnerships or investment funds where the Group takes equity stake and HSL acts as a general partner and/or investment manager to earn fee income.

The core value of our Property Investment and Project Management Business lies on the ability of the property team to generate and unlock value for property projects through alternations and additions works and provision of active property services. HSL has a team of industry veterans and proven track record in asset revitalisation and optimisation. HSL provides integrated value-add framework which involves re-positioning, re-development, re-leasing and refurbishment of commercial assets. It carries out value enhancement works on the properties and their surrounding common areas at a minimum renovation cost, while implementing successfully leasing strategy to remix tenants in order to secure premium tenants and drive up rental income, with the eventual target of generating significant capital gains for the Group's investments. The team members of HSL have substantial business experience in Greater China, and HSL has built a strong business network with leading state-owned enterprises, local governments and property developers in Mainland China.

The Group focuses on office properties in Shanghai, which is the most developed, financial and economic center of China. Its steady-growing GDP, driven by tertiary industries such as finance, technology and advanced businesses, along with initiatives such as Shanghai Free Trade Zone and the Shanghai-Hong Kong Stock Connect introduced by the Central Government, have together generated sustainable demand in premium-grade offices, which lead to an increasing rental level.

The occupancy rate of our wholly-owned investment property — Central Park Pudong increased from approximately 76% as of 31st March 2018 to approximately 85% in June 2019. Based on a valuation report issued by an independent international property valuer, the carrying amount of this investment property was approximately HK\$1,404.9 million (equivalent to approximately RMB1,206.0 million), resulted in a valuation gain of HK\$108.9 million and a deferred tax liability of HK\$27.2 million for the Year.

業務回顧

房地產投資及項目管理業務

我們是領先的房地產投資者及投資管理人。我們的房地產投資及項目管理業務包括(i)直接收購物業作投資，如我們全資擁有的中港匯浦東，該物業為本集團帶來租金收入及提升公允價值；及(ii)透過合夥企業或投資基金投資物業，本集團於該等合夥企業或投資基金中持有權益，而滬港地產作為一般合夥人及／或投資經理人以賺取費用收入。

我們的房地產投資和項目管理業務的核心價值在於房地產團隊透過改動及加建工程及提供有效的房地產服務的能力，為房地產項目創造及帶來價值。滬港地產擁有資深的行業團隊，並在資產重組和優化方面擁有良好往績。滬港地產提供綜合增值框架，包括商業資產的重新定位、開發、租賃及翻新。滬港地產以最低的翻新成本對物業及其周邊公用地區進行增值工程，成功實施租賃策略以優化租戶組合以獲得優質租戶及提升租金收入，最終目標是為本集團的投資帶來可觀的資本收益。滬港地產之成員在大中華擁有豐富的業務經驗，而滬港地產與中國內地的國有企業、地方政府和房地產開發商已建立強大的業務網絡。

本集團專注於上海的辦公樓物業，上海乃中國最發達的金融及經濟中心。在第三產業如金融、科技及高端商業等推動下，以及中央政府所引領之舉措如上海自由貿易區和滬港通，為上海帶來穩定增長的國內生產總值，並對高端辦公室帶來可持續性的需求，從而推動租金水平上漲。

我們全資擁有的投資物業中港匯浦東之出租率由二零一八年三月三十一日約76%增至二零一九年六月約85%。根據獨立國際物業估值師出具的估值報告，該投資物業的賬面值約為1,404,900,000港元(相當於約人民幣1,206,000,000元)，於本年度錄得估值收益108,900,000港元及遞延稅項負債27,200,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In June 2018, the Group successfully set up the JV with Reco Wisteria Private Limited, an indirect wholly-owned subsidiary of GIC, with an initial fund size of US\$350.0 million (equivalent to approximately HK\$2.7 billion) for the purposes of acquiring under-utilized office buildings in prime locations in Shanghai with value-add potential, and implementing value enhancement with efficient capital expenditure and other asset management initiatives. As of 31st March 2019, the Group has an effective equity stake of 9.3% in the JV. The JV completed its first investment in Longyu International Plaza in September 2018 and subsequently rebranded it as Central Park Jing'an ("Central Park Jing'an"). Central Park Jing'an, with a total gross area of about 58,601 sq.m., is a Grade A-office building conveniently located in Jing'an District, Shanghai with direct access to 3 metro lines. HSL completed the renovation of the project in May 2019 to uplift the quality and recruit new tenants to enhance both rental yield and occupancy. The Group shared profit of approximately HK\$20.7 million from its investment in the JV for the Year.

於二零一八年六月，本集團成功與GIC之間接全資附屬公司Reco Wisteria Private Limited成立合營公司，初步資金規模為350,000,000美元(相當於約2,700,000,000港元)，用於收購位於上海黃金地段而且低使用率但具增值潛力的商務大廈，並有效使用資本支出及其他資產管理舉措提升價值。於二零一九年三月三十一日，本集團持有合營公司9.3%的有效權益。合營公司於二零一八年九月完成了其首項投資 — 隆宇國際商務廣場，隨後更名為中港匯靜安(「中港匯靜安」)。中港匯靜安是一幢總建築面積約58,601平方米的甲級商務大廈，位於上海靜安區，可直達3條地鐵線。滬港地產於二零一九年五月完成該項目之翻新，從而提升質量並招募新租戶以提高租賃回報和出租率。於本年度，本集團於合營公司的投資之應佔溢利約為20,700,000港元。

Our track record in Shanghai

我們於上海的彪炳往績



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year, our Property Investment and Project Management Business recorded a profit before income tax of approximately HK\$82.5 million on revenue of approximately HK\$100.0 million, versus a profit before income tax of approximately HK\$33.9 million on revenue of approximately HK\$63.0 million last year. The year-on-year increase in revenue was mainly due to the increase of occupancy rate in our wholly-owned Central Park Pudong and our investment management income from the JV for the Year. The increase of profit before income tax was mainly due to fair value gain of HK\$108.9 million from Central Park Pudong and its valuation was HK\$1,404.9 million as of 31st March 2019.

Building and Design Solutions Business

Our Building and Design Solutions Business provides a comprehensive value proposition that includes design, installation, inventory management, logistics as well as technical support of bathroom and kitchen products to developers, architects, designers and distributor partners. As one of the established players in the market, we offer an expansive product portfolio covering various well-known brands.

During the Year, the Building and Design Solutions Business recorded a profit before income tax of approximately HK\$21.9 million on revenue of approximately HK\$346.8 million, versus a profit before income tax of approximately HK\$24.9 million on revenue of approximately HK\$330.1 million last year. The increase in revenue was mainly due to increase in contributions from real estate and hotel projects in Hong Kong and Macau for the Year. The decrease of profit before income tax was mainly due to a bad debt provision of approximately HK\$2.2 million recorded for the Year.

Construction Materials Business

Construction Materials Business comprises Hong Kong construction products processing and distribution, steel recycling, reinforcing bar processing and assembly business conducted through our wholly-owned VSC Construction Steel Solutions Limited, and PRC surface critical coil processing and distribution business. During the Year, the Group continued to encounter different challenges, both from the steel market as well as the global economy, including the continuous adverse fluctuations of steel price, the negative impact arising from the trade conflicts between major trade nations, projects delay in Hong Kong, as well as slow but ongoing transition from on-site cut-and-bend to offsite prefabricated steel reinforcement component.

於本年度，我們的房地產投資及項目管理業務錄得收入約100,000,000港元，除所得稅前溢利約為82,500,000港元，而去年收入約為63,000,000港元，除所得稅前溢利約為33,900,000港元。收入按年同比增加，主要由於我們全資擁有的中港匯浦東的出租率及合營公司之投資管理收入於本年度增加所致。除所得稅前溢利增加主要由於中港匯浦東錄得公允價值收益108,900,000港元，而其於二零一九年三月三十一日之估值為1,404,900,000港元。

建築產品及設計方案業務

我們的建築產品及設計方案業務提供具綜合價值的方案，包括為發展商、建築師、設計師及分銷夥伴提供浴室及廚房產品的設計、安裝、庫存管理、物流以及技術支援。作為市場上穩健的企業之一，我們提供涵蓋各種知名品牌之廣泛產品組合。

於本年度，建築產品及設計方案業務錄得收入約346,800,000港元，除所得稅前溢利約為21,900,000港元，而去年收入約為330,100,000港元，除所得稅前溢利約24,900,000港元。於本年度，收入增加主要是由於香港及澳門於房地產及酒店工程項目收入增長所致。除所得稅前溢利減少主要由於本年度錄得壞賬撥備約2,200,000港元。

建築材料業務

建築材料業務包括香港建築產品加工與分銷、鋼材回收、鋼筋加工及裝配業務(透過我們全資擁有的VSC Construction Steel Solutions Limited經營)，以及於中國的卷鋼加工與分銷業務。於本年度，鋼材市場及全球經濟這兩項因素使本集團繼續面對各種挑戰，當中包括鋼材價格持續反向波動、主要貿易國之間產生的貿易衝突所帶來的負面影響、香港的工程項目延誤，以及業界從場內切割及折彎鋼筋轉型至場外預製鋼材組件之緩慢但持續的增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year, the Construction Materials Business recorded a total revenue of approximately HK\$2,164.6 million, down approximately 3.0% compared with last year, main reason being the decrease in tons sold by approximately 12.1% due to infrastructure projects delay in Hong Kong.

Profit before income tax of Construction Materials Business was approximately HK\$20.6 million for the Year, versus a loss before income tax of approximately HK\$120.9 million last year, mainly due to the increase in sales orders for our reinforcing bar processing and assembly business and reversal of provision for onerous contracts of approximately HK\$40.7 million for the Year because of the recoup of profit margin for our outstanding sales contract orders as of 31st March 2019.

Engineering Plastics Business

The Engineering Plastics Business recorded a revenue of approximately HK\$268.7 million, down by approximately 29.0% as compared with last year, with tons sold also decreased by approximately 36.9%, as we moved away from customers where margins were too low or credit risk was high, and focused on high growth segments. This business recorded a loss before income tax of approximately HK\$7.4 million for the Year, versus a profit before income tax of approximately HK\$14.8 million last year, primarily due to a translation loss of HK\$6.2 million resulting from RMB depreciation against USD and HKD. Discounting this translation loss of HK\$6.2 million for the Year (2018: translation gain of HK\$5.2 million), the Engineering Plastics Business achieved a loss before income tax of about HK\$1.2 million, down by HK\$10.8 million compared to a profit before income tax of HK\$9.6 million last year. This drop in profit before income tax was mainly due to lower sales and re-organisation expenses of approximately HK\$0.8 million for the close down of our Guangzhou and Xiamen sales offices.

於本年度建築材料業務錄得收入總額約2,164,600,000港元，較去年下跌約3.0%，主因乃香港基建項目延誤導致已售噸數減少約12.1%所致。

本年度，建築材料業務之除所得稅前溢利約為20,600,000港元，去年的除所得稅前虧損則約為120,900,000港元，主因乃隨著有關鋼筋加工及裝配業務之銷售訂單增加，以及截至二零一九年三月三十一日，我們未完成的銷售合同訂單的毛利率有所回升，使本年度撥回有償契約撥備約40,700,000港元所致。

工程塑膠業務

工程塑膠業務錄得收入約268,700,000港元，較去年下跌約29.0%，而已售噸數亦減少約36.9%，此乃由於我們遠離利潤率極低或信貸風險較高之客戶並專注於高增長領域所致。該業務於本年度錄得除所得稅前虧損約7,400,000港元，而去年除所得稅前溢利則約為14,800,000港元，主要由於本年度人民幣兌美元及港元貶值導致兌換虧損6,200,000港元所致。扣除本年度的兌換虧損6,200,000港元（二零一八年：兌換收益5,200,000港元），工程塑膠業務的除所得稅前虧損約為1,200,000港元，與去年除所得稅前溢利為9,600,000港元相比下跌了10,800,000港元。除所得稅前溢利下降主因乃銷售減少及關閉我們廣州和廈門的銷售中心而產生約800,000港元的重組費用所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

Property Investment and Project Management Business

As Shanghai continues its transformation of becoming a global hub, through upgrading its innovative manufacturing and becoming the host of various international events, it is expected that there will be a massive increase in demand for commercial buildings. Targeting to unleash such potentials, we will continue to focus on the Shanghai market for good property investment opportunities. The Group will also continue to provide one-stop solutions for revitalizing under-performing commercial buildings to valuable assets under the professional team of HSL.

Building and Design Solutions Business

We will continue to roll out our segment based growth strategy for our Building and Design Solutions Business in Hong Kong and Macau. Our latest line of sanitary products will allow us to capture market opportunities arose from changing housing size and needs in Hong Kong and the booming real estate and hotel industry in Macau.

Our brand partners continue to have a strong market presence and our project strategy has allowed us to capture large and iconic projects in Hong Kong and Macau.

In the future, we will also explore opportunities outside of Hong Kong, particularly in the Greater Bay Area, where its GDP is expected to reach US\$4.62 trillion by 2030, as its infrastructure development would bring huge demand to our Building and Design Solutions Business.

展望

房地產投資及項目管理業務

隨著上海繼續轉型成為全球樞紐，通過升級其創新製造業及舉辦各種國際盛事，我們預期商業樓宇的需求將大幅增長。為發掘市場潛力，我們將繼續專注於上海市場以尋找良好的房地產投資機會。透過滬港地產的專業團隊，本集團將繼續提供一站式解決方案，將表現欠佳的商業樓宇改造為具價值的資產。

建築產品及設計方案業務

我們將繼續於香港及澳門推廣建築產品及設計方案業務的分部增長策略。而我們最新的衛浴產品將讓我們抓緊香港房屋規模和需求的轉變，以及蓬勃發展的澳門房地產和酒店業市場帶來的機遇。

我們的品牌合夥人持續佔有強勁市場份額，且我們的項目策略促使我們於香港及澳門贏得大型知名項目。

今後，我們還將探索香港以外地區的商機，特別是國內生產總值預期在二零二零年前將達4.62萬億美元的大灣區，因為其基礎設施建設將給我們的建築產品及設計方案業務帶來龐大的需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Construction Materials Business

We expect the global steel market to continue its volatile evolution, as China's demand continues to slow down while production output is reduced due to environmental initiatives. China's steel production consolidation and its drive for cleaner air may lead us to continue to search for supply outside of China.

Despite the negativities in the steel market, the Group remains optimistic in the long-term development of the construction industry in Hong Kong, as favourable policies and government planning were recently announced. The setting up of HK\$1 billion "Construction Innovation and Technology Fund" together with the government's proactive promotion in adoption of technology and innovative construction methods to improve quality, productivity and cost-effectiveness should expedite the transformation of the construction industry, and specifically, encouraging the adoption of factory cut-and-bend production, and create opportunities for the Group to capture, as it continues its downward migration along the value chain by providing one-stop solutions covering the processing, logistics and new product needs.

Furthermore, to realise the vast potentials from the flourishing Hong Kong construction sector and the Greater Bay area, the Group has acquired the remaining stake of VSC Construction Steel Solutions Limited from NatSteel Holdings Pte. Ltd. in May 2018. This allows the Group to further integrate its process flow of combining steel trading and steel processing into one, and to fully enjoy the upcoming infrastructure boom as well as the increasing emphasis of off-site, pre-fabricated construction materials in Hong Kong. The Group is able to streamline its sales, marketing and operational function and further reduce its overhead cost as to lay a solid foundation for its profit margin. In addition, the Group will continue to actively pursue other marketing and promotional activities to drive order volume and utilization. These combined moves would lay a solid foundation of rebound of this business in the near future.

建築材料業務

我們預期全球鋼材市場將持續波動，原因是中國的需求持續放緩同時生產量因環境措施而降低。中國的鋼材生產進行整合及其推動淨化空氣的倡議可能促使我們繼續尋求中國境外之供應商。

儘管鋼材市場存在種種不利因素，但考慮到近期公佈的有利政策及政府規劃，本集團對香港建築業的長期發展仍持樂觀態度。政府擬撥款10億港元設立「建造業創新及科技基金」，以及積極推廣科技及創新建造技術以提升質量、生產力和成本效益等舉措，應可促進建造業轉型，尤其可鼓勵企業採用於工廠切割及折彎鋼筋的生產模式。本集團將繼續向產業鏈下游延伸，通過提供涵蓋加工、物流及新產品需求的一站式解決方案，為本集團帶來更多機遇。

此外，為了體現蓬勃發展的香港建造業及大灣區的發展潛力，本集團已於二零一八年五月從NatSteel Holdings Pte. Ltd. 收購其持有VSC Construction Steel Solutions Limited 剩餘的股權。此舉將使本集團能進一步整合鋼材貿易及鋼材加工的工序流程，並充分受益於香港未來基礎建設及場外預製建築材料的蓬勃發展。本集團亦可精簡銷售、市場及營運架構，進一步減低間接成本，為其利潤水平提供一定保障。此外，本集團將繼續積極參與其他市場及推廣活動，以提升訂單數量及使用率。以上因素將為本業務於不久將來的回升奠下穩固基礎。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Engineering Plastics Business

Our Engineering Plastics Business has been undergoing a major re-organisation over the past three years, as we moved away from segments such as toys, and moved towards to segments such as home appliances, consumer electronics and automotive, while changing our offer to include higher margin products and services. We will continue to monitor our costs and working capital closely.

FINANCIAL REVIEW

Financial Positions

Compared with the financial year ended 31st March 2018, as at 31st March 2019, the Group's total assets decreased from approximately HK\$3,131.9 million to approximately HK\$2,996.6 million. The Group's inventories increased from approximately HK\$289.6 million to approximately HK\$290.7 million. The average inventory days of supply increased by 4 days to 41 days. The Group's trade and bill receivables decreased from approximately HK\$528.2 million to approximately HK\$480.5 million. The average overall day of sales outstanding decreased from 61 days to 57 days. Net assets value of the Group increased from approximately HK\$1,087.4 million as at 31st March 2018 to approximately HK\$1,113.4 million, equivalent to HK\$1.74 per ordinary share as at 31st March 2019.

Compared with the financial position at 31st March 2018, the Group's cash and cash equivalents and pledged bank deposits, decreased by approximately HK\$204.9 million to approximately HK\$165.7 million while the Group's borrowings decreased by approximately HK\$66.3 million to approximately HK\$1,492.5 million as at 31st March 2019. Current ratio decreased from 1.13 to 1.02, while gearing ratio (net debt, which is total borrowings minus pledged bank deposits and cash and cash equivalents, divided by capital and reserves attributable to owners of the Company plus net debt) increased from 53% to 57%. The Group will continue to monitor its working capital closely and take various measures on cost reduction and improvement of operational efficiency.

工程塑膠業務

我們的工程塑膠業務於過去三年內一直在進行重大重組，我們從玩具領域轉移至家用電器、消費電子及汽車領域，並改變業務方針以涵蓋有更高利潤率的產品及服務。我們將繼續密切關注我們的成本和營運資金。

財務回顧

財務狀況

與截至二零一八年三月三十一日止財政年度相比，本集團於二零一九年三月三十一日之資產總額由約3,131,900,000港元減少至約2,996,600,000港元。本集團之存貨由約289,600,000港元增加至約290,700,000港元。平均存貨週轉日數增加4日至41日。本集團之應收賬款及票據由約528,200,000港元減少至約480,500,000港元。平均應收賬款週轉日數從61日減少至57日。本集團之資產淨值由二零一八年三月三十一日約1,087,400,000港元增加至二零一九年三月三十一日約1,113,400,000港元，相當於每股普通股1.74港元。

與二零一八年三月三十一日之財務狀況比較，本集團於二零一九年三月三十一日之現金及現金等值及已抵押銀行存款，減少約204,900,000港元至約165,700,000港元，而本集團之借貸則減少約66,300,000港元至約1,492,500,000港元。流動比率則自1.13減少至1.02，其中資產負債比率(負債淨額，即借貸總額減已抵押銀行存款以及現金及現金等值，除以本公司擁有人應佔股本及儲備加負債淨額)由53%增加至57%。本集團將繼續密切監控營運資金，並採取各種措施降低成本及提升營運效率。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Resources

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group's overall treasury and funding policies focus on managing financial risks including interest rate and foreign exchange risks; on cost efficient funding of the Company and its subsidiaries; and on yield enhancement from time to time when the Group's cash position allows. The Group has always adhered to prudent financial management principles, including the selection of investment securities according to the Group's treasury investment policy.

The Group's trade financing remained primarily supported by its bank trading and term loan facilities. As at 31st March 2019, about 55.1% of the Group's interest-bearing borrowings for trade financing purpose and financing of investment properties were denominated in HK dollar, about 37.2% in RMB and about 7.7% in US dollar. These facilities are either secured by the Group's inventory held under short-term trust receipts bank loan arrangement and/or pledged bank deposits and/or corporate guarantee provided by the Company. All of the above borrowings were on floating rate basis. Interest costs of import bank loans were levied on interbank offered rates plus very competitive margin. RMB loans of the Group have been obtained from domestic and foreign banks in the amount of RMB476.0 million. Interest costs of RMB banking facilities were based on standard loan rates set by the People's Bank of China adjusted with competitive margin.

Charges on Assets

As at 31st March 2019, the Group had certain charges on assets which included (i) bank deposits of approximately HK\$38.9 million which were pledged as collateral for the Group's bill payables; and (ii) an investment property of approximately HK\$1,404.9 million which were pledged as collaterals for certain bank borrowings of the Group.

Exposure to Fluctuations in Exchange Rates and Related Hedges

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

財務資源

本集團之融資及庫務活動均由總部集中管理及監控。本集團整體庫務及集資政策集中於管理財務風險，包括利率及外匯風險；對本公司及其附屬公司提供符合成本效益之融資方案，以及在本集團現金狀況可行下不時提高收益率。本集團一直秉持審慎財務管理原則，包括根據本集團庫務投資政策選擇投資證券。

本集團之貿易融資主要由其銀行貿易及定期貸款融資支持。於二零一九年三月三十一日，本集團以貿易融資及投資物業融資為目的之附息借貸中約55.1%以港元為幣值、約37.2%以人民幣為幣值及約7.7%以美元為幣值。該等融資通過本集團之短期信託收據銀行貸款安排下持有之存貨及／或已抵押銀行存款及／或本公司提供之公司擔保作為抵押。以上所有借貸均按浮動利率計息。進口銀行貸款之利息費用以銀行同業拆息率加非常具競爭力之息差計算。本集團已自國內及外資銀行獲得數額為人民幣476,000,000元之人民幣貸款。人民幣銀行融資之利息費用乃按中國人民銀行釐定之標準貸款利率以優惠息差再加以調整。

資產抵押

於二零一九年三月三十一日，本集團有若干資產作抵押，包括(i)約38,900,000港元之銀行存款抵押作為本集團的應付票據之抵押品；及(ii)約1,404,900,000港元之一項投資物業抵押作為本集團若干銀行借貸之抵押品。

匯率風險波動及相關對沖

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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

Contingent Liabilities

As at 31st March 2019, the Group's had no material contingent liability.

Material Acquisitions and Disposals

Save as disclosed in Note 36 to the accompanying consolidated financial statements, the Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Year.

KEY RISKS AND UNCERTAINTIES

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

Financial Risks

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

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

或然負債

於二零一九年三月三十一日，本集團並無重大或然負債。

重大收購事項及出售事項

於本年度，除隨附之綜合財務報表附註36內所披露者外，本集團並無任何重大附屬公司及聯營公司收購事項及出售事項。

主要風險及不明朗因素

我們相信，本集團之財務狀況、經營業績及業務前景可能受直接或間接與本集團業務有關之若干風險及不明朗因素(有些為我們不能控制)所影響。以下為本集團介定為主要風險及不明朗因素。本集團可能面對並不知悉或可能目前並不重大但可能於未來轉變成重大之其他可能風險及不明朗因素。

財務風險

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Operational Risk

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

Business Risk

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

Human Capital and Retention Risk

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

HUMAN CAPITAL

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

As at 31st March 2019, the Group employed 272 staff. Total staff costs including contribution to retirement benefit schemes incurred during the Year amounted to approximately HK\$129.0 million. During the Year, no options have been offered and/or granted to directors and our employees under the share option scheme adopted on 11th August 2011.

營運風險

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

業務風險

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

人力資源及留聘風險

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

人力資源

本集團竭力打造精英團隊，藉此推動本集團業務發展更上一層樓。我們的增長策略一直包括加強員工的責任感。我們提供優越之薪酬待遇以吸引及推動員工。我們努力為員工提供舒適安全的工作環境，並提供各種機會，讓員工不斷學習和成長。

於二零一九年三月三十一日，本集團聘用272名僱員。於本年度，總員工成本包括退休福利計劃供款約為129,000,000港元。於本年度，並無根據於二零一一年八月十一日採納之購股權計劃向董事及我們之員工提供及/或授出任何購股權。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental Protection

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

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

Community Involvement

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

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

Compliance with Relevant Laws and Regulations

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

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

環境、社會及管治

環境保護

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

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

參與社區活動

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

我們自二零零七年起獲得由香港社會服務聯會頒發之「商界展關懷」獎項；並於二零一零年獲得由香港青年協會頒發之「有心企業」獎項。

遵守相關法律及法規

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Environmental, Social and Governance Report

In accordance with Rule 13.91 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Company will publish an Environmental, Social and Governance Report within three months after the publication of this annual report in compliance with the provisions set out in the “Environmental, Social and Governance Reporting Guide” in Appendix 27 to the Listing Rules.

RELATIONSHIPS WITH STAKEHOLDERS

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

APPRECIATION

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

環境、社會及管治報告

根據香港聯合交易所有限公司證券上市規則(「上市規則」)第13.91條，本公司將遵照上市規則附錄二十七《環境、社會及管治報告指引》所載的條文，於本年報刊發後三個月內刊發環境、社會及管治報告。

與持份者之關係

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

感謝

我們向盡職僱員、忠誠客戶、供應商、銀行夥伴及股東之長期支持致以衷心謝意。

CORPORATE GOVERNANCE REPORT

企業管治報告

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) is committed to maintaining high standards of corporate governance. It believes that high standards of corporate governance provide a framework and solid foundation for the Company and its subsidiaries (collectively, the “Group”) to manage business risks, enhance transparency, maintain high standards of accountability and protect shareholders’ interest in general. The Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) except for CG Code provision A.2.1 for the year ended 31st March 2019 (the “Year”).

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

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

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

THE BOARD

As at the date of this report, the Board consists of two Executive Directors and four Independent Non-executive Directors. The composition of the Board during the Year and up to the date of this report is set out as follows:

Executive Directors:

Mr. Yao Cho Fai Andrew (*Chairman and Chief Executive Officer*)
Mr. Lau Chi Chiu
Ms. Luk Pui Yin Grace (*resigned on 13th December 2018*)

滙港聯合控股有限公司(「本公司」)之董事會(「董事會」)致力維持高水平之企業管治。董事會相信高水平之企業管治可為本公司及其附屬公司(統稱「本集團」)建立一個框架及穩固之基礎，以管理業務風險、增加透明度、維持高水平問責制及保障股東之整體權益。於截至二零一九年三月三十一日止年度內(「本年度」)，本公司已應用香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)之原則，並遵守一切適用守則條文，惟企業管治守則條文第A.2.1條除外。

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

董事及相關僱員進行證券交易之守則

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

董事會

於本報告日期，董事會由兩名執行董事及四名獨立非執行董事組成。於本年度及截至本報告日期止，董事會成員載列如下：

執行董事：

姚祖輝先生(主席兼首席執行官)
劉子超先生
陸佩然女士(於二零一八年十二月十三日辭任)

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent Non-executive Directors:

Mr. Tam King Ching Kenny
Mr. Xu Lin Bao
Mr. Yeung Wing Sun Mike
Mr. Li Yinquan (*appointed on 5th July 2018*)
Mr. Tse Lung Wa Teddy (*retired on 17th August 2018*)

The brief biographical details of the Directors are set out in the “Profile of Directors and Senior Management” on pages 57 to 60 of this annual report.

Board Process

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

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

The Company has established four Board Committees, namely Executive Committee, Remuneration Committee, Audit Committee and Nomination Committee, to oversee various aspects of the affairs.

獨立非執行董事：

譚競正先生
徐林寶先生
楊榮樂先生
李引泉先生(於二零一八年七月五日獲委任)
謝龍華先生(於二零一八年八月十七日退任)

董事之履歷詳情載於本年報第57頁至第60頁之「董事及高級管理人員履歷」一節內。

董事會程序

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

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

董事會主要負責就本集團整體策略、年度經營預算、全年及中期業績、董事任命或重新委任(基於提名委員會的建議)、重大合同及交易、企業管治以及其他重要政策和財務等事宜作決策或審議。執行委員會按其特別書面職權範圍，領導及監管各業務單位之管理層處理本集團業務之日常運作。

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

Name of Directors 董事姓名		Number of meetings attended/held 出席／舉行會議之次數				
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會	General Meetings 股東大會
<i>Executive Directors:</i> 執行董事：						
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer)	姚祖輝先生 (主席兼首席執行官)	4/4	1/1	N/A 不適用	1/1	2/2
Mr. Lau Chi Chiu	劉子超先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	2/2
Ms. Luk Pui Yin Grace (resigned on 13th December 2018)	陸佩然女士 (於二零一八年十二月十三日辭任)	3/3	N/A 不適用	N/A 不適用	N/A 不適用	2/2
<i>Independent Non-executive Directors:</i> 獨立非執行董事：						
Mr. Tam King Ching Kenny	譚競正先生	4/4	1/1	2/2	1/1	2/2
Mr. Xu Lin Bao	徐林寶先生	3/4	1/1	2/2	1/1	2/2
Mr. Yeung Wing Sun Mike	楊榮榮先生	4/4	N/A 不適用	2/2	1/1	2/2
Mr. Li Yinquan (appointed on 5th July 2018)	李引泉先生 (於二零一八年七月五日獲委任)	3/3	N/A 不適用	1/1	N/A 不適用	1/1
Mr. Tse Lung Wa Teddy (retired on 17th August 2018)	謝龍華先生 (於二零一八年八月十七日退任)	1/1	1/1	1/1	N/A 不適用	2/2
Total Number of Meetings Held	舉行會議總數	4	1	2	1	2

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

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

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

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

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

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

董事之持續專業發展

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

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

全體董事已確認於本年度內已透過出席有關公司業務或企業管治及規例之研討會或會議或閱覽有關其職責及責任之資料，參與適當持續專業發展活動。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

董事於本年度參與持續專業發展之活動載列如下：

Name of Directors 董事姓名	Reading journals, updates, articles and/or materials 閱讀期刊、最新資訊、文章及／或相關資料	Attending workshops, seminars, conferences and/or forums 出席工作坊、研討會、會議及／或論壇
<i>Executive Directors:</i> 執行董事：		
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer)	姚祖輝先生 (主席兼首席執行官)	✓
Mr. Lau Chi Chiu	劉子超先生	✓
Ms. Luk Pui Yin Grace (resigned on 13th December 2018)	陸佩然女士 (於二零一八年十二月十三日辭任)	✓
<i>Independent Non-executive Directors:</i> 獨立非執行董事：		
Mr. Tam King Ching Kenny	譚競正先生	✓
Mr. Xu Lin Bao	徐林寶先生	—
Mr. Yeung Wing Sun Mike	楊榮樂先生	—
Mr. Li Yinquan (appointed on 5th July 2018)	李引泉先生 (於二零一八年七月五日獲委任)	—
Mr. Tse Lung Wa Teddy (retired on 17th August 2018)	謝龍華先生 (於二零一八年八月十七日退任)	—

BOARD DIVERSITY

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

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

董事會成員多元化

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' AND OFFICERS' INSURANCE

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

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE

The Chairman of the Board and the Chief Executive Officer (i.e. the Chief Executive) is now Mr. Yao Cho Fai Andrew. CG Code provision A.2.1 stipulates that the roles of the chairman and the chief executive should be separated and should not be performed by the same individual. The Board believes that the vesting of the roles of both Chairman and Chief Executive Officer in Mr. Yao will enable him to continue to provide the Group with strong leadership, efficiency usage of resources as well as allow for effective planning, formulation and implementation of the Company's business strategies which will enable the Group to sustain the development of its business efficiently. The day-to-day management and operation of the Group will continue to be the responsibility of the management team under the monitor of the Executive Committee and Mr. Yao's leadership.

SPECIFIC TERMS OF NON-EXECUTIVE DIRECTORS

According to the CG Code, the non-executive directors should be appointed for a specific term and subject to re-election. The Company's Independence Non-executive Directors are appointed for a term of three years and shall determine upon expiry subject to renewal by mutual agreement prior to the expiry of the term. All Independent Non-executive Directors (including all other Directors) are subject to retirement by rotation and re-election at the annual general meeting at least once every three years according to the Company's Bye-laws.

BOARD COMMITTEES

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

董事及高級人員之保險

本公司已就董事及本集團內之高級人員可能面對之法律行動而作出適當保險安排。

主席及行政總裁之角色

姚祖輝先生現為董事會主席兼首席執行官(即行政總裁)。按企業管治守則條文A.2.1條規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。董事會相信賦予姚先生主席兼首席執行官之職務會使其繼續為本集團帶來強勁之領導能力、提高資源運用效率並推展計劃、組織及實施本公司之業務策略，令本集團能夠有效地拓展其業務。於執行委員會之監督及姚先生之領導下，管理團隊會繼續負責本集團之日常管理及營運。

委任非執行董事之指定任期

根據企業管治守則，非執行董事須以指定年期委任，及須輪席告退。本公司之獨立非執行董事之任期為三年及將於屆滿後終止，惟可於屆滿前根據相互協議續任。所有獨立非執行董事(包括全部其他董事)需要按本公司之細則每三年於股東週年大會上至少輪值告退一次並可膺選連任。

董事委員會

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

CORPORATE GOVERNANCE REPORT

企業管治報告

Executive Committee

Executive Committee has been established since March 2006 and now consists of two Executive Directors, being Mr. Yao Cho Fai Andrew as chairman and Mr. Lau Chi Chiu as a member.

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

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

- (i) implementing and compliance with the laws, regulations, Listing Rules, Bye-laws and internal regulations applicable to the Company;
- (ii) providing a means for timely and accurate disclosure of information;
- (iii) ensuring effective communication with the Company's shareholders;
- (iv) developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board;
- (v) reviewing and monitoring the training and continuous professional development of Directors and senior management;
- (vi) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (vii) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (viii) reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report.

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

執行委員會

執行委員會自二零零六年三月成立，現時由兩名執行董事組成，即姚祖輝先生為主席及劉子超先生為成員。

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

本公司已採納了執行委員會之職權範圍，以符合企業管治守則所載之條文。其負責履行之企業管治職能如下：

- (i) 執行及遵守適用於本公司之法律、規則、上市規則、公司細則及內部規則；
- (ii) 提供方法以及時和準確地披露資料；
- (iii) 確保與本公司股東有效之溝通；
- (iv) 制定及檢討本公司之企業管治政策及常規，並向董事會提出建議；
- (v) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (vi) 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- (vii) 制定、檢討及監察適用於僱員及董事之操守準則及合規手冊(如有)；及
- (viii) 檢討本公司遵守企業管治守則之情況及在企業管治報告內之披露。

於本年度，執行委員會已根據其職權範圍執行本公司之企業管治職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

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

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

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

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

Audit Committee

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

薪酬委員會

薪酬委員會自二零零五年七月成立，於本報告日期由四名成員組成，包括獨立非執行董事徐林寶先生（薪酬委員會主席）、譚競正先生及李引泉先生以及執行董事姚祖輝先生。薪酬委員會之職責乃就董事及高級管理人員之薪酬政策及架構向董事會提供建議，確保對本集團整體表現有所貢獻之董事及高級管理人員均獲得公平回報，並考慮到股東之利益。

薪酬委員會獲轉受責任以釐定個別執行董事及高級管理人員之薪酬待遇，以及根據董事會議決之企業目標及宗旨檢討及批准管理層之薪酬建議。薪酬委員會亦會就非執行董事之薪酬向董事會提出建議。概無董事或其任何聯繫人士可參與有關其本身薪酬之任何決定。薪酬委員會已訂立符合企業管治守則規定之特定書面職權範圍。薪酬委員會之職權範圍訂明其權限、職責及責任，其已登載於本公司及香港交易及結算所有限公司（「港交所」）之網頁內。

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

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

審核委員會

審核委員會自一九九八年十二月成立，於本報告日期由四名獨立非執行董事組成，包括譚競正先生（審核委員會主席）、徐林寶先生、楊榮樂先生及李引泉先生。按上市規則第3.10條，譚競正先生為獨立非執行董事並具備適當之專業資格或會計或相關財務管理專長。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

The following is a summary of work performed by the Audit Committee during the Year:

- (i) reviewed and discussed the audited consolidated financial statements of the Company for the year ended 31st March 2018 and recommended to the Board for approval;
- (ii) reviewed and discussed the unaudited condensed consolidated financial statements of the Company for the six months ended 30th September 2018 and recommended to the Board for approval;
- (iii) reviewed and discussed with the management and the external auditor of the Company the accounting policies and practices which may affect the Group and the scope of the audit;
- (iv) reviewed reports from the external auditor of the Company regarding their audit on the Company's consolidated financial statements for the year ended 31st March 2018 and their review on the Company's condensed consolidated financial statements for the six months ended 30th September 2018;
- (v) reviewed reports from the internal auditor of the Company regarding their review on the internal control of the Group; and
- (vi) reviewed and approved the remuneration and the terms of engagement of the Company's auditors; and reviewed and made recommendations to the Board on the re-appointment of the Company's auditors.

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

董事會已制定及核准審核委員會之職權範圍，職權涉及若干內部監控、風險管理及審核事宜，目標為進一步改善本公司的企業管治。審核委員會已訂立符合企業管治守則所規定之特定書面職權範圍。審核委員會之職權範圍訂明其權限、職責及責任，其已登載於本公司及港交所之網頁內。

以下為審核委員會於本年度已履行之工作概要：

- (i) 審閱及討論本公司截至二零一八年三月三十一日止年度之經審核綜合財務報表，並建議董事會審批；
- (ii) 審閱及討論本公司截至二零一八年九月三十日止六個月之未經審核簡明綜合財務報表，並建議董事會審批；
- (iii) 與本公司管理層及外聘核數師審閱及討論可能影響本集團之會計政策與慣例及審核範疇；
- (iv) 審閱本公司外聘核數師有關審核本公司截至二零一八年三月三十一日止年度之綜合財務報表及本公司外聘核數師有關審閱本公司截至二零一八年九月三十日止六個月之簡明綜合財務報表之報告；
- (v) 審閱本公司內部核數師有關審閱本集團內部監控之報告；及
- (vi) 審閱及批准本公司核數師之酬金及委聘條款；以及審閱並向董事會提供建議續聘本公司核數師。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

Nomination Committee

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

During the Year, the Nomination Committee has reviewed the diversity, structure, size and composition of the Board, reviewed and made recommendation to the Board on the appointment and re-appointment of Directors, reviewed the independence of Independent Non-executive Directors and made recommendations to the Board to complement the Company’s corporate strategy.

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

NOMINATION POLICY

The Company has adopted a Nomination Policy which sets out the criteria and process in the nomination and appointment of Directors. Below are the criteria to select and recommend candidates for directorship and nomination procedures and the process.

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

提名委員會

提名委員會已於二零一二年三月成立，於本報告日期由四名成員組成，包括執行董事姚祖輝先生（提名委員會主席）及三名獨立非執行董事徐林寶先生、譚競正先生及楊榮樂先生。提名委員會負責就董事之提名、委任或重新委任及董事會的繼任事宜制訂政策及向董事會作出建議。提名委員會之主要職責包括至少每年檢討董事會的架構、人數及組成（包括技能、知識及經驗方面），並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議及評核獨立非執行董事的獨立性。提名委員會已訂立符合企業管治守則規定之特定書面職權範圍。提名委員會之職權範圍訂明其權限、職責及責任，其已登載於本公司及港交所之網頁內。

於本年度，提名委員會已檢討董事會的多元化、架構、人數及組成、就董事之委任及重新委任的事宜作出檢討並向董事會提供建議、審閱獨立非執行董事之獨立性及向董事會提出建議以配合本公司的企業策略。

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

提名政策

本公司已採納提名政策，當中載列提名及委任董事之準則及流程。以下為提名委員會就甄選及推薦候選人出任董事及提名程序及流程。

CORPORATE GOVERNANCE REPORT

企業管治報告

Selection criteria

The Nomination Committee shall evaluate potential candidate(s) for election as member(s) of the Board on the basis of the entirety of their credentials and in light of the criteria set forth below:

- (i) character and integrity;
- (ii) accomplishment, qualifications and experience relevant to the Company's business and corporate strategy;
- (iii) willingness to devote adequate time to participate in the Board's affairs such as attending meetings of the Board and its committees to discharge his or her duties;
- (iv) willingness and ability to represent the general best interests of the Company and its shareholders as a whole;
- (v) diversity criteria set out in the Company's Board Diversity Policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board;
- (vi) requirements for the Board to have sufficient independent non-executive directors in accordance with the Listing Rules and the independence of the candidates, if applicable, with reference to the independence guidelines set out in the Listing Rules; and
- (vii) such other perspectives appropriate to the Company's business.

These aforesaid criteria are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

Nomination and Selection Process

- (i) the Nomination Committee, based upon the needs of the Board for additional or replacement Board members, solicits ideas for possible candidates from a number of sources, including capable individuals personally known to and recommended by the members of the Board and research undertaken by or on behalf of the Nomination Committee or professional firms. The Nomination Committee also considers recommendations and nominations made by shareholders of the Company, as described in (iv) below;

甄選準則

提名委員會在評估潛在候選人以選舉為董事會成員的過程中，將考慮以下範疇，並以候選人整體資歷為基準：

- (i) 品格與誠信；
- (ii) 成就、資格及與本公司業務及企業策略相關的經驗；
- (iii) 願意投放足夠時間參與董事會的事務，例如出席董事會及其委員會的會議以履行其職責；
- (iv) 體現本公司及其股東整體最佳利益的意願和能力；
- (v) 本公司之董事會成員多元化政策所載的多元化準則，以及提名委員會為達致董事會多元化而採納的任何可衡量目標；
- (vi) 根據上市規則，有關董事會擁有足夠獨立非執行董事的規定，以及候選人的獨立性(如適用)，並參考上市規則所載的獨立指引；及
- (vii) 適用於本公司業務的其他各項因素。

上述準則只供參考，並不旨在涵蓋所有因素，也不具決定性作用。提名委員會可決定提名任何其認為適當的人士。

提名及甄選過程

- (i) 提名委員會因應董事會對增加或替代董事會成員的需求，於不同渠道訪求潛在候選人，包括董事會成員認識及推薦的勝任人士及提名委員會或其代表，或委託專業公司訪求合資格人士。提名委員會亦會考慮本公司股東按下文(iv)建議及提名的人士；

CORPORATE GOVERNANCE REPORT

企業管治報告

- (ii) if one or more desirable candidate(s) is/are identified, the Nomination Committee shall evaluate such candidate(s), based on the criteria set out in above selection criteria, and determine whether such candidate(s) is/are qualified for directorship;
 - (iii) the Nomination Committee shall select and rank desirable candidates by order of preference based on the needs of the Company, and make recommendations to the Board for directorship; and
 - (iv) for any person nominated by a shareholder for election as a Director at any general meeting in accordance with the Company's Bye-laws, the Nomination Committee shall apply the same criteria as set out in the above selection criteria to evaluate and determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendations to shareholders in respect of the proposed election of Director at the general meeting.
- (ii) 如涉及一個或多個潛在候選人，提名委員會將按上述甄選準則所載的準則以評估候選人，並決定其是否合資格出任董事；
 - (iii) 提名委員會將按本公司的需要甄選及排列潛在候選人的優先次序，並向董事會作出建議；及
 - (iv) 任何經由股東按本公司的公司細則提名於股東大會上選舉為董事的人士，提名委員會將按上述甄選準則所載的相同準則予以評估，並決定其是否合資格出任董事，並且，提名委員會及/或董事會應就於股東大會上擬議的董事選舉向股東提出建議（如適用）。

The Board will review the Nomination Policy and make necessary amendments, as appropriate, to ensure the effectiveness of the Nomination Policy.

董事會將不時檢討提名政策並酌情進行必要的修訂，以確保提名政策行之有效。

CORPORATE GOVERNANCE FUNCTION

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

企業管治職能

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

COMPANY SECRETARY

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

公司秘書

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

CORPORATE GOVERNANCE REPORT

企業管治報告

Following the resignation of Ms. Lam Yee Fan as the Company Secretary, Ms. Wong Yuen Sze was appointed as the Company Secretary on 1st January 2019. She is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. Ms. Wong is an associate of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. During the Year, Ms. Wong undertook no less than 15 hours of relevant professional training.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board and the Audit Committee are responsible for developing and maintaining the system of internal controls of the Group to protect shareholders' interest and to safeguard the Group's assets by setting appropriate policies and reviewing the effectiveness of major control procedures for financial, operational, compliance and risk management areas.

During the Year, the Company has engaged an independent professional firm to assist the Board and the Audit Committee in ongoing monitoring and in performing the internal audit functions for the Group. The Board and the Audit Committee have reviewed the effectiveness of the Group's system of internal controls on all major operations, including financial, operational and compliance controls and risk management functions, and have considered the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial function, and their training programs and budget, by reviewing the internal audit reports prepared by the independent professional firm and management letters submitted by external auditor. Also, the Board and the Audit Committee met with the internal and external auditors and management to discuss findings from their works and recommendations.

The Company is aware of its continuing disclosure obligations as to inside information and has a policy with regard to the principles and procedures for handling and disseminating the Company's inside information in compliance with the requirements under the Securities and Futures Ordinance and the Listing Rules.

The Executive Committee and the designated executives of the Company are responsible for assisting the Board in reviewing potential inside information and assessing the need for disclosure and to oversee the internal reporting system and procedures. The Company has taken reasonable precautions for preserving the confidentiality of the inside information, including inter alia:

繼林伊芬女士辭任公司秘書職務後，黃婉詩女士已於二零一九年一月一日獲委任為公司秘書。彼為本公司之全職僱員，對本公司事務有日常認識。黃女士為香港特許秘書公司及英國特許秘書及行政人員公會會員。黃女士於本年度內接受不少於15小時之相關專業培訓。

內部監控及風險管理

董事會及審核委員會負責透過制定合適之政策及就主要監控程序，包括財務、運作、合規監控以及風險管理職能的效用作出檢討，以發展及維持本集團之內部監控系統，並保障股東之利益及本集團之資產。

於本年度，本公司委聘的獨立專業公司負責協助董事會及審核委員會以持續監控及執行本集團之內部審核功能。董事會及審核委員會亦已透過檢討審閱獨立專業公司準備之內部監控報告及外聘核數師所提交之審核情況說明函件，以對所有主要營運，包括財務、運作和合規監控以及風險管理職能之內部監控系統作出檢討，並已考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。此外，董事會及審核委員會已會見內部核數師及外聘核數師以及管理層以討論彼等從工作及分析所得之發現及建議。

本公司明白其應履行內幕消息的持續披露責任，並具有有關處理及發佈本公司內幕消息的原則及程序之政策，以遵守證券及期貨條例及上市規則的規定。

執行委員會及本公司之指定行政人員負責協助董事會審核潛在的內幕消息及評估公佈的需要及監察內部通報系統及程序。本公司已採取合理措施將內幕消息保密，其中包括：

CORPORATE GOVERNANCE REPORT

企業管治報告

- | | |
|---|---|
| <p>(i) access to inside information is restricted to specific persons on a need-to-know basis;</p> <p>(ii) enter into appropriate confidentiality agreements when negotiating on potential and significant transactions;</p> <p>(iii) codify a strict prohibition on unauthorized use or disclosure of inside information in employee handbook; and</p> <p>(iv) circulate reminder, from time to time, to the Directors and specified relevant employees of the Group who are considered to be likely in possession of inside information their duties and obligations in respect of dealings in the securities of the Company.</p> | <p>(i) 按有需要知情基準，將得知內幕消息限制於指定人士；</p> <p>(ii) 於談判潛在及重大交易前訂立適當的保密協議；</p> <p>(iii) 於僱員準則手冊內訂明嚴禁未經授權使用或披露內幕消息；及</p> <p>(iv) 不時發出通告以提醒董事及本集團特定之有關僱員(彼等被視為可能知悉內幕消息)於買賣本公司之證券時應有的職責及責任。</p> |
|---|---|

The Board and the Audit Committee considered that the system of internal controls and risk management was operating effectively during the Year.

董事會及審核委員會認為內部監控及風險管理之系統於本年度能夠有效地運作。

AUDITOR'S REMUNERATION

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

核數師酬金

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

Types of services	服務種類	HK\$'000 千港元
Audit fee for the Group	本集團之審核費用	2,800
Taxation services	稅務服務	128
Special engagements	特別項目	450
Total	總額	3,378

RESPONSIBILITY FOR PREPARATION AND REPORTING OF ACCOUNTS

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

編製及呈報賬目之責任

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

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

概無重大不明朗事件或情況可能會嚴重影響本公司持續經營之能力。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS AND COMMUNICATION

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

CONSTITUTIONAL DOCUMENTS

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

SHAREHOLDERS' RIGHTS

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

(A) Convening a Special General Meeting by Shareholders

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

與投資者之關係與溝通

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

憲章文件

於本年度，本公司之憲章文件並無變動。

股東權利

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

(A) 股東召開股東特別大會

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

(B) Putting Forward Proposals at General Meetings

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

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

The number of shareholders necessary to make the abovementioned requisitions to the Company shall be:

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

(B) 於股東大會提呈建議

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

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

向本公司作出以上請求所需之股東數目為：

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

CORPORATE GOVERNANCE REPORT

企業管治報告

Notice of any such intended resolution shall be given, and any such statement shall be circulated, to shareholders entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each such shareholder in any manner permitted for service of notice of the meeting, and notice of any such resolution shall be given to any other shareholder by giving notice of the general effect of the resolution in any manner permitted for giving him notice of meetings of the Company, provided that the copy shall be served, or notice of the effect of the resolution shall be given, as the case may be, in the same manner and, so far as practicable, at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

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

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

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

任何該等擬定決議案之通告及任何該等陳述書，應向有權收取會議通告之股東(以任何准許送達會議通告之方式，將該決議案或陳述書之副本，送達至該等股東)發出或傳閱；至於向任何其他股東發出任何該等決議案之通告，則須以准許用於向該等股東發出本公司會議通告之方式，向其發出具該等決議案大意之通告，但該副本之送達方式或該等決議案大意通告之發出方式(視乎情況而定)，須與會議通告發出之方式相同，而送達或發出之時間，亦須在切實可行情況下與會議通告發出之時間相同，如當時不能送達或發出，則須於隨後在切實可行情況下盡快送達或發出。

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

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

(C) Making Enquiry

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

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

DIVIDEND POLICY

The Company has adopted a Dividend Policy which aims to set out the approach with the objective of achieving right balance of the amount of dividend and profits retained in the business for various purposes.

In determining dividend payment ratio in respect of any particular financial year or period, the Board will take into account a desire to maintain a constant and stable dividend level with an overall objective of maximising shareholders' value over a longer term, and will consider the following factors in declaring or recommending dividend to the shareholders from time to time:

- (i) financial results of the Company and its subsidiaries;
- (ii) shareholders' interests;
- (iii) general business conditions and strategies;
- (iv) expected financial performance and market conditions;
- (v) projected level of capital expenditures and future investment plans;
- (vi) level of cash and retained earnings;
- (vii) possible effects on liquidity and financial position;
- (viii) statutory and regulatory restrictions (including the laws of Bermuda and the Company's Bye-laws);
- (ix) tax considerations; and
- (x) any other factors the Board may deem relevant.

(C) 提出查詢

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

提呈一名董事人選之程序刊載於本公司網站 (<http://www.hkshalliance.com>)。

股息政策

本公司已採納股息政策，其旨在載列為達致派息及保留利潤金額作各種業務用途間取得平衡為目的而採取的方針。

在釐定任何特定財政年度或期間的股息支付比率時，董事會將考慮維持持續及穩定的股息水平為基準，以最大化股東長遠價值為整體目標，並會不時考慮以下因素向股東宣派或建議派發股息：

- (i) 本公司及其附屬公司的財務業績；
- (ii) 股東權益；
- (iii) 整體業務狀況及策略；
- (iv) 預期財務表現及市況；
- (v) 預計資本開支水平及未來投資計劃；
- (vi) 現金和保留盈利水平；
- (vii) 對流動資金及財務狀況的潛在影響；
- (viii) 法定及監管限制(包括百慕達法例及本公司章程細則)；
- (ix) 稅務考慮；及
- (x) 董事會認為相關的任何其他因素。

CORPORATE GOVERNANCE REPORT

企業管治報告

The actual dividend that the Board may declare or recommend in respect of any particular financial year or period will be subject to the factors under the Dividend Policy and there can be no assurance that dividend will be declared or paid in any particular amount for any particular financial year or period.

The Board will review the Dividend Policy and make necessary amendments, as appropriate, to ensure the effectiveness of the Dividend Policy.

On behalf of the Board
Yao Cho Fai Andrew
Chairman

Hong Kong, 26th June 2019

董事會就任何特定財政年度或期間所宣派及建議之實際股息將受股息政策所規定的因素約束，並且未能保證在任何特定財政年度或期間宣派或支付任何特定金額的股息。

董事會將不時檢討股息政策並酌情進行必要的修訂，以確保本政策行之有效。

代表董事會
主席
姚祖輝

香港，二零一九年六月二十六日

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) presents its annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31st March 2019 (the “Year”).

PRINCIPAL ACTIVITIES

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

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

RESULTS AND APPROPRIATIONS

Details of the Group’s results for the Year are set out in the consolidated income statement on page 70 of this annual report.

The Board has recommended payment of a final dividend of HK2.00 cents per ordinary share of HK\$0.10 each in the capital of the Company (the “Share”), totally approximately HK\$12,825,000 (2018: HK\$10,057,000), for the Year. Subject to shareholders’ approval at the forthcoming annual general meeting of the Company to be held on 14th August 2019 (the “2019 AGM”), the final dividend warrants are expected to be despatched on or about Friday, 30th August 2019 to shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 22nd August 2019.

During the Year, no interim dividend was declared and paid to the shareholders by the Company.

滬港聯合控股有限公司(「本公司」)之董事會(「董事會」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一九年三月三十一日止年度(「本年度」)之年報及經審核綜合財務報表。

主要業務

本集團主要從事存銷及分銷建築材料，例如鋼材產品；衛浴潔具、廚櫃及工程塑膠貿易；鋼材回收以及房地產投資及項目管理業務。

本集團按業務分部及地區市場之收入及分部資料詳載於隨附之綜合財務報表附註5。

業績及分派

本集團截至本年度之業績詳載於本年報第70頁之綜合損益表。

董事會建議派付本年度本公司股本中每股面值0.10港元之普通股股份(「股份」)之末期股息每股2.00港仙，合共約12,825,000港元(二零一八年：10,057,000港元)。預期有關末期股息之股息單將於二零一九年八月三十日(星期五)或前後寄送予二零一九年八月二十二日(星期四)營業時間結束時名列本公司股東登記冊之股東，惟須待股東於本公司即將於二零一九年八月十四日舉行之股東週年大會(「二零一九年股東週年大會」)上批准後方告作實。

於本年度，本公司並無向股東宣派及派付中期股息。

REPORT OF THE DIRECTORS

董事會報告

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods and during these periods, no transfer of shares will be registered:

- (i) For ascertaining the shareholders' entitlement to attend and vote at the 2019 AGM:

From Friday, 9th August 2019 to Wednesday, 14th August 2019, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to attend and vote at the 2019 AGM. In order to be eligible to attend and vote at the 2019 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (the "Branch Share Registrar") of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 8th August 2019.

- (ii) For ascertaining the shareholders' entitlement to the final dividend:

From Tuesday, 20th August 2019 to Thursday, 22nd August 2019, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to the final dividend. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:30 p.m. on Monday, 19th August 2019.

BUSINESS REVIEW

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

暫停辦理股份過戶登記手續

本公司將於下列期間暫停辦理股份過戶登記手續，在此期間所有股份轉讓將不會受理：

- (i) 釐定有權出席二零一九年股東週年大會並於會上投票之股東身份：

由二零一九年八月九日(星期五)至二零一九年八月十四日(星期三)止，首尾兩天包括在內，暫停辦理股份過戶登記手續，以釐定有權出席二零一九年股東週年大會並於會上投票之股東身份。為確保合資格出席二零一九年股東週年大會並於會上投票，所有股份過戶文件連同有關股票須於二零一九年八月八日(星期四)下午四時三十分前送達本公司股份過戶登記處香港分處，即香港中央證券登記有限公司(「股份過戶登記處香港分處」)，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，辦理登記手續。

- (ii) 釐定股東享有末期股息之權利：

由二零一九年八月二十日(星期二)至二零一九年八月二十二日(星期四)止，首尾兩天包括在內，暫停辦理股份過戶登記手續，以釐定股東享有末期股息之權利。為確保享有收取末期股息之權利，所有股份過戶文件連同有關股票須於二零一九年八月十九日(星期一)下午四時三十分前送達股份過戶登記處香港分處，辦理登記手續。

業務回顧

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

REPORT OF THE DIRECTORS

董事會報告

SHARE CAPITAL

As at 31st March 2019 and as at the date of this report, there were 641,232,315 ordinary shares of the Company issued and fully paid.

Details of share capital and share options of the Company are respectively set out in Notes 32 and 33 to the accompanying consolidated financial statements.

RESERVES AND RETAINED EARNINGS

Movements in reserves and retained earnings of the Group and the Company during the Year are respectively set out in Notes 34 and 40 to the accompanying consolidated financial statements.

As at 31st March 2019, approximately HK\$53,986,000 (2018: HK\$53,986,000) of the Company's reserves and approximately HK\$30,198,000 (2018: HK\$38,189,000) of the Company's retained earnings were available for distribution to its owners.

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

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

PRE-EMPTIVE RIGHTS

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

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

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

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

股本

於二零一九年三月三十一日及於本報告日期，本公司有 641,232,315 股已發行及繳足普通股股份。

有關本公司股本及購股權之詳情分別載於隨附之綜合財務報表附註 32 及 33。

儲備及保留溢利

本集團及本公司於本年度之儲備及保留溢利變動情況分別載於隨附之綜合財務報表附註 34 及 40。

於二零一九年三月三十一日，本公司可供分派予其擁有人之儲備約為 53,986,000 港元（二零一八年：53,986,000 港元），而保留溢利約為 30,198,000 港元（二零一八年：38,189,000 港元）。

購回、出售或贖回本公司上市證券

於本年度，本公司或其任何附屬公司均無購回、出售或贖回本公司任何上市證券。

優先購買權

本公司之公司細則及百慕達法例均無任何關於優先購買權之規定。

物業、廠房及設備、投資物業及土地使用權

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

附屬公司、聯營公司及合營公司

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

REPORT OF THE DIRECTORS

董事會報告

BORROWINGS

Particulars of borrowings of the Group as at 31st March 2019 are set out in Note 31 to the accompanying consolidated financial statements.

PENSION SCHEMES

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

CHARITABLE DONATIONS

During the Year, the Group made charitable donations of approximately HK\$659,000 (2018: HK\$11,120,000).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the Year and up to the date of this report are as follow:

Executive Directors

Mr. Yao Cho Fai Andrew

(Chairman and Chief Executive Officer)

Mr. Lau Chi Chiu

Ms. Luk Pui Yin Grace (resigned on 13th December 2018)

Independent Non-executive Directors

Mr. Tam King Ching Kenny

Mr. Xu Lin Bao

Mr. Yeung Wing Sun Mike

Mr. Li Yinquan (appointed on 5th July 2018)

Mr. Tse Lung Wa Teddy (retired on 17th August 2018)

In accordance with Bye-law 84(1) of the Company's Bye-laws, Mr. Xu Lin Bao and Mr. Yeung Wing Sun Mike will retire from office by rotation at the 2019 AGM and, being eligible, will offer themselves for re-election at such meeting.

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

借貸

於二零一九年三月三十一日，本集團之借貸詳情載於隨附之綜合財務報表附註31。

退休金計劃

退休金計劃之詳情載於隨附之綜合財務報表附註8。

慈善捐款

於本年度，本集團捐出慈善捐款約659,000港元（二零一八年：11,120,000港元）。

董事及董事之服務合約

本公司於本年度及截至本報告日期止之董事如下：

執行董事

姚祖輝先生

(主席兼首席執行官)

劉子超先生

陸佩然女士(於二零一八年十二月十三日辭任)

獨立非執行董事

譚競正先生

徐林寶先生

楊榮樂先生

李引泉先生(於二零一八年七月五日獲委任)

謝龍華先生(於二零一八年八月十七日退任)

根據本公司之公司細則第84(1)條規定，徐林寶先生及楊榮樂先生將於二零一九年股東週年大會輪值告退，並符合資格及願意於該大會膺選連任。

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

REPORT OF THE DIRECTORS

董事會報告

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

As at 31st March 2019, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange, were as follows:

董事於股份、相關股份及債權證之權益及淡倉

於二零一九年三月三十一日，董事及本公司之高級行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中擁有之權益及淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司(「聯交所」)(包括根據證券及期貨條例之該等規定被認為或視作擁有之權益及淡倉)；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據聯交所證券上市規則(「上市規則」)附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)必須知會本公司及聯交所之權益及淡倉載列如下：

Long positions in Shares and options of the Company

本公司之股份及購股權之好倉

Name of Directors	Capacity	Attributable interest to the Directors	Number of Shares	Approximate percentage	Number of share options (Note C) 購股權數目 (附註c)	Aggregate Interest
董事姓名	身份	董事應佔權益	股份數目	概約百分比		合計權益
Mr. Yao Cho Fai Andrew 姚祖輝先生	Interest of controlled corporation, Perfect Capital International Corp. (Note a) 受控制公司Perfect Capital International Corp.之權益(附註a)	Deemed interest (indirectly) 被視作擁有之權益(間接)	89,337,806	13.93%	—	89,337,806
	Interest of controlled corporation, Huge Top Industrial Ltd. (Note b) 受控制公司Huge Top Industrial Ltd.之權益(附註b)	Deemed interest (indirectly) 被視作擁有之權益(間接)	190,424,000	29.70%	—	190,424,000
	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	3,918,000	0.61%	—	3,918,000
			283,679,806	44.24%	—	283,679,806
Mr. Lau Chi Chiu 劉子超先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	2,246,622	2,246,622
Mr. Xu Lin Bao 徐林寶先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	5,246,622	0.82%	—	5,246,622

REPORT OF THE DIRECTORS

董事會報告

Notes:

- Mr. Yao Cho Fai Andrew ("Mr. Yao") was beneficially interested in these Shares through his wholly-owned company, Perfect Capital International Corp. ("Perfect Capital"). Mr. Yao is a sole director of Perfect Capital.
- Mr. Yao was deemed to be interested in these Shares through his controlling company, Huge Top Industrial Ltd. ("Huge Top"). Mr. Yao directly held approximately 48.81% and indirectly through Perfect Capital owned approximately 42.86% of the issued shares of Huge Top. Mr. Yao is a sole director of Huge Top.
- Details of the interests of the Directors in the share options of the Company are separately disclosed in the section headed "Share Option Scheme" below.

Save as disclosed above, as at 31st March 2019, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (include interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

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

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

Other than interests disclosed in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, as at 31st March 2019, according to the register of interests kept by the Company under Section 336 of the SFO, the following entities had interests or short positions in the Shares and underlying Shares which fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

附註:

- 姚祖輝先生(「姚先生」)透過其全資擁有之公司Perfect Capital International Corp. (「Perfect Capital」)實益持有該等股份。姚先生乃Perfect Capital之唯一董事。
- 姚先生透過其控制之公司Huge Top Industrial Ltd. (「Huge Top」)被視作持有該等股份。姚先生直接持有約48.81%及透過Perfect Capital間接持有Huge Top已發行股份約42.86%。姚先生乃Huge Top之唯一董事。
- 董事於本公司購股權之權益之詳情已獨立在下節「購股權計劃」披露。

除上文所披露者外，於二零一九年三月三十一日，董事、本公司之高級行政人員及彼等之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所(包括根據證券及期貨條例之該等規定彼等被當作或視作擁有之權益及淡倉)；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據標準守則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

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

根據證券及期貨條例第XV部第2及第3分部擁有須披露權益或淡倉之人士

除上文「董事於股份、相關股份及債權證之權益及淡倉」一節所披露之權益外，於二零一九年三月三十一日，按本公司根據證券及期貨條例第336條存置於登記冊之記錄，下列實體於股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

REPORT OF THE DIRECTORS

董事會報告

Name 名稱／姓名	Capacity 身份	Note 附註	Number of Shares 股份數目	Approximate percentage 概約百分比
Perfect Capital	Beneficial owner 實益擁有人		89,337,806	13.93%
	Interest of controlled corporation 受控制公司之權益	a	190,424,000	29.70%
			279,761,806	43.63%
Huge Top	Beneficial owner 實益擁有人		190,424,000	29.70%
Mr. Wong Koon Chi 王冠之先生	Beneficial owner 實益擁有人		38,224,000	5.96%

Note:

- a. These Shares were held by Huge Top. Perfect Capital owned approximately 42.86% of the issued shares of Huge Top and therefore was deemed to be interested in these Shares.

Save as disclosed above, as at 31st March 2019, the Directors were not aware of any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 Part XV of the SFO.

SHARE OPTION SCHEME

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

附註:

- a. 該等股份由Huge Top持有。Perfect Capital擁有Huge Top已發行股份約42.86%，因此其被視為持有該等股份。

除上文所披露者外，於二零一九年三月三十一日，董事並不知悉有任何其他人士(董事或本公司高級行政人員除外)於本公司或任何相關法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

購股權計劃

於二零零一年十一月十二日採納之購股權計劃「二零零一年購股權計劃」已於二零一一年八月十一日終止。二零零一年購股權計劃終止後，本公司將不會再按二零零一年購股權計劃授出購股權，惟其之所有其他條款仍然有效，而於該計劃終止前授出之所有購股權，將仍然有效及可按條款行使。本公司於二零一一年八月十一日採納另一項購股權計劃(「二零一一年購股權計劃」)。二零一一年購股權計劃之目的，旨在獎勵參與人士為本集團作出貢獻及/或使本集團得以聘任及/或留用具有才幹之僱員，以及吸納可效力本集團之寶貴人力資源。二零一一年購股權計劃之有效期自採納日期(即二零一一年八月十一日)起計，為期十年，並將於二零二一年八月十日屆滿。二零一一年購股權計劃之條款詳情載於本公司日期為二零一一年七月八日之通函。

REPORT OF THE DIRECTORS

董事會報告

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

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

2001 Share Option Scheme

二零零一年購股權計劃

Name or category of participant 參與者姓名 或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使權	Note 附註	Number of share options 購股權數目					
					Beginning of the Year 本年度初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	End of the Year 本年度末
Director:										
董事:										
Mr. Tam King Ching Kenny 譚競正先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.626 0.626港元	1	1,246,622	—	—	(1,246,622)	—	—
Employees:										
僱員:										
In aggregate 共計	18th September 2009 二零零九年九月十日	18th September 2009 to 17th September 2019 二零零九年九月十八日至 二零一九年九月十七日	HK\$0.470 0.470港元	1	937,458	—	(311,655)	—	—	625,803
In aggregate 共計	13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	HK\$0.404 0.404港元	1	9,089,528	—	—	—	—	9,089,528
Sub-total 小計					10,026,986	—	(311,655)	—	—	9,715,331
Others:										
其他:										
In aggregate 共計	13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	HK\$0.404 0.404港元	1	3,116,553	—	—	—	—	3,116,553
Total of 2001 Share Option Scheme 二零零一年購股權 計劃總計					14,390,161	—	(311,655)	(1,246,622)	—	12,831,884

REPORT OF THE DIRECTORS

董事會報告

2011 Share Option Scheme

二零一一年購股權計劃

Name or category of participant 參與者姓名 或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使權	Note 附註	Number of share options 購股權數目					
					Beginning of the Year 本年度初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	End of the Year 本年度末
Directors:										
董事:										
Ms. Luk Pui Yin Grace (resigned on 13th December 2018)	27th November 2013	27th November 2013 to 26th November 2023	HK\$1.043	1, 2	2,493,244	—	—	(2,493,244)	—	—
陸佩然女士 (於二零一八年十二月十三日辭任)	二零一三年十一月二十七日	二零一三年十一月二十七日至二零二三年十一月二十六日	1.043 港元							
	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	3	2,000,000	—	—	(2,000,000)	—	—
	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928 港元							
Mr. Lau Chi Chiu	16th November 2012	16th November 2012 to 15th November 2022	HK\$0.537	1, 4	1,246,622	—	—	—	—	1,246,622
劉子超先生	二零一二年十一月十六日	二零一二年十一月十六日至二零二二年十一月十五日	0.537 港元							
	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	3	1,000,000	—	—	—	—	1,000,000
	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928 港元							
Mr. Tse Lung Wa Teddy (retired on 17th August 2018)	27th November 2013	27th November 2013 to 26th November 2023	HK\$1.043	1	1,246,622	—	—	—	—	1,246,622
謝龍華先生 (於二零一八年八月十七日退任)	二零一三年十一月二十七日	二零一三年十一月二十七日至二零二三年十一月二十六日	1.043 港元							
Sub-total 小計					7,986,488	—	—	(4,493,244)	—	3,493,244

REPORT OF THE DIRECTORS

董事會報告

Name or category of participant 參與者姓名 或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使權	Note 附註	Beginning of the Year 本年度初	Number of share options 購股權數目					End of the Year 本年度末	
						Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷			
Employees: 僱員:												
In aggregate	16th November 2012	16th November 2012 to 15th November 2022	HK\$0.537	1,4	6,831,486	—	(373,986)	(5,360,473)	—	—	1,097,027	
共計	二零一二年十一月十六日	二零一二年十一月十六日至二零二二年十一月十五日	0.537 港元									
In aggregate	27th November 2013	27th November 2013 to 26th November 2023	HK\$1.043	1,2	5,734,459	—	—	(5,734,459)	—	—	—	
共計	二零一三年十一月二十七日	二零一三年十一月二十七日至二零二三年十一月二十六日	1.043 港元									
In aggregate	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	3	6,800,000	—	—	(5,700,000)	—	—	1,100,000	
共計	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928 港元									
In aggregate	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	5	1,000,000	—	—	—	—	—	1,000,000	
共計	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928 港元									
Sub-total 小計					20,365,945	—	(373,986)	(16,794,932)	—	—	3,197,027	
Total of 2011 Share Option Scheme 二零一一年購股權計劃總計					28,352,433	—	(373,986)	(21,288,176)	—	—	6,690,271	

Notes:

- The exercise prices and number of share options granted prior to 17th December 2014 under the share option schemes were adjusted for the open offer completed in December 2014.
- The share options were be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 27th of November in the years 2014, 2015, 2016 and 2017 respectively and the years onwards till 26th November 2023.
- The share options were vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 20th of January in the years 2016, 2017, 2018 and 2019 respectively and the years onwards till 19th January 2025.

附註:

- 根據購股權計劃於二零一四年十二月十七日之前之行使價及授出之股份數目已就於二零一四年十二月完成之公開發售作出調整。
- 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一四年、二零一五年、二零一六年及二零一七年的十一月二十七日起可予行使，直至二零二三年十一月二十六日止。
- 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一六年、二零一七年、二零一八年及二零一九年的一月二十日起可予行使，直至二零二五年一月十九日止。

REPORT OF THE DIRECTORS

董事會報告

- The share options were vested in five tranches, with each tranche covering one-fifth of the relevant options, i.e. exercisable to the extent of one-fifth of the relevant options and with the 1st, 2nd, 3rd, 4th and 5th tranche becoming exercisable from 16th of November in the years 2012, 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022.
- The share options were vested in three tranches, with each tranche covering one-third of the relevant options, i.e. exercisable to the extent of one-third of the relevant options and with the 1st, 2nd and 3rd tranche becoming exercisable from 20th of January in the years 2016, 2017 and 2018 respectively and the years onwards till 19th January 2025.
- 購股權分五期歸屬，每一期分別涵蓋相關購股權的五分之一（即最多可行使相關購股權的五分之一），第一、第二、第三、第四及第五期分別於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年十一月十六日起可予行使，直至二零二二年十一月十五日止。
- 購股權分三期歸屬，每一期分別涵蓋相關購股權的三分之一（即最多可行使相關購股權的三分之一），第一、第二及第三期分別於二零一六年、二零一七年及二零一八年一月二十日起可予行使，直至二零二五年一月十九日止。

PERMITTED INDEMNITY PROVISION

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

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

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

RELATED PARTY TRANSACTIONS

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

COMPETING INTERESTS

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

獲准許的彌償條文

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

董事於交易、安排或合約之重大權益

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

與關聯方之交易

於本年度，與關聯方之交易詳情載於隨附之綜合財務報表附註39。

競爭權益

於本年度，董事或本公司控權股東或其各自之聯繫人士概無於與本集團業務構成或可能構成競爭的業務中擁有權益或對本集團直接或間接構成任何其他利益衝突。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the five largest customers of the Group accounted for approximately 16.3% of the Group's total revenue, while the five largest suppliers of the Group accounted for approximately 38.1% of the Group's total purchases. In addition, the largest supplier of the Group accounted for approximately 9.1% of the Group's total purchases.

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

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITOR

The accompanying consolidated financial statements were audited by PricewaterhouseCoopers. A resolution for their appointment as the Company's auditor for the ensuing year is to be proposed at the 2019 AGM. There was no change in auditor of the Company in any of the preceding three years.

On behalf of the Board
Yao Cho Fai Andrew
Chairman

Hong Kong, 26th June 2019

主要客戶及供應商

於本年度，本集團首五大客戶佔本集團總收入約16.3%，而本集團首五大供應商則佔本集團總採購額約38.1%。此外，本集團最大之供應商佔本集團總採購額約9.1%。

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

公眾持股量

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

核數師

隨附之綜合財務報表由羅兵咸永道會計師事務所審核。本公司將於二零一九年股東週年大會上提呈一項續聘其於來年擔任本公司核數師之決議案。本公司於過去三年間並無任何核數師變更事宜。

代表董事會
主席
姚祖輝

香港，二零一九年六月二十六日

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

DIRECTORS

Executive Directors

Mr. Yao Cho Fai Andrew

aged 53, was appointed as an Executive Director of the Company in December 1994. He became the Chairman of the Board in July 1999. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. Mr. Yao is an independent non-executive director of Kader Holdings Company Limited which is a company listed on the main board of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) and Shanghai Dazhong Public Utilities (Group) Co., Ltd. which is a company listed on the Shanghai Stock Exchange and the main board of the Hong Kong Stock Exchange. Mr. Yao serves as the Hong Kong Deputy to the 13th National People’s Congress of the People’s Republic of China, the chairman of Hongkong-Shanghai Economic Development Association, the vice-chairman of Shanghai Federation of Industry & Commerce, the deputy chairman of the council of Hong Kong Baptist University and the board member of Fudan University. He was awarded “Young Industrialist Award of Hong Kong” by Federation of Hong Kong Industries in 2004, Justice of Peace by Hong Kong Special Administrative Region (“HKSAR”) in 2008 and “Bronze Bauhinia Star” by HKSAR in 2016. Mr. Yao graduated from the University of California, Berkeley with a bachelor’s degree in science and Harvard Graduate School of Business with a master in business administration.

Mr. Lau Chi Chiu

aged 52, was appointed as an Executive Director of the Company in November 2015. He joined the Group in June 1991. Mr. Lau is responsible for the daily operations of the business of the Group and has held various sales and marketing and supply chain positions in the plastics and steel businesses of the Group. He was the general manager of Group’s plastic business from April 2003 to November 2011 and the general manager of the Group’s steel business from December 2011 to May 2013. Mr. Lau graduated from Curtin University of Technology in Australia with a bachelor’s degree in commerce (marketing and management).

董事

執行董事

姚祖輝先生

五十三歲，於一九九四年十二月獲委任為本公司執行董事。彼於一九九九年七月成為董事會主席。彼亦為本公司提名委員會主席及薪酬委員會成員。姚先生為於香港聯合交易所有限公司（「香港聯交所」）主板上市之開達集團有限公司及於上海證券交易所及香港聯交所主板上市之上海大眾公用事業（集團）股份有限公司之獨立非執行董事。姚先生之公職服務包括港區第十三屆全國人大代表、滬港經濟發展協會會長、上海市工商業聯合會副主席、香港浸會大學校董會副主席及復旦大學校董。彼於二零零四年榮獲香港工業總會頒發「香港青年工業家獎」、於二零零八年獲香港特別行政區政府（「香港特區政府」）授予太平紳士及於二零一六年榮獲香港特區政府頒發「銅紫荊星獎」。姚先生畢業於柏克萊加州大學並取得理學士學位，並於哈佛商學研究院取得工商管理碩士學位。

劉子超先生

五十二歲，於二零一五年十一月獲委任為本公司執行董事。彼於一九九一年六月加入本集團。劉先生主要負責本集團業務之日常運作，並曾於本集團塑膠及鋼材業務擔任銷售及市場推廣，及供應鏈等多方面要職。彼於二零零三年四月至二零一一年十一月為本集團塑膠業務總經理及於二零一一年十二月至二零一三年五月為本集團鋼材業務總經理。劉先生畢業於澳洲科廷大學（Curtin University of Technology）並取得商學士學位（市場及管理）。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Independent Non-executive Directors

Mr. Tam King Ching Kenny

aged 70, was appointed as an Independent Non-executive Director of the Company in September 2004. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company. Mr. Tam also serves as an independent non-executive director of other listed companies on the main board of the Hong Kong Stock Exchange namely, BeijingWest Industries International Limited, CCT Fortis Holdings Limited, Greater Bay Area Investments Group Holdings Limited, Kingmaker Footwear Holdings Limited, Shougang Concord Grand (Group) Limited, Starlite Holdings Limited, West China Cement Limited and Wisdom Education International Holdings Company Limited. He is a practising Certified Public Accountant in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam serves as a member of the Restructuring and Insolvency Faculty Executive Committee in the Hong Kong Institute of Certified Public Accountants. He was also a Past President of The Society of Chinese Accountants and Auditors. Mr. Tam graduated from Concordia University, Canada with a bachelor's degree in commerce.

Mr. Xu Lin Bao

aged 70, was appointed as an Independent Non-executive Director of the Company in April 2006. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Xu is currently the vice chairman of the Institute of Real Estate Shanghai Academy of Social Sciences. He served as the standing executive of China Real Estate Association (the 4th and 5th session), the chairman of operation and management professional committee of China Real Estate Association (the 4th and 5th session), the chairman of Shanghai Housing and Land Group, the vice chairman of Shanghai Real Estate Trade Association (the 5th and 6th session) and the chairman of executives of Yi-ju China Real Estate Research Center. He graduated from Fudan University, Shanghai with a degree in EMBA. Mr. Xu is a senior qualified economist.

獨立非執行董事

譚競正先生

七十歲，於二零零四年九月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席以及薪酬委員會及提名委員會成員。譚先生亦擔任其他於香港聯交所主板上市之公司(即京西重工國際有限公司、中建富通集團有限公司、大灣區投資控股集團有限公司、信星鞋業集團有限公司、首長四方(集團)有限公司、星光集團有限公司、中國西部水泥有限公司及睿見教育國際控股有限公司)之獨立非執行董事。彼為香港執業會計師、香港會計師公會之資深會員及加拿大安大略省特許專業會計師公會會員。譚先生現為香港會計師公會重整及破產管理專項學會執行委員會之委員。彼亦為香港華人會計師公會前任會長。譚先生畢業於加拿大康戈迪亞大學並取得商學士學位。

徐林寶先生

七十歲，於二零零六年四月獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會及提名委員會成員。徐先生現職上海社會科學院房地產業研究中心副理事長。彼亦曾擔任中國房地產業協會(第四屆、第五屆)常務理事、中國房地產業協會經營管理專業委員會(第四屆、第五屆)主任委員、上海房地(集團)有限公司董事長、上海市房地產行業協會(第五屆、第六屆)副會長及易居(中國)房地產研發中心理事長。彼畢業於上海復旦大學並取得高級管理人員工商管理碩士專業學位。徐先生為高級經濟師。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. Yeung Wing Sun Mike

aged 66, was appointed as an Independent Non-executive Director of the Company in March 2014. He is also a member of the Audit Committee and the Nomination Committee of the Company. Mr. Yeung is an independent non-executive director of UMP Healthcare Holdings Limited, a company listed on the main board of the Hong Kong Stock Exchange. He has over 40 years' working experience in the banking industry of Hong Kong and the mainland China. Mr. Yeung began his career with the HSBC Group in 1972 and advanced himself in the organisation by taking up different positions under various business streams including personal banking, sales and services, operations as well as branches, regional network and personal wealth management. Since 2001, Mr. Yeung was relocated to Shanghai and took up the role of Branch Manager Shanghai and Head of Personal Financial Services China of HSBC. In June 2006, he was seconded to Hang Seng Bank (China) Limited and appointed as the Head of Personal Financial Service and Wealth Management China. Mr. Yeung was appointed as Deputy Chief Executive Officer and Head of Personal Financial Services and Wealth Management in May 2007. He retired from HSBC Group in January 2014. Mr. Yeung is the Honorary President of Hong Kong Chamber of Commerce in Shanghai. He was a member of Chinese People's Political Consultative Conference Committee (the 11th and 12th session) in Shanghai. Mr. Yeung was awarded the "Magnolia Gold Award" presented by the Shanghai Municipal Government to recognise his outstanding contributions to the economic and social development, and international exchanges of Shanghai. He was also awarded a Professional Diploma in Company Direction by The Hong Kong Institute of Directors.

楊榮樂先生

六十六歲，於二零一四年三月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及提名委員會成員。楊先生為於香港聯交所主板上市之聯合醫務集團有限公司之獨立非執行董事。彼擁有超過四十年於香港及國內銀行行業的工作經驗。楊先生於一九七二年開始加入滙豐集團，於該集團之不同業務領域擔任不同職務(包括個人銀行、銷售及服務、營運以及分行、地區網絡及個人財富管理)。自二零零一年，楊先生移師到上海，並擔任滙豐之上海分行行長兼個人金融服務中國總監。於二零零六年六月，彼調任到恒生銀行(中國)有限公司並獲委任為中國個人金融服務及財富管理業務總監。楊先生於二零零七年五月獲委任為副行政總裁及個人金融服務及財富管理業務總監。彼於二零一四年一月自滙豐集團退任。楊先生現為中國香港(地區)商會上海榮譽會長。彼亦曾為中國人民政治協商會議(第十一屆和第十二屆)上海市政協委員。楊先生獲上海市政府頒授「白玉蘭榮譽獎」以表彰彼對上海經濟及社會發展，以及對國際交流作出傑出貢獻。彼亦獲香港董事學會頒授公司董事專業文憑。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. Li Yinquan

aged 64, was appointed as an Independent Non-executive Director of the Company in July 2018. He is also a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Li serves as an independent non-executive director of other listed companies on the main board of Hong Kong Stock Exchange namely, Genertec Universal Medical Group Limited and Millian Cities Holdings Limited. He also served as an executive director of China Merchants China Direct Investments Limited which is a company listed on the main board of the Hong Kong Stock Exchange, and as a non-executive director of China Merchants Bank Co., Ltd. which is a company listed on the main board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange. Prior to joining China Merchants Group, Mr. Li worked in Agricultural Bank of China and was the vice general manager of its Hong Kong branch. Mr. Li is a Hong Kong Deputy to the 13th National People's Congress of the People's Republic of China. He graduated from Shaanxi Institute of Finance and Economics (陝西財經學院), China with a bachelor's degree in economics. Mr. Li was also awarded a master degree in economics from the PBC School of Finance, Tsinghua University (清華大學五道口金融學院) (formerly known as Graduate School of the People's Bank of China (中國人民銀行總行金融研究所)) and a master degree in banking and finance for development from Finafrica Institute in Milan, Italy. He is a qualified senior economist in China.

SENIOR MANAGEMENT

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

李引泉先生

六十四歲，於二零一八年七月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。李先生擔任其他於香港聯交所主板上市之公司(即通用環球醫療集團有限公司及萬城控股有限公司)之獨立非執行董事。彼亦曾擔任於香港聯交所主板上市之招商局中國基金有限公司之執行董事，以及於香港聯交所主板及上海聯交所上市之招商銀行股份有限公司之非執行董事。於加入招商局集團之前，李先生曾任職於中國農業銀行，為該銀行香港分行的副總經理。李先生為中華人民共和國第十三屆全國人民代表大會香港代表。彼畢業於中國陝西財經學院並取得經濟學士學位。李先生亦獲得清華大學五道口金融學院(前稱中國人民銀行總行金融研究所)之經濟學碩士學位及獲得意大利米蘭Finafrica學院之銀行及金融發展學碩士學位。彼為中國高級經濟師。

高級管理人員

上述執行董事為本集團高級管理人員的成員。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

To the Shareholders of Hong Kong Shanghai Alliance Holdings Limited
(incorporated in Bermuda with limited liability)

致滬港聯合控股有限公司股東
(於百慕達註冊成立的有限公司)

Opinion

意見

What we have audited

我們已審計的內容

The consolidated financial statements of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 70 to 204, which comprise:

滬港聯合控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)列載於第70至204頁的綜合財務報表，包括：

- the consolidated statement of financial position as at 31st March 2019;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

- 於二零一九年三月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面損益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

Our opinion

我們的意見

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，該等綜合財務報表已根據香港會計師公會(以下簡稱「香港會計師公會」)頒佈的《香港財務報告準則》(以下簡稱「香港財務報告準則」)真實而中肯地反映了貴集團於二零一九年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Basis for Opinion

意見的基礎

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

我們已根據香港會計師公會頒佈的《香港審計準則》(以下簡稱「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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.

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.

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

- Valuation of investment properties
- Recognition of deferred income tax assets
- Purchase price allocation of the acquisition of VSC Construction Steel Solutions Limited
- Onerous contract provision relating to unfulfilled rebar sales contracts

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 投資物業的估值
- 遞延所得稅資產確認
- 收購VSC Construction Steel Solutions Limited之購買價分配
- 與未履行的鋼筋銷售訂單有關之有償契約撥備

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

Valuation of investment properties

投資物業的估值

Refer to notes 4(a) and 15 to the consolidated financial statements

參閱綜合財務報表附註4(a)及15

As at 31st March 2019, the carrying amount of the Group's investment properties in the People's Republic of China (the "PRC") was approximately HK\$1,413.2 million and a fair value gain of approximately HK\$108.9 million was recognised in the consolidated income statement during the year. Also, the Group's joint venture had an investment property with a carrying amount of approximately HK\$4,112.5 million was recognised as at 31st March 2019 and a fair value gain of approximately HK\$226.3 million was recognised during the year. The Group performed valuations on the investment properties of the Group and its joint venture as at 31st March 2019, with the assistance of independent professional valuers, based on the income capitalisation approach and the direct comparison approach.

於二零一九年三月三十一日，貴集團在中華人民共和國(以下簡稱「中國」)的投資物業的賬面值約為1,413,200,000港元，而約108,900,000港元的公允價值收益於本年度的綜合損益表中確認。於二零一九年三月三十一日，貴集團合營公司擁有及確認賬面值約4,112,500,000港元之投資物業，年內確認公允價值收益約226,300,000港元。於獨立專業估值師之協助下，貴集團按收入資本化法及直接比較法對於二零一九年三月三十一日的投資物業進行評估。

We focus on this area because the valuations are dependent on certain key assumptions including market rents, term and reversionary yields and market prices etc., which require significant management judgement.

我們專注於該領域，因為評估乃取決於若干關鍵假設，包括市場租金、期限，收益率及市價等，這需要管理層的重大判斷。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to management's valuations of the investment properties included:

我們就管理層對投資物業的估值評估進行的程序包括：

- Evaluating the competence, capabilities and objectivity of the independent external valuers;
- 評估獨立外部估值師的資格、能力及客觀程度；
- Assessing the methodologies used and the key assumptions with the assistance from our in-house valuation specialist; and
- 在我們內部估值專家的協助下，評估估值所使用的方法及主要假設；及
- Assessing the reasonableness of the key assumptions, including market rents, term and reversionary yields and market prices etc., adopted by the valuers by comparing with relevant comparable market data and industry research.
- 通過比較相關可比較之市場數據及行業研究，評估估值師所使用的主要假設的合理性，包括市場租金、期限、收益率及市價等。

We found the key assumptions were supportable by the available and comparable market evidence.

我們發現主要假設可獲得及可比較的市場證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters (Continued)

Key Audit Matter (Continued) 關鍵審計事項(續)

Recognition of deferred income tax assets 遞延所得稅資產確認

Refer to notes 4(c) and 22 to the consolidated financial statements

參閱綜合財務報表附註4(c)及22

As at 31st March 2019, the Group has recognised deferred income tax assets of approximately HK\$55.3 million in relation to the cumulative tax losses of certain subsidiaries of the Company in different jurisdictions.

於二零一九年三月三十一日，貴集團就貴公司位於不同司法管轄區之若干附屬公司之累計稅項虧損確認遞延所得稅資產共約55,300,000港元。

The recognition involved management's judgement on the estimation of whether there would be sufficient taxable profits in future periods to utilise the tax losses. Key assumptions adopted in management assessment included forecasted revenue growth rates and forecasted operating margins.

確認遞延所得稅資產涉及管理層就估計未來期間是否有足夠應課稅溢利以利用稅務虧損作出判斷。管理層評估所採納之主要假設包括預測收入增長率及預測經營毛利。

關鍵審計事項(續)

How our audit addressed the Key Audit Matter (Continued) 我們的審計如何處理關鍵審計事項(續)

Our procedures in relation to management's assessment on recognition of deferred income tax assets included: 我們就確認遞延所得稅資產之管理層評估所進行的程序包括：

- Obtaining management's profit forecast and discussing with management about the key assumptions considered in the profit forecast;
- 取得管理層之溢利預測及與管理層討論其溢利預測所考慮之主要假設；
- Assessing the reliability of management's profit forecast by comparing the actual results for the current year to prior year profit forecast; and
- 通過比較本年度實際業績對過往年度溢利預測，評估管理層對溢利預測的可靠性；及
- Assessing the key assumptions applied in the management assessment as to whether there will be sufficient taxable profits in future periods to support the recognition of deferred tax assets, including comparing the forecasted revenue growth rates and operating margins to historical and recent performance.
- 評估管理層就未來期間是否將有足夠應課稅溢利支持確認遞延所得稅資產採用的主要假設，包括將預測收入增長率及經營毛利與過往及近期業績作出比較。

We consider management's judgement in the recognition of deferred income tax assets to be supportable by the available information.

我們認為管理層就遞延所得稅資產確認之判斷獲得資料支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters (Continued)

Key Audit Matter (Continued)

關鍵審計事項(續)

Purchase price allocation of the acquisition of VSC Construction Steel Solutions Limited 收購VSC Construction Steel Solutions Limited之購買價分配

Refer to note 4(d) and 36(a) of the consolidated financial statements.

參閱綜合財務報表附註4(d)及36(a)

On 9th May 2018, the Group completed the acquisition of VSC Construction Steel Solutions Limited ("VSC Construction").

於二零一八年五月九日，貴集團完成收購VSC Construction Steel Solutions Limited (「VSC Construction」)。

Accounting for business combination requires the Group to allocate the purchase price to the assets acquired, liabilities assumed, and identified intangible assets based on their estimated fair values at the date of acquisition.

業務合併計賬要求貴集團根據收購日期之估計公允價值，向所收購資產、所承擔負債及已識別無形資產配置購買價。

Independent external valuation has been obtained by the Group to support the fair values of the assets acquired and liabilities assumed. The bargain purchase related to the acquisition of VSC Construction recognised in the consolidated income statement for the year ended 31st March 2019 amounted to approximately HK\$18.6 million.

貴集團已取得獨立外部估值來支持所收購資產及所承擔負債之公允價值。有關收購VSC Construction之溢價收益，於截至二零一九年三月三十一日之綜合損益表中確認，約為18,600,000港元。

The fair values of the assets acquired and liabilities assumed were determined using the discounted cash flow ("DCF") approach with various key assumptions and estimates made including revenue growth rate, discount rate and terminal growth rate.

所收購資產及所承擔負債之公允價值，以貼現現金流量(「貼現現金流量」)法連各種主要假設及估計，包括收益增長率、貼現率及終端增長率等釐定。

The valuation methodology and the key assumptions underpinning which require the use of significant judgements and estimates. These estimations are also subject to uncertainties.

估值方法及主要假設基礎要求運用重大判斷及估計。此等估計亦受不確定因素影響。

關鍵審計事項(續)

How our audit addressed the Key Audit Matter (Continued)

我們的審計如何處理關鍵審計事項(續)

Our procedures in relation to management's assessment on purchase price allocation of the acquisition of VSC Construction included:

我們就管理層對收購VSC Construction之購買價分配之評估所進行的程序包括：

- Considering the competency, capability and objectivity of the independent external valuer by considering its qualification, relevant experience and relationship with the Group;
藉考慮獨立外部估值師之資歷、相關經驗及與貴集團之關係來考量其資格、能力及客觀性；
- Involving our internal valuation specialist in our discussion with the independent external valuer and management to understand the rationale and assess the appropriateness and consistency of the methodology used and the assumptions and estimates applied;
讓我們的內部估值專家與獨立外部估值師及管理層參與討論，以瞭解理據，並評估所用方法與所採假設及估計之恰當性及一致性；
- Assessing the reasonableness of the key assumptions used by the independent external valuer such as revenue growth rate and terminal growth rate by comparing these assumptions against relevant market data; and
藉比較此等假設與其對應相關市場數據來評估獨立外部估值師所用主要假設，如收益增長率及終端增長率之合理性；及
- Evaluating the appropriateness of the discount rate used by considering the weighted average cost of capital and the related risk profile.
藉考慮資本之加權平均成本及相關風險取向來評定所用貼現率之恰當性。

We consider management's judgement in the purchase price allocation of the acquisition of VSC Construction to be supportable by the available information.

我們認為管理層對收購VSC Construction之購買價分配之判斷獲得資料支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters (Continued)

Key Audit Matter (Continued) 關鍵審計事項(續)

Onerous contract provision relating to unfulfilled rebar sales contracts

與未履行的鋼筋銷售訂單有關之有償契約撥備

Refer to notes 4(b) and 30 to the consolidated financial statements

參閱綜合財務報表附註4(b)及30

As at 31st March 2019, the Group had certain unfulfilled rebar sales contracts. If these sales contracts were fulfilled by purchases at prices higher than the contracted selling prices, the Group would incur a loss. As a result, management assessed if any provision for these onerous contacts is required to be made based on the expected purchase prices of inventories and forecasted delivery schedules.

於二零一九年三月三十一日，貴集團有若干未履行的鋼筋銷售訂單。倘該等銷售訂單的購貨價格以高於訂單的銷售價格完成，貴集團將產生虧損。因此，管理層評估該等有償契約是否需要根據存貨之預期購買價及預計交付時間作出任何撥備。

As at 31st March 2019, no provision for onerous contract was recognised by the Group.

於二零一九年三月三十一日，貴集團並無確認有償契約之撥備。

The estimate of the provision requires the estimation of expected purchase prices of inventories to fulfil rebar sales contracts and the expected dates of deliveries for these sales contracts.

估計撥備需要估計達成鋼筋銷售訂單的預期購買存貨的價值及該等銷售訂單之預期交付日期。

關鍵審計事項(續)

How our audit addressed the Key Audit Matter (Continued)

我們的審計如何處理關鍵審計事項(續)

Our procedures in relation to management's assessment on onerous contract provision included:

我們就管理層對有償契約撥備之評估所進行的程序包括：

- Evaluating the basis adopted by management for determining onerous contract provision relating to unfulfilled rebar sales contracts;
- 評估管理層就釐定未履行的鋼筋銷售訂單有關之有償契約撥備所採納之基準；
- Obtaining management analysis and calculation of onerous contract provision and assessing the key assumptions adopted in the analysis, including comparing the expected purchase prices of inventories with the latest unit purchase price and comparing the forecasted delivery schedules with the historical trend and recent delivery;
- 取得管理層對有償契約撥備之分析及計算，以及評估分析中所採納之主要假設，包括比較預期購買存貨的單價與最新購買單價以及比較預計交付時間與過往交付傾向及近期交付；
- Checking, on a sample basis, the accuracy of the pre-agreed contractually stated selling prices and the quantity of goods in the unfulfilled sales contracts; and
- 以抽樣方式檢查預先協定及合約中規定之售價及未履行銷售訂單中貨品數量的準確性；及
- Checking, on a sample basis, the management's computation of provision recognised for these onerous contracts.
- 以抽樣方式檢查管理層對該等有償契約所確認撥備之計算。

We obtained management's assessment of onerous contract provision and considered it to be supportable by the available evidence.

我們取得管理層對有償契約撥備之評估，且認為獲得證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the “Corporate Information”, “Highlights”, “Five-Year Financial Summary”, “Chairman’s Statement”, “Management Discussion and Analysis”, “Corporate Governance Report”, “Report of the Directors” and “Profile of Directors and Senior Management” sections, but does not include the consolidated financial statements and our auditor’s report thereon, which we obtained prior to the date of this auditor’s report, and the “Environmental, Social and Governance Report” section, which is expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for overseeing the Group’s financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括「公司資料」、「摘要」、「五年財務摘要」、「主席報告書」、「管理層討論及分析」、「企業管治報告」、「董事會報告」及「董事及高級管理人員履歷」分節，但不包括綜合財務報表及核數師報告，我們於本核數師報告日期前取得這些其他信息以及我們於該日期後預期可取得之「環境、社會及管治報告」分節。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- 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 Ivan Au.

核數師就審計綜合財務報表承擔的責任 (續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

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

出具本獨立核數師報告的審計項目合夥人為柯灝泓先生。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26th June 2019

羅兵咸永道會計師事務所
執業會計師

香港，二零一九年六月二十六日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31st March 2019 截至二零一九年三月三十一日止年度

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	5	2,882,605	3,032,852
Cost of sales	銷售成本	7	(2,607,507)	(2,835,235)
Gross profit	毛利		275,098	197,617
Selling and distribution expenses	銷售及分銷支出	7	(19,226)	(58,610)
Net impairment loss on financial assets	金融資產減值虧損淨額	7	(4,262)	(1,218)
General and administrative expenses	一般及行政支出	7	(298,720)	(278,052)
Other gains — net	其他收益 — 淨額	6	12,513	34,765
Fair value gain on investment properties	投資物業之公允價值收益	15	108,865	14,818
Operating profit/(loss)	經營溢利/(虧損)		74,268	(90,680)
Finance income	財務收入	10	4,920	5,010
Finance costs	財務費用	10	(80,638)	(70,708)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額		19,276	14,366
Profit/(loss) before income tax	除所得稅前溢利/(虧損)		17,826	(142,012)
Income tax (expense)/credit	所得稅(支出)/抵免	11	(13,447)	1,772
Profit/(loss) for the year	年度溢利/(虧損)		4,379	(140,240)
Profit/(loss) attributable to:	應佔溢利/(虧損):			
Owners of the Company	本公司擁有人		13,888	(147,712)
Non-controlling interests	非控制性權益		(9,509)	7,472
			4,379	(140,240)
Earnings/(loss) per ordinary share attributable to owners of the Company for the year	本公司擁有人應佔年內每股普通股盈利/(虧損)			
Basic earnings/(loss) per share	每股基本盈利/(虧損)	13	HK2.17 cents 港仙	HK(23.02) cents 港仙
Diluted earnings/(loss) per share	每股攤薄盈利/(虧損)	13	HK2.15 cents 港仙	HK(23.02) cents 港仙

The above consolidated income statement should be read in conjunction with the accompanying notes.

上述綜合損益表與隨附的附註一併閱讀。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面損益表

For the year ended 31st March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) for the year	年度溢利／(虧損)	4,379	(140,240)
Other comprehensive (loss)/income:	其他全面(虧損)／收入：		
Items that have been reclassified or may be subsequently reclassified to profit or loss:	已重新分類或其後可重新分類為損益之項目：		
— Change in fair value of an available-for-sale financial asset	— 可供出售金融資產之公允價值變動	—	(220)
— Change in fair value of financial asset at fair value through other comprehensive income	— 按公允價值計入其他全面收入之金融資產公允價值變動	(142)	—
— Currency translation differences	— 貨幣匯兌差額	(74,415)	118,928
Other comprehensive (loss)/income for the year	年度其他全面(虧損)／收入	(74,557)	118,708
Total comprehensive loss for the year	年度全面虧損總額	(70,178)	(21,532)
Total comprehensive (loss)/income attributable to:	應佔全面(虧損)／收入總額：		
— Owners of the Company	— 本公司擁有人	(55,283)	(32,114)
— Non-controlling interests	— 非控制性權益	(14,895)	10,582
		(70,178)	(21,532)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面損益表與隨附的附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st March 2019 於二零一九年三月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	116,767	131,319
Investment properties	投資物業	15	1,413,227	1,389,377
Land use rights	土地使用權	16	9,019	9,316
Intangible assets	無形資產	17	2,602	6,607
Investments in joint ventures	於合營公司之投資	21	299,747	19,931
Prepayments, deposits and other receivables	預付款項、按金 及其他應收賬款	27	19,084	22,628
Deferred income tax assets	遞延所得稅資產	22	47,082	24,817
Financial asset at fair value through other comprehensive income	按公允價值計入其他全面收入 之金融資產	23	144	—
Available-for-sale financial asset	可供出售之金融資產	23	—	286
Total non-current assets	非流動資產總額		1,907,672	1,604,281
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金 及其他應收賬款	27	115,410	186,102
Inventories	存貨	25	290,659	289,566
Amount due from a joint venture	應收一間合營公司賬款	21	—	17,593
Trade and bill receivables	應收賬款及票據	26	480,523	528,238
Financial asset at fair value through profit or loss	按公允價值計入損益 之金融資產	24	36,698	135,535
Pledged bank deposits	已抵押銀行存款	28	38,884	57,807
Cash and cash equivalents	現金及現金等值	28	126,775	312,766
Total current assets	流動資產總額		1,088,949	1,527,607
Total assets	資產總額		2,996,621	3,131,888
EQUITY AND LIABILITIES	權益及負債			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	32	64,123	64,055
Reserves	儲備	34	926,223	993,648
			990,346	1,057,703
Non-controlling interests	非控制性權益		123,090	29,738
Total equity	權益總額		1,113,436	1,087,441

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

綜合財務狀況表(續)

As at 31st March 2019 於二零一九年三月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Liabilities	負債			
Non-current liabilities	非流動負債			
Accrued liabilities and other payables	應計負債 及其他應付賬款	30	15,246	11,813
Deferred income tax liabilities	遞延所得稅負債	22	92,162	71,156
Borrowings	借貸	31	704,839	611,292
Total non-current liabilities	非流動負債總額		812,247	694,261
Current liabilities	流動負債			
Trade and bill payables	應付賬款及票據	29	189,093	284,811
Receipts in advance	預收款項		27,956	24,174
Accrued liabilities and other payables	應計負債 及其他應付賬款	30	52,819	81,604
Current income tax liabilities	當期所得稅負債		13,360	12,032
Borrowings	借貸	31	787,710	947,565
Total current liabilities	流動負債總額		1,070,938	1,350,186
Total liabilities	負債總額		1,883,185	2,044,447
Total equity and liabilities	權益及負債總額		2,996,621	3,131,888

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

上述綜合財務狀況表應與隨附的附註一併閱讀。

The consolidated financial statements were approved by the Board of Directors on 26th June 2019 and were signed on its behalf.

綜合財務報表已於二零一九年六月二十六日獲董事會批准，並代表簽署。

Yao Cho Fai Andrew
姚祖輝
Chairman
主席

Lau Chi Chiu
劉子超
Executive Director
執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March 2019 截至二零一九年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔				Non-controlling interest	Total equity
		Share capital	Other reserves	Retained earnings	Total	非控制性權益	權益總額
		股本	其他儲備	保留盈利	總額		權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
		(Note 32)	(Note 34)	(Note 34)			
		(附註32)	(附註34)	(附註34)			
As at 1st April 2017	於二零一七年四月一日	64,188	525,836	519,487	1,109,511	21,387	1,130,898
(Loss)/profit for the year	年度(虧損)/溢利	—	—	(147,712)	(147,712)	7,472	(140,240)
Other comprehensive (loss)/income	其他全面(虧損)/收入						
— Change in fair value of available-for-sale financial asset (Note 23)	— 可供出售之金融資產之公允價值變動 (附註23)	—	(220)	—	(220)	—	(220)
— Currency transaction differences	— 貨幣匯兌差額	—	115,818	—	115,818	3,110	118,928
Total comprehensive income/(loss)	全面收入/(虧損)總額	—	115,598	(147,712)	(32,114)	10,582	(21,532)
Transactions with owners in their capacity as owners	擁有人以其擁有人身份進行的交易						
Appropriation of statutory reserves	提撥法定儲備	—	3,944	(3,944)	—	—	—
Share-based payment	以股份為基礎之支付	—	2,861	—	2,861	—	2,861
Change on ownership interest in a subsidiary without change of control (Note 37)	於一間附屬公司之擁有權益變動而控制權不變 (附註37)	—	(5,576)	(56)	(5,632)	8,109	2,477
Shares repurchased and cancelled	股份購回及註銷	(133)	133	(940)	(940)	—	(940)
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	(15,983)	(15,983)	—	(15,983)
Dividends paid to a non-controlling interest of a subsidiary	付予一間附屬公司非控制性權益之股息	—	—	—	—	(10,340)	(10,340)
Total transactions with owners in their capacity as owners	擁有人以其擁有人身份進行的交易總額	(133)	1,362	(20,923)	(19,694)	(2,231)	(21,925)
As at 31st March 2018	於二零一八年三月三十一日	64,055	642,796	350,852	1,057,703	29,738	1,087,441

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表 (續)

For the year ended 31st March 2019 截至二零一九年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔				Non-	Total
		Share capital 股本 HK\$'000 千港元 (Note 32) (附註 32)	Other reserves 其他儲備 HK\$'000 千港元 (Note 34) (附註 34)	Retained earnings 保留盈利 HK\$'000 千港元 (Note 34) (附註 34)	Total 總額 HK\$'000 千港元	controlling interest 非控制性權益 HK\$'000 千港元	equity 權益總額 HK\$'000 千港元
As at 1st April 2018	於二零一八年四月一日	64,055	642,796	350,852	1,057,703	29,738	1,087,441
Change in accounting policy (Note 2.2)	會計準則變動 (附註 2.2)	—	—	(4,672)	(4,672)	(518)	(5,190)
Restated balance as at 1st April 2018	於二零一八年四月一日重列結餘	64,055	642,796	346,180	1,053,031	29,220	1,082,251
Profit/(loss) for the year	年度溢利/(虧損)	—	—	13,888	13,888	(9,509)	4,379
Other comprehensive loss	其他全面虧損						
— Change in fair value of financial asset at fair value through other comprehensive income (Note 23)	— 按公允價值計入其他全面 收入之金融資產 之公允價值變動 (附註 23)	—	(142)	—	(142)	—	(142)
— Currency transaction differences	— 貨幣匯兌差額	—	(69,029)	—	(69,029)	(5,386)	(74,415)
Total comprehensive (loss)/income	全面(虧損)/收入總額	—	(69,171)	13,888	(55,283)	(14,895)	(70,178)
Transactions with owners in their capacity as owners	擁有人以其擁有人的身份進行的 交易						
Exercise of share options	行使購股權	68	276	—	344	—	344
Lapse of share options	失效之購股權	—	(5,244)	5,244	—	—	—
Share-based payment	以股份為基礎之支付	—	2,311	—	2,311	—	2,311
Capital injection from non- controlling interests	自非控制性權益 之注資	—	—	—	—	110,036	110,036
Appropriation of statutory reserves	提撥法定撥備	—	1,275	(1,275)	—	—	—
Dividends paid to owners of the Company	已付本公司擁有人 之股息	—	—	(10,057)	(10,057)	—	(10,057)
Dividends paid to a non-controlling interest of a subsidiary	已付一間附屬公司非控制性 權益之股息	—	—	—	—	(1,271)	(1,271)
Total transactions with owners in their capacity as owners	擁有人以其擁有人的身份進行 的交易總額	68	(1,382)	(6,088)	(7,402)	108,765	101,363
As at 31st March 2019	於二零一九年三月三十一日	64,123	572,243	353,980	990,346	123,090	1,113,436

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

上述綜合權益變動表應與隨附的附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31st March 2019 截至二零一九年三月三十一日止年度

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
Cash flows from operating activities	經營活動之現金流量			
Cash (used in)/generated from operations	經營業務(使用)/產生之現金	35(a)	(36,922)	19,399
Interest received	已收利息		4,920	5,010
Interest paid	已付利息		(77,662)	(67,254)
Hong Kong profits tax paid	已付香港利得稅		(3,767)	(6,970)
Hong Kong profits tax refund	香港利得稅退回		11	13,348
China corporate income tax paid	已付中國企業所得稅		(5,046)	(69,520)
Net cash outflow from operating activities	經營活動流出之現金淨額		(118,466)	(105,987)
Cash flows from investing activities	投資活動之現金流量			
Purchase of property, plant and equipment	購置物業、廠房及設備		(2,452)	(11,833)
Proceeds received from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	35(b)	2,489	153
Capital expenditures for investment properties	投資物業之資本開支	15	(6,040)	(16,170)
Acquisition of a subsidiary, net of cash acquired	收購一間附屬公司(扣除所獲現金)	36	47,497	
Capital injection to a joint venture	注資予一間合營公司	21	(289,590)	—
Net proceeds received from disposal of subsidiaries	已收出售附屬公司所得款項淨值	36	5,900	—
Payments for acquisition of a subsidiary, net of cash acquired	收購一間附屬公司之付款(扣除所獲現金)	36	—	(2,694)
Acquisition of a business	業務收購	17	—	(4,703)
Distribution from a joint venture	自合營公司分配	21	—	167,123
Purchases of financial assets at fair value through profit or loss	購入按公允價值計入損益之金融資產		(213,778)	(232,987)
Proceeds received from disposal of financial assets at fair value through profit or loss	出售按公允價值計入損益之金融資產所得款項		311,076	111,015
Net cash (outflow)/inflow from investing activities	投資活動之現金(流出)/流入淨額		(144,898)	9,904

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表（續）

For the year ended 31st March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Notes 附註		
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank loans	銀行貸款之所得款項	310,369	331,617
Repayment of bank loans	償還銀行貸款	(250,214)	(241,494)
Net decrease in trust receipt bank loans	信託收據銀行貸款之減少淨額	(90,962)	(308,833)
Decrease in pledged bank deposits	抵押銀行存款減少	20,079	10,852
Consideration received from non-controlling interests	從非控制性權益收到之代價	—	2,453
Capital injection from non-controlling interest	自非控制性權益之注資	110,036	—
Dividends paid to owners of the Company	已付本公司擁有人之股息	(10,057)	(15,983)
Dividends paid to non-controlling interests	已付非控制性權益之股息	(1,271)	(10,340)
Repurchase of shares	股份購回	—	(940)
Exercise of share options	行使購股權	344	—
Net cash inflow/(outflow) from financing activities	融資活動現金流入／(流出)淨額	88,324	(232,668)
Net decrease in cash and cash equivalents	現金及現金等值之淨減少	(175,040)	(328,751)
Cash and cash equivalents, beginning of the year	年初之現金及現金等值	312,766	628,382
Currency translation differences	貨幣匯兌差額	(10,951)	13,135
Cash and cash equivalents, end of the year	年終之現金及現金等值	126,775	312,766

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

上述綜合現金流量表應與隨附的附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 General Information

Hong Kong Shanghai Alliance Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda on 12th January 1994 as an exempted company under the Companies Act 1981 of Bermuda. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 18th February 1994. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

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

These consolidated financial statements are presented in Hong Kong dollar (“HK\$”), unless otherwise stated.

2 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. They have been prepared under the historical cost convention, as modified by financial asset at fair value through profit or loss and other comprehensive income and investment properties which are carried at fair values.

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

1 一般資料

滙港聯合控股有限公司(「本公司」)於一九九四年一月十二日在百慕達註冊成立為有限公司，並根據百慕達一九八一年公司法，成為一間豁免公司。自一九九四年二月十八日起，本公司股份於香港聯合交易所有限公司主板上市。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司及其附屬公司(「本集團」)主要從事存銷及分銷建築材料，例如鋼材產品；衛浴潔具、廚櫃及工程塑膠貿易；鋼材回收以及房地產投資及項目管理業務。

除另有說明外，該等綜合財務報表以港元(「港元」)列示。

2 主要會計政策概要

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

2.1 編製基準

本綜合財務報表依照香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)及香港公司條例第622章之披露規定編製，且按歷史成本慣例編製，並已就按公允價值計入損益及其他全面收入之金融資產及投資物業(按公允價值列賬)作出修訂。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2 主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1 編製基準(續)

(a) *New and amended standards adopted by the Group*

(a) 本集團所採納新訂及經修訂準則

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1st April 2018:

本集團已於二零一八年四月一日開始之年度報告期間首次採用以下準則及修訂：

Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions	香港財務報告準則第2號(修訂)	以股份為基礎之付款交易之分類及計量
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts	香港財務報告準則第4號(修訂)	香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約一併採用
HKFRS 9	Financial Instruments	香港財務報告準則第9號	金融工具
HKFRS 15	Revenue from Contracts with Customers	香港財務報告準則第15號	來自客戶合約之收入
Amendments to HKFRS 15	Clarifications to HKFRS 15 Revenue from Contracts with Customers	香港財務報告準則第15號(修訂)	香港財務報告準則第15號來自客戶合約的收入之澄清
Amendments to HKAS 40	Transfers of Investment Property	香港會計準則第40號(修訂)	投資物業之轉移
HK (IFRIC) Int-22	Foreign Currency Transactions and Advance Consideration	香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及預付代價
Annual Improvements Project	Annual Improvements 2014 – 2016 Cycle	年度改善項目	二零一四年至二零一六年期間之年度改善

The Group had to change its accounting policies and make certain adjustments following the adoption of HKFRS 9 and HKFRS 15, which are disclosed in Note 2.2. The other newly adopted standards or amendments listed above did not have material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future period.

本集團須於採納香港財務報告準則第9號及香港財務報告準則第15號後更改會計政策及作若干調整(於附註2.2中披露)。上列其他新採納準則或修訂對過往期間已確認之金額並無重大影響，而且預期對現在或往後期間不會造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted*

The following new standards and amendments have been issued but are not effective for the financial year beginning on or after 1st April 2018 and have not been early adopted:

Amendments to HKAS 19
香港會計準則第19號(修訂)

Amendments to HKAS 28
香港會計準則第28號(修訂)

Amendments to HKFRS 9
香港財務報告準則第9號(修訂)

HKFRS 16
香港財務報告準則第16號

HK (IFRIC) Int-23
香港(國際財務報告詮釋委員會)詮釋第23號

Amendments to HKFRSs
香港財務報告準則(修訂)

Amendments to HKAS 1 and HKAS 8
香港會計準則第1號及香港會計準則第8號(修訂)

Amendments to HKFRS 3
香港財務報告準則第3號(修訂)

Conceptual Framework for Financial Reporting 2018
二零一八年財務報告概念框架

HKFRS 17
香港財務報告準則第17號

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號之年度改善項目(修訂)

Plan Amendment, Curtailment or Settlement
計劃修訂、縮減或清償

Long-term Interests in Associates and Joint Ventures
於聯營及合營公司之長期權益

Prepayment Features with Negative Compensation
具有負補償之預付款特性

Leases
租賃

Uncertainty over Income Tax Treatments
所得稅不確定性之處理

Annual Improvements 2015 — 2017 Cycle
二零一五年至二零一七年期間之年度改善

Definition of Material
重大之定義

Definition of a Business
業務之定義

Raised Conceptual Framework for Financial Reporting
經修訂財務報告概念框架

Insurance Contracts
保險合約

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
投資者與其聯營公司或合營公司之間的資產出售或注資

Effective for accounting periods beginning on or after
於以下日期或之後開始之會計期間生效

1st January 2019
二零一九年一月一日

1st January 2019
二零一九年一月一日

1st January 2019
二零一九年一月一日

1st January 2019
二零一九年一月一日

1st January 2019
二零一九年一月一日

1st January 2019
二零一九年一月一日

1st January 2020
二零二零年一月一日

1st January 2020
二零二零年一月一日

1st January 2020
二零二零年一月一日

1st January 2021
二零二一年一月一日

To be determined
有待釐定

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納之新訂及經修訂準則

下列已頒佈之新訂準則及修訂，於二零一八年四月一日起之財政年度仍未生效，亦未獲本集團提前採納：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted (Continued)*

The Group will adopt the above new standards and amendments to existing standards when they become effective. The Group has already commenced an assessment of the related impact of adopting the above new standards and amendments, none of which is expected to have a significant effect on the consolidated financial statements of the Group, except the following:

HKFRS 16 “Leases”

HKFRS 16 was issued in May 2016. It will result in almost all leases being recognised on the consolidated statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

Impact

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$58,009,000. Based on management's initial assessment, the initial adoption of HKFRS 16 will result in an increase in the right-of-use assets and the lease liabilities, which is expected to result in an increase in both assets and liabilities in the consolidated statement of financial position. The adoption will also front-load the expense recognition in the consolidated income statement over the period of the leases, as a result of the combination of the interest expenses arising from the lease liabilities and the amortisation of the right-of-use assets as compared to the rental expenses under existing standard.

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納之新訂及經修訂準則(續)

本集團將於上述新準則及現有準則修訂生效時採納。本集團已開始評估採納上述新準則及修訂之相關影響，預期不會對本集團綜合財務報表構成重大影響，惟下列者除外：

香港財務報告準則第16號「租賃」

香港財務報告準則第16號於二零一六年五月發佈。由於經營與融資租賃之劃分已經移除，該準則將導致近乎所有租賃均於綜合財務狀況表內確認。根據新準則，資產(租賃項目的使用權)及支付租金的金融負債須確認入賬。豁免僅適用於短期和低價值租賃。

影響

該準則將初步影響本集團對經營租賃之會計處理。於本報告日期，本集團具不可撤銷經營租賃承擔為58,009,000港元。經管理層初步評估，初次使用香港財務報告準則第16號時，將會增加使用權資產及租賃負債，預期這會令綜合財務狀況表上的資產及負債同時增加。採用新準則會根據租賃年期，同時確認租賃負債所產生之利息支出及使用權資產之攤銷成本，與現在的準則相比，將提前在綜合損益表中確認費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted (Continued)*

Date of adoption by the Group

The Group will apply the standard from its mandatory adoption date of 1st April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納之新訂及經修訂準則(續)

本集團採納之日期

本集團將自其強制應用日期二零一九年四月一日起採用該準則。本集團有意採用簡化過渡方式，且不會於首次應用時重列年度之比較數字。物業租賃之使用權資產將按過渡方式計量，猶如新規則早已應用。至於其他使用權資產將於應用時按租賃負債金額計量，按照任何預付或應計租賃支出作調整。

其他尚未生效的準則預期對當期或往後報告期間及可預見未來之交易會有重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies

The following explains the impact of the adoption of HKFRS 9 and HKFRS 15 on the Group's consolidated financial statements and also discloses the new accounting policies that have been applied from 1st April 2018, where they are different to those applied in prior years.

(a) Impact on consolidated financial statements

The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

2 主要會計政策概要(續)

2.2 會計政策之變動

以下說明採納香港財務報告準則第9號及香港財務報告準則第15號對本集團綜合財務報表之影響，亦披露已自二零一八年四月一日起應用之新會計政策，該等政策有別於過往年度之會計政策。

(a) 對綜合財務報表之影響

下表列示就每個別項目確認之調整。概無載入並無受變動影響的個別項目。因此，不能從已提供之數字重新計算所披露的小計及總計。有關調整按以下標準更詳細說明。

Consolidated statement of financial position (extract)	綜合財務狀況表 (摘錄)	31st March 2018	HKFRS 9	1st April 2018
		As originally presented		Restated
		二零一八年 三月三十一日 經原本呈列 HK\$'000 千港元	香港財務報告 準則第9號 HK\$'000 千港元	二零一八年 四月一日 重列 HK\$'000 千港元
Non-current assets	非流動資產			
Available-for-sale financial asset	可供出售之金融資產	286	(286)	—
Financial asset at fair value through other comprehensive income	按公允價值計入 其他全面收入 之金融資產	—	286	286
Current assets	流動資產			
Trade and bill receivables	應收賬款及票據	528,238	(5,190)	523,048
Total assets	資產總額	3,131,888	(5,190)	3,126,698
Equity	權益			
Reserves	儲備	993,648	(4,672)	988,976
Non-controlling interests	非控制性權益	29,738	(518)	29,220
Total equity	權益總額	1,087,441	(5,190)	1,082,251

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 – Impact on adoption

HKFRS 9 was generally adopted without restating comparative information with the exception of certain aspects of hedge accounting. The adjustments arising from the new impairment rules are therefore not reflected in the consolidated statement of financial position as at 31st March 2018, but are recognised in the opening of retained earnings on the consolidated statement of financial position on 1st April 2018.

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of HKFRS 9 “Financial Instruments” from 1st April 2018 resulted in changes in accounting policies.

The total impact on the Group’s retained earnings and non-controlling interests as at 1st April 2018 is as follows:

		31st March 2018 (HKAS 39) 二零一八年 三月三十一日 (香港會計準則 第39號) HK\$'000 千港元	Increase in provision of impairment of trade and bill receivables	1st April 2018 (HKFRS 9) 二零一八年 四月一日 (香港財務報告 準則第9號) HK\$'000 千港元
Retained earnings	保留盈利	350,852	(4,672)	346,180
Non-controlling interests	非控制性權益	29,738	(518)	29,220
		380,590	(5,190)	375,400

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(b) 香港財務報告準則第9號 — 採納的影響

香港財務報告準則第9號，一般在並無重列可比較資料之情況下採納，惟對沖會計處理若干範疇除外。因此，新減值規則產生之調整並沒有於二零一八年三月三十一日之綜合財務狀況表中反映，惟於二零一八年四月一日之綜合財務狀況表之保留盈利期初結餘中確認。

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債確認、分類及計量、金融工具終止確認、金融資產減值及對沖會計處理之規定。自二零一八年四月一日起採納香港財務報告準則第9號「金融工具」導致會計政策產生變動。

對本集團於二零一八年四月一日之保留盈利及非控制性權益之整體影響如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2 主要會計政策概要(續)

2.2 Changes in accounting policies (Continued)

2.2 會計政策之變動(續)

(b) HKFRS 9 – Impact on adoption (Continued)

(b) 香港財務報告準則第9號 — 採納的影響(續)

(i) Classification and measurement

(i) 分類及計量

On 1st April 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. The Group elected to present changes in the fair value of all of its previously classified as available-for-sale financial asset in other comprehensive income.

於二零一八年四月一日(初次應用香港財務報告準則第9號當日)，本集團之管理層已評估應用於本集團所持金融資產之業務模式，並已將其金融工具分類至香港財務報告準則第9號合適之類別。本集團已選擇於其他全面收入呈列其全部過往分類為可供出售金融資產之公允價值變動。

The impact of classification is as follows:

分類之影響如下：

		Available-for-sale financial asset	Financial asset at fair value through other comprehensive income
		可供出售之金融資產	按公允價值計入其他全面收入之金融資產
		HK\$'000	HK\$'000
		千港元	千港元
Closing balance as at 31st March 2018 — HKAS 39	於二零一八年三月三十一日之期末結餘 — 香港會計準則第39號	286	—
Reclassify investment from available-for-sale financial asset to financial asset at fair value through other comprehensive income	將投資由可供出售之金融資產重新分類至按公允價值計入其他全面收入之金融資產	(286)	286
Opening balance as at 1st April 2018 — HKFRS 9	於二零一八年四月一日之期初結餘 — 香港財務報告準則第9號	—	286

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 – Impact on adoption (Continued)

(i) Classification and measurement (Continued)

The impact of these changes on the Groups' equity is as follows:

Closing balance as at 31st March 2018 — HKAS 39	於二零一八年三月三十一日之期末結餘 — 香港會計準則第39號	203	—
Reclassify investment from available-for-sale financial asset to financial asset at fair value through other comprehensive income	將投資由可供出售之金融資產重新分類至按公允價值計入其他全面收入之金融資產	(203)	203
Opening balance as at 1st April 2018 — HKFRS 9	於二零一八年四月一日之期初結餘 — 香港財務報告準則第9號	—	203

(ii) Impairment of financial assets

The Group has three main types of financial assets that are subject to HKFRS 9's new expected credit loss model:

- trade and bill receivables;
- cash and cash equivalents and pledged bank deposits; and

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(b) 香港財務報告準則第9號 — 採納的影響(續)

(i) 分類及計量(續)

此等變動對本集團權益之影響如下：

Available-for-sale reserve	Financial asset at fair value through other comprehensive income reserve
可供出售儲備	按公允價值計入其他全面收入金融資產之儲備
HK\$'000	HK\$'000
千港元	千港元
203	—
(203)	203
—	203

(ii) 金融資產減值

本集團有以下三大類金融資產須受限於香港財務報告準則第9號新預期信貸虧損模式：

- 應收賬款及票據；
- 現金及現金等值及已抵押銀行存款；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 – Impact on adoption (Continued)

(ii) Impairment of financial assets (Continued)

- other financial assets measured at amortised costs (including deposits and other receivables).

The Group was required to revise its impairment methodology under HKFRS 9 for these classes of financial assets. The impact of the change in impairment methodology on the Group's retained earnings is disclosed in the below table.

While cash and cash equivalents and pledged bank deposits are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

For deposits and other receivables, management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit losses and the amount was immaterial.

For trade and bill receivables, the Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade and bill receivables. To measure the expected credit losses, trade and bill receivables have been grouped based on shared credit risk characteristics and the days past due.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(b) 香港財務報告準則第9號 — 採納的影響(續)

(ii) 金融資產減值(續)

- 按攤銷成本計量之其他金融資產(包括按金及其他應收賬款)。

本集團須根據香港財務報告準則第9號修訂其各類金融資產之減值模式。減值模式變動對本集團保留盈利之影響於下列表披露。

儘管現金及現金等值及已抵押銀行存款亦須遵守香港財務報告準則第9號之減值規定，其已識別之減值虧損並不重大。

就按金及其他應收賬款而言，管理層自參考交易對手過往違約率及當前財務狀況初步確認後，認為信貸風險未因而大幅增加。減值撥備乃根據12個月預期信貸虧損釐定，其金額並不重大。

就應收賬款及票據而言，本集團應用香港財務報告準則第9號簡化方式計量預期信貸虧損，就所有應收賬款及票據全期預期虧損撥備。為計量預期信貸虧損，應收賬款及票據根據共同信貸風險特徵及逾期日數被分組。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 – Impact on adoption (Continued)

(ii) Impairment of financial assets (Continued)

The Group has assessed the expected credit loss model applied to the trade and bill receivables as at 1st April 2018 and this resulted in an increase of the provision for impairment of trade and bill receivables on 1st April 2018 by HK\$5,190,000.

Trade and bill receivables are written off when there is no reasonable expectation of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the written-off.

The loss allowances for trade and bill receivables as at 31st March 2018 reconcile to the opening loss allowances on 1st April 2018 as follows:

		HK\$'000 千港元
Closing loss allowance as at 31st March 2018	於二零一八年三月三十一日之期末虧損撥備	
— calculated under HKAS 39	— 按香港會計準則第39號計算	17,536
Amounts restated through opening retained earnings	透過期初保留盈利重列之金額	4,672
Amounts restated through opening non-controlling interests	透過期初非控制性權益重列之金額	518
Opening loss allowances at 1st April 2018	於二零一八年四月一日之期初虧損撥備	
— calculated under HKFRS 9	— 按香港財務報告準則第9號計算	22,726

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(b) 香港財務報告準則第9號 — 採納的影響(續)

(ii) 金融資產減值(續)

本集團對於二零一八年四月一日之應收賬款及票據，根據預期信貸虧損模式作出評估，導致應收賬款及票據之減值撥備於二零一八年四月一日增加5,190,000港元。

應收賬款及票據於無合理預期可收回時予以撇銷。一般而言，本集團斷定債務人並無資產或收入來源可產生足夠現金流量來償還款項時，有關的應收賬款及票據須作撇銷。

於二零一八年三月三十一日之應收賬款及票據虧損撥備與二零一八年四月一日之期初虧損撥備對賬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2 主要會計政策概要(續)

2.2 Changes in accounting policies (Continued)

2.2 會計政策之變動(續)

(b) HKFRS 9 – Impact on adoption (Continued)

(b) 香港財務報告準則第9號 — 採納的影響(續)

(ii) Impairment of financial assets (Continued)

(ii) 金融資產減值(續)

The amount of impairment of financial assets in the current period and period to date by the application of HKFRS 9 as compared to HKAS 39 that was previously in effect before the adoption of HKFRS 9 is as follows:

與過往之香港會計準則第39號相比，應用香港財務報告準則第9號後，本期間及迄今為止期間之金融資產減值金額如下：

		For the year ended 31st March 2019 截至二零一九年三月三十一日止年度		
		Amounts without the adoption of HKFRS 9 並無採納香港 財務報告準則 第9號之金額 HK\$'000 千港元	Effects of the adoption of HKFRS 9 採納香港 財務報告準則 第9號之影響 HK\$'000 千港元	Amounts as reported 呈報金額 HK\$'000 千港元
Consolidated income statement (extract)	綜合損益表(摘錄)			
General and administrative expenses	一般及行政支出	(294,458)	(4,262)	(298,720)
Profit attributable to:	應佔溢利：			
— Owners of the Company	— 本公司擁有人	18,266	(4,378)	13,888
— Non-controlling interests	— 非控制性權益	(9,625)	116	(9,509)
		8,641	(4,262)	4,379

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies (Continued)

(c) HKFRS 15 — Impact of adoption

The Group has adopted HKFRS 15 from 1st April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. As such, the comparatives would not be restated but contracts which have remaining obligations as of the effective date had resulted in an adjustment to the opening balance of the retained earnings as at 1st April 2018.

Outbound freight expenses have been reclassified in the consolidated income statement due to the more detailed requirements under HKFRS 15 whereby outbound freight expenses directly associated with fulfilling performance obligations are classified in cost of sales. During the year ended 31st March 2019, outbound freight expenses of HK\$50,373,000 were reclassified from “selling and distribution expenses” to “cost of sales”, as follows:

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(c) 香港財務報告準則第15號 — 採納之影響

本集團已自二零一八年四月一日起採納香港財務報告準則第15號，導致會計政策變動及對綜合財務報表中確認之金額作出調整。但是比較數字不會重列，至於截至生效日期仍有剩餘履行責任之合約，會使二零一八年四月一日之保留盈利期初結餘作調整。

由於香港財務報告準則第15號的更詳細規定，銷售運費已於綜合損益表內重新分類，據此，直接與履行履約責任有關的運費開支分類至銷售成本。截至二零一九年三月三十一日止年度內，銷售運費50,373,000港元由「銷售及分類支出」重列為「銷售成本」，如下：

		For the year ended 31st March 2019 截至二零一九年三月三十一日止年度		
		Amounts		
Consolidated income statement (extract)	綜合損益表(摘錄)	without the adoption of HKFRS 15 並無採納香港財務報告準則第15號之金額 HK\$'000 千港元	Effects of the adoption of HKFRS 15 採納香港財務報告準則第15號之影響 HK\$'000 千港元	Amounts as reported 呈報金額 HK\$'000 千港元
Cost of sales	銷售成本	(2,557,134)	(50,373)	(2,607,507)
Gross profit	毛利	325,471	(50,373)	275,098
Selling and distribution expenses	銷售及分銷支出	(69,599)	50,373	(19,226)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.2 Changes in accounting policies (Continued)

(d) Change in classification

During the year ended 31st March 2019, the reversal of provision for onerous contracts has been classified as cost of sales with comparative information reclassified as management considered it is in line with market practice.

2.3 Subsidiaries

(a) Consolidation

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

(i) Business combinations

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

Acquisition-related costs are expensed as incurred.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(d) 分類之改變

由於管理層認為需要與市場慣例一致，於截至二零一九年三月三十一日止年度內，有償契約之撥備撥回重列為銷售成本，其相應比較數字亦作重列。

2.3 附屬公司

(a) 合併

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

(i) 業務合併

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

收購相關成本於產生時列為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.3 Subsidiaries (Continued)

(a) Consolidation (Continued)

(i) Business combinations (Continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill (Note 2.9). If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

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

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

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

2 主要會計政策概要(續)

2.3 附屬公司(續)

(a) 合併(續)

(i) 業務合併(續)

所轉讓代價、被收購方的任何非控制性權益金額及任何先前於被收購方的股本權益於收購日的公允價值超出所收購可辨認資產淨額的公允價值的部分，以商譽列賬(附註2.9)。倘所轉讓代價、已確認非控股性權益及先前持有之權益之總額低於在收購議價情況下收購之附屬公司的資產淨值之公允價值，其差額於綜合損益表中直接確認。

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

(ii) 於一間附屬公司之擁有權益變動而控制權不變

不導致失去控制權的非控制性權益交易按權益交易入賬 — 即以彼等作為擁有人的身份與附屬公司擁有人進行交易。任何所付代價的公允價值與相關應佔所收購附屬公司資產淨值賬面值的差額，於權益中入賬。向非控制性權益出售產生之盈虧，亦在權益中入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.3 Subsidiaries (Continued)

(a) Consolidation (Continued)

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means the amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

(b) Separate financial statements

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

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

2 主要會計政策概要(續)

2.3 附屬公司(續)

(a) 合併(續)

(iii) 出售附屬公司

當本集團於實體失去控制權時，任何保留權益按失去控制權當日之公允價值重新計量，有關賬面值變動於損益中確認。其公允價值為其後入賬列作聯營公司、合營企業或金融資產的保留權益之初始賬面值。此外，先前於其他全面收入確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。即先前於其他全面收入確認的金額重新分類至損益或根據香港財務報告準則規定轉移至其他股權分類。

(b) 獨立財務報表

於附屬公司之投資按成本扣除減值列賬。成本包括投資直接歸屬之成本。附屬公司之業績以本公司已收股息及應收股息基準入賬。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.4 Associates

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

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

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

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

2 主要會計政策概要(續)

2.4 聯營公司

聯營公司是指凡本集團對其有重大影響力但無控制權之實體，一般附帶20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始以成本確認，於收購日期後，其賬面金額會增加或減少，以確認投資者於被投資公司之應佔溢利或虧損。本集團於聯營公司之投資包括收購時已識別之商譽。收購聯營公司擁有權權益時，投資於聯營公司之成本與本集團所佔於聯營公司可識別資產及負債公允價值差額列作商譽。

若於聯營公司擁有權權益減少但仍存在重大影響力，先前於其他全面收入中確認之金額按比例(如適用)重新分類至損益。

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.4 Associates (Continued)

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

2.5 Joint arrangements

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

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

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

2 主要會計政策概要(續)

2.4 聯營公司(續)

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

2.5 合營安排

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.6 Segment reporting

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

2.7 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in HK\$, which is the Company’s functional and the Group’s presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement. All foreign exchange gains and losses are presented in the consolidated income statement within “other gains — net”.

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

2 主要會計政策概要(續)

2.6 分部報告

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

2.7 外幣換算

(a) 功能及呈列貨幣

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

(b) 交易及結餘

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

非貨幣金融資產及負債，尤如按公允價值計入損益之所持權益之換算差額於損益中確認為公允價值盈虧之一部份。非貨幣金融資產，尤如分類為按公允價值計入其他全面收入之金融資產之換算差額則計入其他全面收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.7 Foreign currency translation (Continued)

(c) Group companies

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

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2 主要會計政策概要(續)

2.7 外幣換算(續)

(c) 集團公司

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

- (i) 各財務狀況表呈列之資產及負債均以該財務狀況表結算日之收市匯率換算;
- (ii) 各損益表之收支均按平均匯率換算(除非該平均值並非於交易日匯率累計影響之合理近似值,在此情況下,收支乃按交易日之匯率換算);及
- (iii) 所有相應匯兌差額於其他全面收入中確認。

收購境外實體時產生之商譽及公允價值調整視作該境外實體之資產及負債處理,並以收市匯率換算。所產生之貨幣匯兌差額於其他全面收入中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.7 Foreign currency translation (Continued)

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2 主要會計政策概要(續)

2.7 外幣換算(續)

(d) 出售海外業務及部分出售

於出售海外業務(即出售本集團於海外業務之全部權益或有關出售導致失去對一間附屬公司之控制權之出售,其中包括海外業務,或出售導致對合營公司失去共同控制權(其中包括海外業務))或出售導致對聯營公司失去重大影響力(其中包括海外業務),則本公司擁有人應佔該業務相關所有權益累計的匯兌差異將重新分類至損益。

對於出售一家附屬公司(包括海外業務)部分權益而沒有導致本集團失去對附屬公司的控制權時,相應比例的累計匯兌差額重新歸入非控制性權益,但並不會於損益確認。至於其他部分出售(即部分出售聯營公司或合營安排而沒有導致本集團失去重大影響力或失去共同控制權),相應比例的累計匯兌差額重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.8 Property, plant and equipment

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

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

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

— Buildings	2% to 20%
— Leasehold improvements	20% to 33%
— Furniture and equipment	15% to 33%
— Machinery	10% to 25%
— Motor vehicles and vessels	5% to 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

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

2 主要會計政策概要(續)

2.8 物業、廠房及設備

物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購項目直接應佔之開支。

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

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

— 樓宇	2% 至 20%
— 租賃物業裝修	20% 至 33%
— 傢俬及設備	15% 至 33%
— 機器	10% 至 25%
— 汽車及船	5% 至 20%

資產之剩餘價值及可使用年期在每個報告期末進行檢討，及在適當時調整。倘若資產之賬面金額高於其可收回估計金額，其賬面金額即時撇減至可收回金額(附註2.12)。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.9 Intangible assets

(a) Goodwill

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

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

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

(b) Customer contracts

Customer contracts acquired in a business combination are recognised at fair values at the acquisition date. Customer contracts have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the utilisation method to allocate the cost of customer contracts over their estimated useful life.

2 主要會計政策概要(續)

2.9 無形資產

(a) 商譽

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

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

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

(b) 客戶合約

在業務合併中購入之客戶合約於收購日按公允價值確認。客戶合約具有有限之可使用年期，並按成本減累計攤銷列賬。攤銷以使用率法分配客戶合約之成本至其估計可使用年期計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.10 Land use rights

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

2.11 Investment properties

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

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

2 主要會計政策概要(續)

2.10 土地使用權

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

2.11 投資物業

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.12 Impairment of non-financial assets

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

2.13 Financial assets

(a) Classification

From 1st April 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“FVOCI”), or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 主要會計政策概要(續)

2.12 非金融資產之減值

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

2.13 金融資產

(a) 分類

自二零一八年四月一日，本集團將其金融資產分為以下計量類別：

- 於期後按公允價值計量(計入其他全面收入(「公允價值計入其他全面收入」)或計入損益)；及
- 按攤銷成本計量。

分類取決於實體管理金融資產之業務模式及現金流量之約定條款。

對按公允價值計量之資產而言，收益及虧損將於損益或其他全面收入中記賬。就非持作買賣之權益工具投資而言，這將取決於本集團在首次確認時，是否對按公允價值計入其他全面收入之股權投資。

本集團在或僅在其管理該等資產之業務模式改變時重新分類債務投資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(b) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the consolidated income statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset.

The Group classifies all of its debt instruments to be measured at amortised cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in “other gains – net” together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

2 主要會計政策概要(續)

2.13 金融資產(續)

(b) 確認及計量

經常性買賣金融資產在交易當日(即本集團承諾購買或出售資產之日期)確認。當金融資產收取現金流量之權利已屆滿或已轉移及本集團已大致上轉移擁有權全部風險及回報時，金融資產被剔除入賬。

(c) 計量

初次確認時，本集團按公允價值加上因收購金融資產而產生之直接交易成本(倘若金融資產非按公允價值計入損益)，來計量金融資產。按公允價值計入損益表之金融資產交易成本於綜合損益表中支銷。

具內含衍生工具之金融資產以其現金流量是否唯一支付本金及利息方式作全面性考慮。

債務工具

債務工具其後之計量取決於本集團管理資產之業務模式及資產之現金流特性。

本集團將所有債務工具分類為按攤銷成本計量。持作收取約定現金流，而該等現金流量屬本金及利息的唯一支付方式之資產，按攤銷成本計量。來自此等金融資產之利息收入以實際利率法計入財務收入。取消確認產生之任何收益或虧損直接於損益中確認，並連同外匯收益及虧損於「其他收益-淨額」中呈列。減值虧損於綜合損益表中為獨立項目呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(c) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in "other gains — net" in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

From 1st April 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and bill receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1(b) for further details.

For other receivables and deposits, management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit losses which is close to zero.

2 主要會計政策概要(續)

2.13 金融資產(續)

(c) 計量(續)

權益工具

本集團其後按公允價值計量所有權益性投資。倘本集團管理層已選擇在其他全面收入中呈列股權性投資公允價值收益及虧損，則剔除確認投資後，公允價值收益及虧損其後不會重新分類至損益。來自相關投資之股息，在本集團收款權利確立時，繼續於損益中確認為其他收入。

按公允價值計入損益之金融資產公允價值變動，如適用，於綜合損益表內「其他收益-淨額」中確認。按公允價值計入其他全面收入計量之股權投資減值虧損(及減值虧損撥回)，不須與其他公允價值變動分開呈報。

(d) 減值

自二零一八年四月一日，本集團對按攤銷成本列賬之債務工具相關之預期信貸虧損按前瞻基準作出評估。所用減值方法取決於信貸風險是否大幅增加。

對應收賬款及票據而言，本集團採用香港財務報告準則第9號所允許之簡化法，其中規定預期全期虧損自首次確認應收賬款起確認，其他詳情見附註3.1(b)。

對其他應收賬款及按金而言，管理層認為信貸風險自參考交易對手過往違約率及當前財務狀況初步確認後，並未因而大幅增加。減值撥備乃根據12個月近乎零之預期信貸虧損釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(e) Accounting policies applied until 31st March 2018

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

(i) Classification

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

Financial assets at fair value through profit or loss

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(e) 二零一八年三月三十一日前採用之會計政策

本集團已追溯採用香港財務報告準則第9號，但已選擇並不重列比較資料。因此，所提供之比較資料繼續根據本集團過往會計政策列賬。

(i) 分類

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

按公允價值計入損益之金融資產

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(e) Accounting policies applied until 31st March 2018 (Continued)

(i) Classification (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and bill receivables", "deposits and other receivables", "amount due from a joint venture", "pledged bank deposits" and "cash and cash equivalents" in the consolidated statement of financial position.

Available-for-sale financial assets

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(e) 二零一八年三月三十一日前採用之會計政策(續)

(i) 分類(續)

貸款及應收賬款

貸款及應收賬款具固定或可釐定付款，以及並無在活躍市場報價之非衍生金融資產。此等項目包括在流動資產內，而已償付或預期於報告期末起計超過十二個月後方償付之金額(分類為非流動資產)則除外。本集團之貸款及應收賬款包括於綜合財務狀況表之「應收賬款及票據」、「按金及其他應收賬款」、「應收一間合營公司款項」、「已抵押銀行存款」及「現金及現金等值」。

可供出售之金融資產

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(e) Accounting policies applied until 31st March 2018 (Continued)

(ii) Recognition and measurement

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

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(e) 二零一八年三月三十一日前採用之會計政策(續)

(ii) 確認及計量

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(e) Accounting policies applied until 31st March 2018 (Continued)

(ii) Recognition and measurement (Continued)

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

(iii) Impairment of financial assets

Assets carried at amortised cost

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

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(e) 二零一八年三月三十一日前採用之會計政策(續)

(ii) 確認及計量(續)

分類為可供出售之貨幣及非貨幣性證券公允價值變動，於其他全面收入中確認。

(iii) 金融資產之減值

以攤銷成本列賬之資產

本集團於每個報告期末評估是否存在客觀證據證明某一金融資產或某一金融資產組合出現減值。只有當存在客觀證據顯示於初步確認資產後發生一宗或多宗事件導致出現減值(「虧損事項」)，而該宗(或該等)虧損事項對金融資產或金融資產組合之估計未來現金流量構成之影響能可靠地估計，則有關金融資產或金融資產組合出現減值及產生減值虧損。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(e) Accounting policies applied until 31st March 2018 (Continued)

(iii) Impairment of financial assets (Continued)

Assets carried at amortised cost (Continued)

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

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(e) 二零一八年三月三十一日前採用之會計政策(續)

(iii) 金融資產之減值(續)

以攤銷成本列賬之資產(續)

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.13 Financial assets (Continued)

(e) Accounting policies applied until 31st March 2018 (Continued)

(iii) Impairment of financial assets (Continued)

Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial asset, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is reclassified from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

2.14 Offsetting financial instruments

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(e) 二零一八年三月三十一日前採用之會計政策(續)

(iii) 金融資產之減值(續)

分類為可供出售之資產

本集團在每個報告期末評估是否有客觀證據證明某一金融資產或某一金融資產組合出現減值。對於分類為可供出售之股本投資，倘證券之公允價值大幅或持續跌至低於其成本，亦視為資產減值之證據。倘可供出售之金融資產存在此等證據，累計虧損 — 按收購成本與當時公允價值之差額，減該金融資產之前在損益確認之任何減值虧損計量 — 自權益中重新分類並在損益中確認。在綜合損益表內權益工具確認之減值虧損不會透過綜合損益表撥回。

2.14 抵銷金融工具

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.15 Inventories

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

2.16 Trade and other receivables

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and bill receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 26 for further information about the Group's accounting for trade and bill receivables and Notes 2.2(b) and 2.13(d) for a description of the Group's impairment policies.

2.17 Cash and cash equivalents

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

2.18 Share capital

Ordinary shares are classified as equity.

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

2 主要會計政策概要(續)

2.15 存貨

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

2.16 應收賬款及其他應收賬款

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

應收賬款及其他應收賬款於確認公允價值時,初始無條件按代價金額確認,除非其具重大融資成份在內。本集團持有應收賬款及票據,在於收取約定現金流量,及其後以實際利息法按攤銷成本計量。有關本集團之應收賬款及票據會計法之其他資料見附註2.2(b)及2.13(d)。

2.17 現金及現金等值

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

2.18 股本

普通股分類為權益。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.19 Trade and other payables

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

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

2.20 Borrowings

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

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

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

2.21 Borrowing costs

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

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

2 主要會計政策概要(續)

2.19 應付賬款及其他應付賬款

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

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

2.20 借貸

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

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

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

2.21 借貸成本

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

所有其他借貸成本均於其產生期間於綜合損益表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.22 Current and deferred income tax

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

(a) Current income tax

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

(b) Deferred income tax

Inside basis differences

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

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

2 主要會計政策概要(續)

2.22 當期及遞延所得稅

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

(a) 當期所得稅

當期所得稅支出根據本公司之附屬公司營運及產生應課稅收入之國家於報告日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法規詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

(b) 遞延所得稅

內在差異

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

遞延所得稅資產在很有可能將未來應課稅溢利與可動用之短暫差異抵銷情況下確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.22 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Outside basis differences

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

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

(c) Offsetting

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

2 主要會計政策概要(續)

2.22 當期及遞延所得稅(續)

(b) 遞延所得稅(續)

外在差異

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

就附屬公司、聯營公司及合營公司投資產生的可扣減短暫差異確認遞延所得稅資產，但僅限於短暫差異很可能在將來撥回，並有充足的應課稅利潤抵銷可動用短暫差異的情況下。

(c) 抵銷

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.23 Employee benefits

(a) Pension obligation

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

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

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

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2 主要會計政策概要(續)

2.23 僱員福利

(a) 退休金責任

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

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

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

(b) 終止僱傭福利

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.23 Employee benefits (Continued)

(c) Bonus plans

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

(d) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(e) Long service payments

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

2.24 Share-based payments

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

- including any market performance conditions (for example, an entity's share price);

2 主要會計政策概要(續)

2.23 僱員福利(續)

(c) 花紅計劃

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

(d) 僱員應享假期

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

(e) 長期服務金

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

2.24 以股份為基礎之支付

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

- 包括任何市場表現條件(例如實體之股價)；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.24 Share-based payments (Continued)

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

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

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

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

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

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

2 主要會計政策概要(續)

2.24 以股份為基礎之支付(續)

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.25 Provision

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

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

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

2.26 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied and service rendered, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group; and when specific criteria have been met for each of the Group's activities as described below.

2 主要會計政策概要(續)

2.25 撥備

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

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

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

2.26 收入確認

收入按已收或應收代價之公允價值計算，並相當於所供貨品及所作服務之應收金額，扣除折扣、退貨及增值稅後列賬。當收入數額能夠可靠計量、未來經濟利益將可能流至本集團，而本集團各項活動均符合具體條件時(如下文所述)，本集團則會確認收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.26 Revenue recognition (Continued)

(a) Sales of goods

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has full discretion over channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs until the products have been shipped to the specified location, the risk of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with sales contracts, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

(b) Service income

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

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(c) Rental income

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

(d) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2 主要會計政策概要(續)

2.26 收入確認(續)

(a) 貨品銷售

當集團實體已將產品交付予客戶，客戶對銷售產品之渠道及價格擁有完全決定權，且並無未履行之責任可影響客戶接受產品時，會確認貨品銷售。產品付運至指定地點、陳舊及虧損之風險已轉讓予客戶；客戶按銷售合約接納產品後或概無未履義務可影響客戶接納產品，交付方始生效。

(b) 服務收入

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

合約負債為本集團已從客戶收取代價(或到期之代價金額)而將貨品或服務轉交客戶之義務。倘若客戶在本集團轉交貨品或服務予客戶前支付代價，則合約負債於付款時或款項到期時(以較早者為準)確認。合約負債在本集團履行合約時確認為收益。

(c) 租金收入

投資物業之租金收入按直線法於相關租賃期間在綜合損益表中確認。

(d) 融資成分

本集團不預期具任何客戶轉交承諾之貨品或服務及客戶付款之合約起超過一年期間。因此，本集團不因資金的時間值而調整任何交易價格。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of Significant Accounting Policies (Continued)

2.27 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.28 Dividend income

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

2.29 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(a) The Group is the lessee under operating lease other than land use rights

Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

(b) The Group is the lessor

Assets leased out under operating leases are included in investment properties. Rental income from operating lease is recognised over the term of the lease on a straight-line basis.

2.30 Dividend distribution

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

2 主要會計政策概要(續)

2.27 利息收入

利息收入以金融資產賬面值按實際利率作計算，惟其後變作信貸減值之金融資產則除外。對信貸減值之金融資產，按經扣除虧損撥備後之金融資產賬面淨值採用實際利率計算。

2.28 股息收入

股息收入於確定有權收取款項時確認。

2.29 租賃

擁有權重大部分風險及回報由出租人保留之租賃分類為經營租賃。

(a) 本集團為經營租賃而非土地使用權承租人

經營租賃下所付款項(扣除來自出租人之任何獎勵)於租賃期在綜合損益表中按直線基準扣賬。

(b) 本集團為出租人

按經營租賃出租之資產計入投資物業。經營租賃租金收入於租賃期按直線基準確認。

2.30 股息分派

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management

3.1 Financial risk factors

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

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

(a) Market risk

(i) Price risk

The Group is subject to commodity price risk because certain subsidiaries of the Group are engaged in the trading of steel products. As at 31st March 2019, the Group had committed sales orders for steel products of approximately 147,000 metric tonnes (2018: 125,000 metric tonnes), for which the selling price is fixed, which exceeded the aggregate amount of on-hand inventories. Over the coming year, the Group had committed sale orders for steel product exceed the aggregate amount of on-hand inventories. As the prices of steel products can fluctuate materially, the Group's results may be affected significantly by future fluctuations in steel prices (Note 4(b)). To manage its commodity price risk arising from committed sales orders, the Group is closely monitoring the market price of steel products and adjusting its procurement strategy accordingly.

3 財務風險管理

3.1 財務風險因素

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

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

(a) 市場風險

(i) 價格風險

由於本集團之若干附屬公司從事鋼材產品貿易，故此本集團面對商品價格風險。於二零一九年三月三十一日，本集團確定其固定售價之鋼材產品銷售訂單約147,000公噸(二零一八年：125,000公噸)已超過手頭存貨。來年，本集團已確定鋼材產品之銷售定單超過累積手頭存貨。由於鋼材產品之價格可大幅波動，本集團之業績將可能面對重大未來鋼材價格波動之影響(附註4(b))。本集團密切監察鋼材產品之市價及相應調整其採購策略，以管理已確定銷售訂單產生之商品價格風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Price risk (Continued)

The Group also exposed to price risk mainly arising from investments held by the Group and classified on the consolidated statement of financial position as financial assets at fair value through profit or loss. To manage its price risk arising from investments, the Group diversifies its portfolio and managed by senior management on a case by case basis. Diversification of the portfolio is managed in accordance with the internal limits set by the Group. As at 31st March 2019, if the price of these investments increase/decrease by 5%, profit before income tax for the year would increase/decrease by approximately HK\$1,835,000 (2018: loss before income tax for the year would decrease/increase by approximately HK\$6,777,000) mainly as a result of a fair value gain/(loss) on these investments.

(ii) Foreign exchange risk

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

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

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

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 價格風險(續)

本集團也主要面對由本集團持有之投資產生之價格風險，並於綜合財務狀況表按公允價值計入損益列為金融資產。為管理投資產生的價格風險，本集團分散投資組合，並由高級管理層按個別情況進行管理。投資組合的多元化按照本集團設定的內部限額進行管理。於二零一九年三月三十一日，倘該等投資價格增加／減少5%，年內除所得稅前溢利將增加／減少約1,835,000港元(二零一八年：年內除所得稅前虧損應減少／增加約6,777,000港元)主要乃由該等投資之公允價值收益／(虧損)所致。

(ii) 外匯風險

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

管理層已訂立政策，要求集團公司管理對其功能貨幣有關之外匯風險。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素(續)

(a) Market risk (Continued)

(a) 市場風險(續)

(ii) Foreign exchange risk (Continued)

(ii) 外匯風險(續)

At 31st March 2019, if HK\$ had strengthened/weakened by 3% against RMB with all other variables held constant, profit before income tax would have been approximately HK\$331,000 higher/lower (2018: loss before income tax would have been approximately HK\$581,000 lower/higher), mainly as a result of foreign exchange gains/(losses) on translation of RMB-denominated monetary assets and liabilities.

於二零一九年三月三十一日，假若港元兌人民幣上升／下跌3%，而所有其他可變因素維持不變，則除所得稅前溢利應增加／減少約331,000港元(二零一八年：除所得稅前虧損應減少／增加581,000港元)，乃主要由於兌換以人民幣計值之貨幣資產及負債之匯兌收益／(虧損)所致。

(iii) Cash flow and fair value interest rate risk

(iii) 現金流量及公允價值利率風險

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

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

At 31st March 2019, if interest rates on floating rate borrowings had been 100 basis points higher/lower with all other variables held constant, profit before income tax for the year would have been approximately HK\$14,925,000 lower/higher (2018: loss before income tax for the year would have been approximately HK\$15,589,000 higher/lower), mainly as a result of higher/lower interest expenses on floating rate borrowings.

於二零一九年三月三十一日，倘浮息借貸之利率增加／減少100個基點，而所有其他可變因素維持不變，則本年度除所得稅前溢利應減少／增加約14,925,000港元(二零一八年：年內除所得稅前虧損應增加／減少15,589,000港元)，乃主要由於浮息借貸之利息支出增加／減少所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

(i) Risk management

The credit risk of the Group mainly arises from trade and bill receivables, deposits and other receivables, amount due from a joint venture and cash and cash equivalents.

Management considers that the Group has limited credit risk with its banks which are leading and reputable with low credit risk. The Group has not incurred significant loss from non-performance by these parties in the past and management does not expect so in the future. Therefore, expected credit loss rate of cash at bank is assessed to be close to zero and no provision was made as at 31st March 2019.

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

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

(i) 風險管理

本集團信貸風險主要來自應收賬款及票據、按金及其他應收賬款、應收一間合營公司款項以及現金及現金等值。

管理層認為，本集團以低信貸風險為主流及具有信譽銀行來減少信貸風險。本集團過往尚未與此等銀行因未能履約而產生重大虧損，而管理層亦日後不會預期。因此，銀行現金之預期信貸虧損率，評核為接近零，於二零一九年三月三十一日概無計提撥備。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素(續)

(b) Credit risk (Continued)

(b) 信貸風險(續)

(i) Risk management (Continued)

(i) 風險管理(續)

Majority of the Group's revenue is received from individual customers in relation to trading of sanitary wares, kitchen cabinets, engineering plastics and distribution of construction materials. As at 31st March 2019, top 10 customers of the Group accounted for approximately 28% (2018:19%) to the total trade and bill receivables of the Group. The Group has set up long-term cooperative relationship with these customers. In view of the history of business dealings with these customers and the collection history of the receivables due from them, management believes that there is no material credit risk inherent in the Group's outstanding receivable balance due from these customers saved for the debtor related to the impaired trade receivable disclosed below. Management makes periodic assessment on the recoverability of trade and other receivables based on historical payment records, the length of the overdue period, the financial strength of the debtors and whether there are any disputes with the debtors. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables has been made in these consolidated financial statements.

本集團絕大部分收益來自有關衛浴潔具、廚具及工程塑膠貿易及建材分銷之個人客戶。於二零一九年三月三十一日，本集團首10大客戶佔本集團應收賬款及票據總額約28%（二零一八年：19%）。本集團已與此等客戶建立長期合作關係。鑑於與此等客戶之業務買賣往績及應收賬款收回往績，管理層相信本集團應收自此等客戶之應收結餘概無重大信貸風險，惟下文披露有關減值應收賬款之債務人除外。管理層根據過往付款記錄、逾期時間、債務人財務能力及與債務人有否任何爭議，定期評估應收賬款及其他應收賬款之可收回能力。本集團收回應收賬款及其他應收賬款之過往經驗均在已撥備之範疇，而董事認為已就不可收回之應收賬款於本綜合財務報表中作足夠撥備。

(ii) Impairment of financial assets

(ii) 金融資產減值

The Group has three main types of financial assets that are subject to the expected credit loss model:

本集團受限於預期信貸虧損模式，具三種主要金融資產分類：

— trade and bill receivables;

— 應收賬款及票據；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

- cash and cash equivalents and pledged bank deposits; and
- other financial assets measured at amortised costs (including deposits and other receivables).

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade and bill receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Group measures the expected credit losses on a combination of both individual and collective basis.

Measurement of expected credit loss on individual basis

Receivables relating to customers with known financial difficulties or significant doubt on collection of receivables are assessed individually for provision for impairment allowance.

Measurement of expected credit loss on collective basis

To measure the expected credit losses, trade receivables have been grouped based on the nature of customer accounts, shared credit risk characteristics and the days past due.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產減值(續)

- 現金及現金等值及已抵押銀行存款；及
- 按攤銷成本計量之其他金融資產(包括按金及其他應收賬款)。

其中現金及現金等值亦須遵守香港財務報告準則第9號之減值規定，惟已識別之減值虧損並不重大。

應收賬款及票據

本集團應用香港財務報告準則第9號簡化方式計量預期信貸虧損，就所有應收賬款計提全期預期虧損撥備。本集團結合個別及共同基準計量預期信貸虧損。

按個別基準計量預期信貸虧損

對於具重大財政困難或收回應收賬款深存疑問的客戶，其減值撥備則個別評定。

按共同基準計量預期信貸虧損

為計量預期信貸虧損，應收賬款已按客戶賬目性質、共同信貸風險特性及逾期日數歸類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

On the above individual and collective basis, the loss allowance as at 31st March 2019 was determined as follows:

		Current	1-60 days past due	61-120 days past due	121-180 days past due	181-365 days past due	Over 365 days past due	Total
		當期	逾期1-60日	逾期61-120日	逾期121-180日	逾期181-365日	逾期超過365日	總計
		HK\$000	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31st March 2019	於二零一九年三月三十一日							
Gross carrying amount - trade receivables	賬面總值 - 應收賬款	337,237	84,031	33,397	13,981	13,329	21,762	503,737
Loss allowance	虧損撥備	(72)	(697)	(151)	(51)	(4,361)	(17,882)	(23,214)
Net carrying amount - trade receivable	賬面淨值 - 應收賬款	337,165	83,334	33,246	13,930	8,968	3,880	480,523

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade and bill receivables

In the prior year, the impairment of trade and bill receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The Group considered that there was evidence of impairment if any of the following indicators were present:

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產減值(續)

於上述個別及共同基準下，於二零一九年三月三十一日之虧損撥備釐定如下：

應收賬款減值虧損在經營溢利中以減值虧損淨額呈列。其後收回過往撇銷之金額會於同一項目入賬。

應收賬款及票據減值之過往會計政策

過往年度，應收賬款及票據減值按已產生虧損模式評定。個別應收賬款被認為不可收回，將直接減低賬面值撇銷。其他應收賬款則用共同評定，以決定是否客觀證據證明減值經已產生但尚未識別。就此等應收賬款而言，估計減值虧損於個別減值撥備中確認。本集團認為，如出現以下任何顯示，則有減值證據：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

- significant financial difficulties of the debtor;
- probability that the debtor will enter bankruptcy or financial reorganisation; and
- default or late payments.

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

Other financial assets at amortised costs

Management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit loss which is zero.

(c) Liquidity risk

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

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產減值(續)

- 債務人有嚴重財政困難；
- 債務人可能會陷入破產或財務重組；及
- 違約或逾期付款。

確認有減值撥備之應收賬款，於不預期收回額外現金時對應撥備註銷。

按攤銷成本列賬之其他金融資產

參考交易對手過往違約率及目前財務狀況，管理層認為信貸風險自首次確認以來並未大幅增加。減值撥備乃根據12個月預期信貸虧損釐定，其金額為零。

(c) 流動資金風險

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素(續)

(c) Liquidity risk (Continued)

(c) 流動資金風險(續)

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in time deposits, marketable securities, and choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group held cash and cash equivalents of approximately HK\$126,775,000 (2018: HK\$312,766,000) (Note 28) and trade and bill receivables, net, of approximately HK\$480,523,000 (2018: HK\$528,238,000) (Note 26) that are expected to readily generate cash inflows for managing liquidity risk.

當經營實體持有之剩餘現金超過營運資本管理所需餘額時，會轉撥至本集團司庫。本集團司庫將剩餘現金投資於定期存款及有價證券，並透過選擇上述預測所決定具有適當到期日或足夠流動性之工具，提供充足空間。於報告日，本集團持有現金及現金等值約126,775,000港元(二零一八年：312,766,000港元)(附註28)及應收賬款及票據淨額約480,523,000港元(二零一八年：528,238,000港元)(附註26)，預期可即時產生現金流入以管理流動資金風險。

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

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

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 31st March 2019	於二零一九年 三月三十一日				
Trade and bill payables	應付賬款及票據	189,093	—	—	189,093
Other payables	其他應付賬款	35,354	7,740	7,506	50,600
Borrowings	借貸	788,145	91,593	615,420	1,495,158
Interest payable	應付利息	74,330	37,132	75,017	186,479
		1,086,922	136,465	697,943	1,921,330
At 31st March 2018	於二零一八年 三月三十一日				
Trade and bill payables	應付賬款及票據	284,811	—	—	284,811
Other payables	其他應付賬款	28,882	4,707	7,106	40,695
Borrowings	借貸	947,948	128,562	483,580	1,560,090
Interest payable	應付利息	62,744	28,298	23,984	115,026
		1,324,385	161,567	514,670	2,000,622

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.2 Capital risk management

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

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

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

The gearing ratios at 31st March 2019 and at 31st March 2018 were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Borrowings (Note 31)	借貸(附註31)	1,492,549	1,558,857
Less: Cash and cash equivalents and pledged bank deposits (Note 28)	減：現金及現金等值以及已抵押銀行存款(附註28)	(165,659)	(370,573)
Net debt	淨債務	1,326,890	1,188,284
Total equity (excluding non-controlling interests)	權益總額(不包括非控制性權益)	990,346	1,057,703
Total capital	資本總額	2,317,236	2,245,987
Gearing ratio	資本負債比率	57%	53%

Net debt includes borrowings that were subject to external financial covenants. As at 31st March 2018 and 2019, there was no breach in conditions as specified in the covenants.

3 財務風險管理(續)

3.2 資金風險管理

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

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

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

於二零一九年三月三十一日及二零一八年三月三十一日之資本負債比率如下：

淨債務包括受限於外部財務契諾之借貸。於二零一八年及二零一九年三月三十一日，概無違反契諾中訂明之條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3 財務風險管理(續)

3.3 Fair value estimation

3.3 公允價值估算

The tables below analyses the Group's financial instruments carried at fair value as at 31st March 2018 and 2019, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

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

See Note 15 for the disclosures of the investment properties that is measured at fair value which is included in level 3.

The following table presents the Group's financial assets that are measured at fair value at 31st March 2019.

下表通過估值技術輸入等級，分析本集團於二零一八年及二零一九年三月三十一日按公允價值入賬之金融工具。此等輸入，於公允價值等級分類為以下三層：

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

包括在第三層之投資物業，其按公允價值計量之披露資料，請參閱附註15。

下表顯示本集團於二零一九年三月三十一日按公允價值計量之金融資產。

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產				
Financial asset at fair value through profit or loss	按公允價值計入損益之金融資產				
— Structured bank products	— 結構性銀行產品	—	36,698	—	36,698
Financial asset at fair value through other comprehensive income	按公允價值計入其他全面收入之金融資產				
— Shares listed on The Stock Exchange of Hong Kong Limited	— 於香港聯合交易所有限公司上市之股份	144	—	—	144
Total	總額	144	36,698	—	36,842

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3 財務風險管理(續)

3.3 Fair value estimation (Continued)

3.3 公允價值估算(續)

The following table presents the Group's financial assets that are measured at fair value at 31st March 2018.

下表顯示本集團於二零一八年三月三十一日按公允價值計量之金融資產。

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產				
Financial asset at fair value through profit or loss	按公允價值計入損益之金融資產				
— Structured bank products	— 結構性銀行產品	23,674	—	—	23,674
— Investments in unit trusts	— 單位信託投資	111,861	—	—	111,861
Available-for-sale financial asset	可供出售之金融資產				
— Shares listed on The Stock Exchange of Hong Kong Limited	— 於香港聯合交易所有限公司上市之股份	286	—	—	286
Total	總額	135,821	—	—	135,821

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

於本年度，第一層、第二層及第三層之間並無轉撥。

Financial instruments in level 1

於第一層之金融工具

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

於活躍市場買賣之金融工具之公允價值乃按於報告日之市場報價計算。倘該報價可容易或定期取自交易所、經銷商、經紀、行業組織、股價服務或監管機構，而該等報價反映實際及定期按公平原則進行之市場交易，該市場則視為活躍。本集團持有之金融資產所使用之市場報價為現行買入價。該等工具包括在第一層。包括在第一層之工具主要包括分類為可供出售之股權投資、單位信託投資、結構性銀行產品及分類為按公允價值計入損益之金融資產之公司股票。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial Risk Management (Continued)

3.3 Fair value estimation (Continued)

Financial instruments in level 2

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

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

4 Critical Accounting Estimates and Judgements

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

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

(a) Valuation of investment properties

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

3 財務風險管理(續)

3.3 公允價值估算(續)

於第二層之金融工具

並無於活躍市場買賣之金融工具(例如場外衍生工具),其公允價值運用估值方法釐定。該等估值方法盡可能運用可觀察之市場數據(如有),並少依賴主體之特定估計。如計算一項金融工具之公允價值所需之所有重大輸入皆為可觀察數據,則該金融工具包括在第二層。

如一項或多項重大輸入並非根據可觀察市場數據,則該金融工具包括在第三層。

4 重要會計推算及判斷

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

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

(a) 投資物業的估值

本集團按公允價值持有之投資物業,其公允價值變動於綜合損益表內確認列賬。投資物業之公允價值乃根據估值方法,管理層更正對各物業公允價值的評估而釐定,其中經考慮主要估值假設,包括經調整市場收益率。判斷及假設之詳情已於附註15披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 Critical Accounting Estimates and Judgements (Continued)

(b) Onerous contract provision

As at 31st March 2019, the Group had committed sales orders which exceeded the aggregate amount of on-hand inventories and committed purchase orders. If the cost of certain future purchases to fulfil these sales orders exceeds the contracted selling prices of the sales orders, a provision for onerous contracts would be made. In estimating the amount by which the cost of purchases are expected to exceed sales prices of committed sales orders, management takes into account the cost of on-hand inventory and the forecast market price of future purchases where this can be reliably estimated.

As at 31st March 2019, no provision for onerous contract was recognised by the Group (2018: provision of HK\$40,656,000).

(c) Recognition of deferred income tax assets

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

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

4 重要會計推算及判斷(續)

(b) 有償契約之撥備

於二零一九年三月三十一日，本集團已確定之銷售訂單已超過手頭存貨及已確定之購貨訂單總額。倘用以履行此等銷售訂單之若干未來採購成本比銷售訂單所訂約之售價為高，則會就有償契約作出撥備。在推算預期採購成本超出已確定銷售訂單之售價金額時，管理層會計及手頭存貨之成本及按可靠推算之期貨採購之市場預測價格。

於二零一九年三月三十一日，本集團並無確認有償契約之撥備(二零一八年：撥備40,656,000港元)。

(c) 遞延所得稅資產確認

本集團主要須繳納香港及中國內地之所得稅。在釐定全球所得稅撥備時，需要作出重大判斷。於日常業務過程中，許多交易及計算之最終稅項釐定尚未確定。本集團按日後會否須繳納額外稅項，從而對預期稅務審核確認負債。倘該等事宜之最終稅務結果與最初記錄之金額不符，此等差異將影響該釐定期間內之所得稅及遞延所得稅撥備。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 Critical Accounting Estimates and Judgements (Continued)

(d) Fair value of identifiable assets and liabilities acquired through business combinations

The Group applies the acquisition method to account for business combinations, which requires the Group to record assets acquired and liabilities assumed at their fair values on the date of acquisition. Significant judgement and estimate are used to determine the completion date and fair value of the assets acquired and liabilities assumed.

(e) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with policy stated in Note 2.9(a). The recoverable amounts of CGUs have been determined based on value-in use calculations. These calculations require the use of estimates (Note 17).

(f) Net realisable value of inventories

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

(g) Provision for impairment of trade and other receivables

The Group follows the guidance of HKFRS 9 to determine when trade and other receivables are impaired. This determination requires significant judgement and estimation based on assumptions about risk of default and expected loss rates. In making this judgement and estimation, the Group evaluates, among other factors, the duration of receivables and the financial health and collection history of individual debtors and expected future change of credit risks, including the consideration of factors such as general economy measure, changes in macroeconomic indicators etc. Details of the assumptions and inputs used are discussed in Note 3.1(b).

4 重要會計推算及判斷(續)

(d) 透過業務合併收購之可識別資產及負債之公允價值

本集團用收購法來將業務合併入賬，要求本集團於收購日期就已收購資產及已承擔負債按公允價值記錄列賬。釐定已收購資產及已承擔負債之完成日期及公允價值需要重大判斷及估算。

(e) 商譽減值推算

本集團根據附註2.9(a)所述政策，每年就商譽進行減值測試。現金產生單位之可收回金額透過計算使用價值決定。該等計算需要使用推算(附註17)。

(f) 存貨之可變現淨值

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

(g) 應收賬款及其他應收賬款減值撥備

本集團依循香港財務報告準則第9號指引釐定應收賬款及其他應收賬款何時減值。此釐定按有關違約風險及預期虧損率之假設要求重大判斷及估算。作此判斷及估算時，本集團評估(其中包括)應收款項期限、個別債務人財務健全度及收款記錄，以及預期日後信貸風險變動等因素，包括考慮經濟措施、宏觀經濟指標變動等因素。所用假設值及輸入值之詳情於附註3.1(b)中探討。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 Critical Accounting Estimates and Judgements (Continued)

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

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

5 Revenue and Segment Information

The Group's revenue consists of the following:

Sales of goods	貨品銷售
Service income	服務收入
Rental income	租金收入

Total revenue 收入總額

4 重要會計推算及判斷(續)

(h) 物業、廠房及設備之可使用年期及折舊支出

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

5 收入及分部資料

本集團之收入包括如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Sales of goods	貨品銷售	2,780,106	2,938,258
Service income	服務收入	44,375	63,963
Rental income	租金收入	58,124	30,631
Total revenue	收入總額	2,882,605	3,032,852

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

本集團按其營運性質及所提供之產品及服務管理其業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and Segment Information (Continued)

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (“CODM”) that are used to making strategic decisions. The CODM is identified as the executive directors of the Company. The executive directors consider the business from a customer perspective and assess the performance of the operating segments based on the segment assets, segment revenue and segment results for the purposes of allocating resources and assessing performance. These reports are prepared on the same basis as these consolidated financial statements. The CODM considers the Group operates predominantly in four operating segments:

- (i) Construction materials business;
- (ii) Building and design solutions (“BDS”) business;
- (iii) Engineering plastics business; and
- (iv) Property investment and project management business.

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

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

Capital expenditure comprises additions to property, plant and equipment for the years ended 31st March 2019 and 2018.

5 收入及分部資料(續)

管理層已根據主要營運決策者(「主要營運決策者」)用以制定策略性決定時所審閱報告釐定營運分部。主要營運決策者界定為本公司執行董事。執行董事從客戶角度考量業務，並根據分部資產、分部收入及分部業績以評估經營分部表現，從而配置資源及評估績效。此報告與此綜合財務報表基於同一基準編製。主要營運決策者認為本集團主要經營四個營運分部：

- (i) 建築材料業務；
- (ii) 建築產品及設計方案(「建築產品及設計方案」)業務；
- (iii) 工程塑膠業務；及
- (iv) 房地產投資及項目管理業務。

主要營運決策者按除所得稅前溢利以計量評估營運分部表現。

向主要營運決策者匯報的對外收入，其計量方法與此綜合財務報表一致。

截至二零一九年及二零一八年三月三十一日止年度的資本開支，其包括新增的物業、廠房及設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and Segment Information (Continued)

5 收入及分部資料(續)

Analysis of the Group's results by business segments for the year ended 31st March 2019 are as follows:

本集團截至二零一九年三月三十一日止年度按業務分部之業績分析如下：

		Construction materials business 建築材料業務 HK\$'000 千港元	BDS business 建築產品及設計方案業務 HK\$'000 千港元	Engineering plastics business 工程塑膠業務 HK\$'000 千港元	Property investment and project management business 房地產投資及項目管理業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收入						
— Recognised at a point in time	— 在某一時點確認	2,164,649	346,775	268,682	—	—	2,780,106
— Recognised over time	— 在一段時間內確認	—	—	—	41,911	2,464	44,375
— Rental income	— 租金收入	—	—	—	58,124	—	58,124
		2,164,649	346,775	268,682	100,035	2,464	2,882,605
Operating profit/(loss)	經營溢利/(虧損)	52,895	26,051	(6,364)	97,624	(95,938)	74,268
Finance income	財務收入	4,180	69	99	78	494	4,920
Finance costs	財務費用	(35,063)	(4,252)	(1,117)	(35,861)	(4,345)	(80,638)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	(1,377)	—	—	20,653	—	19,276
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	20,635	21,868	(7,382)	82,494	(99,789)	17,826
Other gains/(losses) — net	其他收益/(虧損) — 淨額	22,339	(939)	(5,979)	(7,162)	4,254	12,513
Fair value gain on investment properties	投資物業之公允價值收益	—	—	—	108,865	—	108,865
Capital expenditure	資本開支	1,376	107	23	87	859	2,452
Depreciation and amortisation	折舊及攤銷	(6,099)	(801)	(80)	(1,996)	(35,932)	(44,908)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and Segment Information (Continued)

Analysis of the Group's results by business segments for the year ended 31st March 2018 are as follows:

5 收入及分部資料(續)

本集團於截至二零一八年三月三十一日止年度按業務分部之業績分析如下：

		Construction materials business 建築材料業務 HK\$'000 千港元	BDS business 建築產品及設計方案業務 HK\$'000 千港元	Engineering plastics business 工程塑膠業務 HK\$'000 千港元	Property investment and project management business 房地產投資及項目管理業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	2,231,620	330,091	378,537	63,034	29,570	3,032,852
Operating (loss)/profit	經營(虧損)/溢利	(67,829)	28,096	15,231	24,551	(90,729)	(90,680)
Finance income	財務收入	3,951	21	158	418	462	5,010
Finance costs	財務費用	(31,921)	(3,229)	(553)	(30,493)	(4,512)	(70,708)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	(25,069)	—	—	39,435	—	14,366
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(120,868)	24,888	14,836	33,911	(94,779)	(142,012)
Other gains — net	其他收益 — 淨額	11,081	2,166	5,484	14,010	2,024	34,765
Fair value gain on investment properties	投資物業之公允價值收益	3,671	—	—	11,147	—	14,818
Capital expenditure	資本開支	1,412	642	195	1,660	7,924	11,833
Depreciation and amortisation	折舊及攤銷	(2,273)	(808)	(29)	(1,270)	(36,117)	(40,497)

The Group is domiciled in Hong Kong and Mainland China. Analysis of the Group's revenue by geographical markets are as follows:

本集團於香港及中國內地營運。本集團之收入按地域市場分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	1,837,825	1,766,988
Mainland China	中國內地	1,044,780	1,265,864
		2,882,605	3,032,852

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and Segment Information (Continued)

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	437,632	175,298
Mainland China	中國內地	1,416,577	1,399,516
		1,854,209	1,574,814

5 收入及分部資料(續)

除金融工具及遞延所得稅資產以外之非流動資產，其按地域市場分類如下：

(a) Revenue recognition in relation to contract liabilities

As at 31st March 2019, receipts in advance amounting to HK\$27,956,000. The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward receipts in advance:

	2019 二零一九年 HK\$'000 千港元
Revenue recognised that was included in the receipts in advance at the beginning of the year	24,174

(a) 有關合約負債之收入確認

於二零一九年三月三十一日，預收款項金額為27,956,000港元。下表顯示於本報告期間有關期初之預收款項確認為收入的金額：

(b) Unsatisfied long-term contract

The Group selected to choose a practical expedient and omit disclosure of remaining performance obligations as all related contracts have a duration of one year or less.

(b) 未履行之長期合約

本集團因其所有相關的合約年期期限為一年或以下，故採用可行之權宜方式，並沒有披露其剩餘履約義務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 Other Gains — Net

6 其他收益 — 淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unrealised fair value loss on financial assets at fair value through profit or loss	按公允價值計入損益之金融資產之未變現公允價值虧損	—	(2,133)
Realised loss on financial assets at fair value through profit or loss	按公允價值計入損益之金融資產之已變現虧損	(1,559)	—
Net exchange (loss)/gain	淨匯兌(虧損)/收益	(21,155)	13,387
Impairment losses on property, plant and equipment (Note 14)	物業、廠房及設備減值虧損(附註14)	(1,181)	—
Impairment losses on goodwill	商譽減值虧損	(2,494)	—
Gain on disposal of a subsidiary (Note 36(c))	出售一間附屬公司之收益(附註36(c))	5,313	—
Gain on bargain purchase from the acquisition of a subsidiary (Note 36(a))	來自收購一間附屬公司之溢價收益(附註36(a))	18,554	—
Penalty income from tenants in relation to early termination of rental agreements	來自租戶提前終止租賃協議之罰款收入	346	4,086
Disposal service income received from a joint venture (Note 39(a))	來自一間合營公司之出售服務收入(附註39(a))	—	11,703
Sundry income	雜項收入	14,689	7,722
		12,513	34,765

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 Expenses by Nature

Expenses included in “cost of sales”, “selling and distribution expenses”, “net impairment loss on financial assets” and “general and administrative expenses” are analysed as follows:

7 按性質劃分之支出

計入「銷售成本」、「銷售及分銷支出」、「金融資產減值虧損淨額」及「一般及行政支出」內的支出，其分析如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of finished goods sold	2,533,767	2,765,195
Provision for impairment of inventories (Note 25)	1,594	1,007
(Reversal of provision)/provision for onerous contracts	(40,656)	26,656
Depreciation of property, plant and equipment (Note 14)	43,195	39,705
(Gain)/loss on disposals of property, plant and equipment (Note 35(b))	(1,006)	39
Amortisation of land use rights (Note 16)	202	202
Amortisation of intangible assets (Note 17)	1,511	590
Employee benefit expenses (Note 8)	128,970	113,135
Operating lease rental expenses in respect of retail outlets, offices and warehouses	44,408	46,574
Property tax for investment properties	7,557	7,098
Provision for impairment of trade and bill receivables — net (Note 26)	4,262	1,218
Service fee paid to a joint venture (Note 39(a))	—	9,029
Professional fee associated with the formation of a joint venture	55,368	—
Auditor's remuneration — Audit services	2,800	2,320
Legal and professional fees	12,890	14,408
Freight charges	81,542	72,368
Storage and handling charges	7,869	7,890
Others	45,442	65,681
Total	2,929,715	3,173,115

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 Employee Benefit Expenses (Including Directors' Emoluments)

8 僱員福利支出(包含董事酬金)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	93,994	79,621
Bonus	花紅	13,504	9,871
Pension costs —	退休金成本		
defined contribution plans	— 界定供款計劃	7,349	7,406
Share-based payment	以股份為基礎之支付	2,311	2,859
Welfare and benefits	福利及利益	11,812	13,378
		128,970	113,135

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

Under the ORSO Scheme, each of the Group and its employees make monthly contribution to the scheme at 5% (2018: 5%) of the employees' salary. The unvested benefits of employees who have terminated employment could be utilised by the Group to reduce its future contributions.

Under the MPF Scheme, each of the Group and its employees make monthly contributions to the scheme at 5% (2018: 5%) of the employee's relevant income, as defined in the Hong Kong Mandatory Provident Fund Scheme Ordinance. Both the Group's and the employee's contributions are subject to a cap of HK\$1,500 per month. The contributions are fully and immediately vested for the employees.

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

本集團持有兩個界定退休金供款計劃予香港之僱員，即公積金計劃及強積金計劃。此兩個計劃之資產均與本集團之資產分開持有，並由獨立基金管理。

根據公積金計劃，本集團及其僱員須各自按該僱員薪金之5% (二零一八年：5%) 向該計劃作每月供款。終止僱用之僱員未歸屬之利益均由本集團用作減少未來供款。

根據強積金計劃，本集團及其僱員須各自按香港強制性公積金計劃條例所界定按該僱員有關收入之5% (二零一八年：5%) 向該計劃作每月供款。本集團及其僱員之供款上限均為每月1,500港元(供款悉數及即時歸屬予僱員)。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 Employee Benefit Expenses (Including Directors' Emoluments) (Continued)

During the year ended 31st March 2019, the aggregate amount of the Group's contributions to the aforementioned pension schemes was approximately HK\$7,349,000 (2018: HK\$7,406,000), net of forfeited contributions of approximately HK\$283,000 (2018: HK\$51,000). As at 31st March 2018 and 2019, there is no unutilised forfeited contribution which could be utilised to reduce future contributions of the Group.

9 Directors' and Senior Management's Emoluments

(a) Directors' emoluments

The remuneration of every Director for the year ended 31st March 2019 is set out below:

Name	Fees	Salaries and allowances	Discretionary bonuses (Note (iv)) 酌情花紅 (附註(iv))	Share-based payment (Note (v)) 以股份為基礎 之支付(附註(v))	Employer's contribution to a retirement benefit scheme 僱主對退休福利計劃之供款	Total
名稱	酬金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive Directors		執行董事				
Mr. Yao Cho Fai Andrew	—	7,194	3,500	—	18	10,712
Ms. Luk Pui Yin Grace (Note (i))	—	1,312	827	19	66	2,224
Mr. Lau Chi Chiu	—	1,237	—	11	61	1,309
Independent Non-executive Directors		獨立非執行董事				
Mr. Tam King Ching Kenny	225	—	—	—	—	225
Mr. Xu Lin Bao	207	—	—	—	—	207
Mr. Tse Lung Wa Teddy (Note (ii))	69	—	—	—	—	69
Mr. Yeung Wing Sun Mike	701	—	—	—	—	701
Mr. Li Yinquan (Note (iii))	133	—	—	—	—	133
	1,335	9,743	4,327	30	145	15,580

8 僱員福利支出(包含董事酬金)(續)

截至二零一九年三月三十一日止年度，本集團對上述退休金計劃作出之供款總額約為7,349,000港元(二零一八年：7,406,000港元)，扣除沒收供款約283,000港元(二零一八年：51,000港元)。於二零一八年及二零一九年三月三十一日，並無未動用已沒收供款可用作減少本集團未來之供款。

9 董事及高級管理人員酬金

(a) 董事酬金

截至二零一九年三月三十一日止年度，每位董事薪酬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and Senior Management's Emoluments (Continued)

9 董事及高級管理人員酬金(續)

(a) Directors' emoluments (Continued)

The remuneration of every Director for the year ended 31st March 2018 is set out below:

(a) 董事酬金(續)

截至二零一八年三月三十一日止年度，每位董事薪酬如下：

Name	Fees	Salaries and allowances	Discretionary bonuses (Note (iv)) 酌情花紅 (附註(iv))	Share-based payment (Note (v)) 以股份為基礎 之支付(附註(v))	Employer's contribution to a retirement benefit scheme 僱主對退休福利計劃之供款	Total
名稱	酬金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive Directors						
Mr. Yao Cho Fai Andrew	—	1,950	8,000	—	18	9,968
Ms. Luk Pui Yin Grace (Note (i))	—	1,887	—	77	94	2,058
Mr. Lau Chi Chiu	—	1,236	—	28	61	1,325
Independent Non-executive Directors						
Mr. Tam King Ching Kenny	225	—	—	—	—	225
Mr. Xu Lin Bao	207	—	—	—	—	207
Mr. Tse Lung Wa Teddy (Note (ii))	360	—	—	—	—	360
Mr. Yeung Wing Sun Mike	180	—	—	—	—	180
	972	5,073	8,000	105	173	14,323

Notes:

- (i) Ms. Luk Pui Yin Grace resigned as an executive director of the Company on 13th December 2018. The amounts represent emoluments to be paid or payable in respect of her services as an executive director of the Company. Ms. Luk confirmed that she has no disagreement with the Board of Directors and that she is not aware of any matters in relation to her resignation that needs to be brought to the attention of the shareholders of the Company.
- (ii) Mr. Tse Lung Wa Teddy retired as an independent non-executive director of the Company on 17th August 2018. The amounts represent emoluments to be paid or payable in respect of his services as an independent non-executive of the Company. Mr. Tse confirmed that he has no disagreement with the Board of Directors and that he is not aware of any matters in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.
- (iii) Mr. Li Yinquan was appointed as an independent non-executive director of the Company on 5th July 2018. The amounts represent emoluments to be paid or payable in respect of his services as an independent non-executive director of the Company.

附註：

- (i) 於二零一八年十二月十三日，陸佩然女士辭去本公司執行董事職務。該等款項指就其作為本公司執行董事所提供之服務而將支付或應付之酬金。陸女士確認彼與董事會並無意見分歧，而彼並不知悉任何有關其辭任之事宜須提請本公司股東垂註。
- (ii) 於二零一八年八月十七日，謝龍華先生退任本公司獨立非執行董事職務。該等款項指就其作為本公司獨立非執行董事所提供之服務而將支付或應付之酬金。謝先生確認彼與董事會並無意見分歧，而彼並不知悉任何有關其辭任之事宜須提請本公司股東垂註。
- (iii) 於二零一八年七月五日，李引泉先生獲委任為本公司獨立非執行董事。該等款項指就其作為本公司獨立非執行董事所提供之服務而將支付或應付之酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and Senior Management's Emoluments (Continued)

(a) Directors' emoluments (Continued)

Notes: (Continued)

- (iv) The executive directors are entitled to discretionary bonuses which are determined with reference their performance and the financial performance of different business units of the Group.
- (v) Share-based payment represents charges to the consolidated income statement of the fair value of the share options under the share option scheme measured at the respective grant dates, regardless of whether the share options would be exercised or not.

No incentive payment (2018: Nil) as an inducement for joining the Group or compensation for loss of office was paid to any director during the years ended 31st March 2018 and 2019.

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the years ended 31st March 2018 and 2019.

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31st March 2018 and 2019.

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

During the years ended 31st March 2018 and 2019, no consideration was paid by the Company to third parties for making available directors' services.

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

During the years ended 31st March 2018 and 2019, there are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by any connected entities with such directors.

9 董事及高級管理人員酬金(續)

(a) 董事酬金(續)

附註：(續)

- (iv) 執行董事可收取酌情花紅，花紅參考其表現及本集團不同業務單位之財務表現釐定。
- (v) 以股份為基礎之支付的購股權計劃下於各授出日期計量並於綜合損益表列作開支之購股權公允價值，而不論購股權是否獲行使。

於截至二零一八年及二零一九年三月三十一日止年度，概無(二零一八年：無)已付酬金予任何董事以作鼓勵加入本集團或離職補償。

(b) 董事退休福利

概無董事於截至二零一八年及二零一九年三月三十一日止年度已收取或將收取任何退休福利。

(c) 董事終止僱傭福利

概無董事於截至二零一八年及二零一九年三月三十一日止年度已收取或將收取任何終止僱傭福利。

(d) 就獲提供之董事服務向第三方支付之代價

於截至二零一八年及二零一九年三月三十一日止年度，概無就獲提供之董事服務向第三方支付代價。

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

於截至二零一八年及二零一九年三月三十一日止年度，概無有關以董事、受該等董事控制之法人團體及該等董事之關聯實體為受益人之貸款、準貸款及其他交易安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and Senior Management's Emoluments (Continued)

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

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of 31st March 2018 and 2019 or at any time during the years ended 31st March 2018 and 2019.

(g) Five highest paid individuals

The five individuals with highest emoluments in the Group include two directors (2018: two) whose emoluments are reflected in the analysis presented in Note 9(a) above. The emoluments paid/payable to the remaining three (2018: three) individuals during the year are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	4,345	9,031
Bonus	花紅	1,758	426
		6,103	9,457

The emoluments fell within the following bands:

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
— HK\$1,000,001 to HK\$2,000,000	— 1,000,001 港元至 2,000,000 港元	2	1
— HK\$2,000,001 to HK\$3,000,000	— 2,000,001 港元至 3,000,000 港元	1	1
— HK\$4,000,001 to HK\$5,000,000	— 4,000,001 港元至 5,000,000 港元	—	1

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

9 董事及高級管理人員酬金(續)

(f) 董事於交易、安排或合約中之重大權益

本集團概無就其業務訂立本公司為其中訂約方及本公司董事直接或間接擁有重大權益而於二零一八年及二零一九年三月三十一日結束時或截至二零一八年及二零一九年三月三十一日止年度內任何時間仍然存續之重大交易、安排及合約。

(g) 五名最高薪人士

本集團五名最高酬金人士包括兩位董事(二零一八年:兩位),彼等之酬金於上文附註9(a)所列分析中反映。本年度已付/應付其餘三位(二零一八年:三位)人士之酬金如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	4,345	9,031
Bonus	花紅	1,758	426
		6,103	9,457

酬金介乎以下範圍:

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
— HK\$1,000,001 to HK\$2,000,000	— 1,000,001 港元至 2,000,000 港元	2	1
— HK\$2,000,001 to HK\$3,000,000	— 2,000,001 港元至 3,000,000 港元	1	1
— HK\$4,000,001 to HK\$5,000,000	— 4,000,001 港元至 5,000,000 港元	—	1

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 Finance Income and Costs

10 財務收入及費用

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finance income	財務收入		
Interest income:	利息收入：		
— short-term bank deposits	— 短期銀行存款	4,920	5,010
		4,920	5,010
Finance costs	財務費用		
Interest expenses:	利息支出：		
— bank borrowings	— 銀行借貸	(74,721)	(63,925)
Bank charges	銀行費用	(5,917)	(6,783)
		(80,638)	(70,708)
Net finance costs	淨財務費用	(75,718)	(65,698)

11 Income Tax Expense/(Credit)

11 所得稅支出／(抵免)

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profit for the year.

During the year, subsidiaries established in Mainland China are subject to China corporate income tax at 25% (2018: 25%).

The amount of income tax expense/(credit) recorded in the consolidated income statement represents:

本集團已按經營所在國家之現行稅率就年內估計應課稅溢利計算海外溢利之稅項。

香港利得稅乃根據本年度估計應課稅溢利按稅率 16.5% (二零一八年：16.5%) 作出撥備。

本年度，於中國內地成立之附屬公司按稅率 25% (二零一八年：25%) 繳付中國企業所得稅。

於綜合損益表中列賬之所得稅支出／(抵扣) 包括：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current income tax	當期所得稅		
— Hong Kong profits tax	— 香港利得稅	7,093	3,706
— China corporate income tax	— 中國企業所得稅	3,465	3,025
Deferred income tax (Note 22)	遞延所得稅(附註 22)	2,889	(8,503)
		13,447	(1,772)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 Income Tax Expense/(Credit) (Continued)

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

11 所得稅支出／(抵免)(續)

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) before income tax	除稅前溢利／(虧損)	17,826	(142,012)
Tax calculated at domestic tax rates applicable to profit in the respective countries	按個別國家之溢利所適用之當地稅率計算之稅項	13,358	(27,195)
Income not subject to tax	毋須課稅之收入	(1,394)	(2,003)
Expenses not deductible for tax purposes	不可扣稅之支出	9,644	5,108
Tax losses not recognised as deferred income tax assets	並無確認遞延所得稅資產之稅項虧損	10,313	26,179
Deferred income tax liabilities in respect of withholding tax on Mainland China unremitted earnings	就中國內地未分派盈利之預扣稅之遞延所得稅負債	(307)	(951)
Utilisation of previously unrecognised tax loss	使用先前未確認的稅務虧損	(872)	(2,910)
Recognition of tax losses previously not recognised	確認未曾確認的稅項虧損	(17,295)	—
Income tax expense/(credit)	所得稅支出／(抵免)	13,447	(1,772)

12 Dividends

12 股息

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Proposed final dividend of HK2.00 cents (2018: HK1.57 cents) per ordinary share	擬派末期股息 每股普通股 2.00 港仙 (二零一八年：1.57 港仙)	12,825	10,057

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 Dividends (Continued)

A final dividend for the year ended 31st March 2019 of HK2.00 cents (2018: HK1.57 cents) per ordinary share, totalling approximately HK\$12,825,000 (2018: HK\$10,057,000) has been recommended by the Board of Directors for approval at the forthcoming annual general meeting of the Company. The proposed final dividend has not been dealt with as dividend payable as at 31st March 2019.

The proposed final dividend for the year ended 31st March 2019 in the amount of approximately HK\$12,825,000 is calculated on the basis of 641,232,315 shares in issue as at 26th June 2019.

13. Earnings/(loss) Per Ordinary Share

(a) Basic

Basic earnings/(loss) per ordinary share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利/(虧損) (千港元)	13,888	(147,712)
Weighted average number of ordinary shares in issue ('000)	已發行普通股 之加權平均數 (千股)	640,861	641,719
Basic earnings/(loss) per ordinary share (HK cents)	每股普通股基本盈利/(虧損) (港仙)	2.17	(23.02)

12 股息(續)

董事會將於本公司之應屆股東週年大會上建議截至二零一九年三月三十一日止年度末期股息每股普通股2.00港仙(二零一八年: 1.57港仙), 合共約12,825,000港元(二零一八年: 10,057,000港元)。擬派末期股息並無於二零一九年三月三十一日之賬目中列為應付股息。

截至二零一九年三月三十一日止年度之建議末期股息約12,825,000港元乃基於與二零一九年六月二十六日已發行的641,232,315股股份計算。

13. 每股普通股盈利/(虧損)

(a) 基本

每股普通股基本盈利/(虧損)乃按本公司擁有人應佔溢利/(虧損)除以本年度已發行普通股之加權平均數計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 Earnings/(Loss) Per Ordinary Share (Continued)

13 每股普通股盈利／(虧損)(續)

(b) Diluted

Diluted earnings/(loss) per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares arising from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

(b) 攤薄

每股普通股攤薄盈利／(虧損)乃按假設具潛在攤薄性質之普通股獲全數轉換而相應調整發行在外普通股之加權平均數計算。本公司具潛在攤薄性質之普通股因購股權而產生，其計算根據尚未行使購股權所附認購權之貨幣價值作出，用以釐定原應以公允價值(釐定為本公司股份之全年平均市場股價)收購之股份數目。上文計算得出之股份數目與假設購股權獲行使而已發行之股份數目作比較。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) attributable to owners of the Company and used to determine diluted earnings/(loss) per ordinary share (HK\$'000)	本公司擁有人應佔溢利／(虧損)及用以釐定每股普通股攤薄盈利／(虧損)(千港元)	13,888	(147,712)
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千股)	640,861	641,719
Adjustment for share options ('000) (Note (i))	購股權之調整(千股)(註(i))	5,692	—
Weighted average number of ordinary shares for diluted earnings/(loss) per ordinary share ('000)	每股普通股攤薄盈利／(虧損)之普通股加權平均數(千股)	646,553	641,719
Diluted earnings/(loss) per ordinary share (HK cents)	每股普通股攤薄盈利／(虧損)(港仙)	2.15	(23.02)

Note:

- (i) Diluted loss per share for the year ended 31st March 2018 was the same as basic loss per share since all potential ordinary shares are anti-dilutive.

註：

- (i) 由於所有潛在普通股具反攤薄效應，故截至二零一八年三月三十一日止年度的每股攤薄虧損與每股基本虧損相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 Property, Plant and Equipment

14 物業、廠房及設備

		Buildings	Leasehold improvement, furniture and equipment 租賃物業裝修、傢俬及設備	Machinery	Motor vehicles and vessels	Total
		樓宇 HK\$'000 千港元	HK\$'000 千港元	機器 HK\$'000 千港元	汽車及船舶 HK\$'000 千港元	總額 HK\$'000 千港元
At 1st April 2017	於二零一七年四月一日					
Cost	成本	162,159	53,599	32,759	20,902	269,419
Accumulated depreciation	累計折舊	(39,051)	(46,530)	(9,855)	(10,494)	(105,930)
Net book amount	賬面淨額	123,108	7,069	22,904	10,408	163,489
Year ended 31st March 2018	截至二零一八年三月三十一日止年度					
Opening net book amount	期初賬面淨額	123,108	7,069	22,904	10,408	163,489
Transfer to inventory	轉至存貨	—	—	(154)	(22)	(176)
Transfer to investment properties (Note 15)	轉至投資物業 (附註15)	(4,729)	—	—	—	(4,729)
Additions	添置	7,000	2,628	1,107	1,098	11,833
Acquisition of a subsidiary (Note 36(b))	收購一間附屬公司 (附註36(b))	—	41	—	111	152
Disposals	出售	—	(11)	(122)	(59)	(192)
Depreciation	折舊	(32,149)	(2,717)	(3,285)	(1,554)	(39,705)
Currency translation differences	貨幣匯兌差額	390	97	—	160	647
Closing net book amount	期終賬面淨額	93,620	7,107	20,450	10,142	131,319
At 31st March 2018	於二零一八年三月三十一日					
Cost	成本	164,118	57,125	33,417	21,144	275,804
Accumulated depreciation	累計折舊	(70,498)	(50,018)	(12,967)	(11,002)	(144,485)
Net book amount	賬面淨額	93,620	7,107	20,450	10,142	131,319
Year ended 31st March 2019	截至二零一九年三月三十一日止年度					
Opening net book amount	期初賬面淨額	93,620	7,107	20,450	10,142	131,319
Transfer to inventory	轉至存貨	—	—	(3)	—	(3)
Additions	添置	—	255	103	2,094	2,452
Acquisition of a subsidiary (Note 36(a))	收購一間附屬公司 (附註36(a))	—	3,292	25,671	204	29,167
Disposals	出售	(926)	(79)	(67)	(411)	(1,483)
Disposal of a subsidiary (Note 36(c))	出售一間附屬公司(附註36(c))	(2)	—	—	—	(2)
Depreciation	折舊	(32,474)	(3,342)	(5,486)	(1,893)	(43,195)
Impairment loss	減值虧損	—	—	(1,181)	—	(1,181)
Currency translation differences	貨幣匯兌差額	(65)	(114)	—	(128)	(307)
Closing net book amount	期終賬面淨額	60,153	7,119	39,487	10,008	116,767
At 31st March 2019	於二零一九年三月三十一日					
Cost	成本	162,914	60,896	59,211	19,144	302,165
Accumulated depreciation and impairment	累計折舊及減值	(102,761)	(53,777)	(19,724)	(9,136)	(185,398)
Net book amount	賬面淨額	60,153	7,119	39,487	10,008	116,767

Depreciation expense of approximately HK\$5,208,000 (2018: HK\$1,671,000) was charged to "cost of sales" and approximately HK\$37,987,000 (2018: HK\$38,034,000) to "general and administrative expenses" in the consolidated income statement.

折舊支出約5,208,000港元(二零一八年: 1,671,000港元)及約37,987,000港元(二零一八年: 38,034,000港元)分別於綜合損益表之「銷售成本」及「一般及行政支出」中計入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment Properties

15 投資物業

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At fair value	按公允價值		
At beginning of year	於年初	1,389,377	1,222,682
Transfer from property, plant and equipment (Note 14)	自物業、廠房及設備之轉入(附註14)	—	4,729
Capitalised subsequent expenditure	其後開支撥充資本	6,040	16,170
Fair value gain on investment properties	投資物業之公允價值收益	108,865	14,818
Currency translation differences	貨幣匯兌差額	(91,055)	130,978
At end of year	於年末	1,413,227	1,389,377

(i) Amount recognised in consolidated income statement for investment properties as follows:

(i) 於綜合損益表中確認之投資物業金額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Rental income	租金收入	58,124	30,631
Direct operating expenses from properties that generated rental income	來自產生租金收入之物業之直接經營開支	(10,716)	(12,114)
		47,408	18,517

(ii) Non-current assets pledged as security

(ii) 質押非流動資產

An investment property of approximately HK\$1,404,990,000 (2018: HK\$1,380,568,000) was pledged as collaterals for certain of the Group's bank borrowings of approximately HK\$484,616,000 (2018: HK\$553,238,000) (Note 31).

投資物業約1,404,990,000港元(二零一八年：1,380,568,000港元)已作為本集團若干銀行借貸約484,616,000港元(二零一八年：553,238,000港元)之抵押品質押(附註31)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment Properties (Continued)

(iii) Valuation technique

As at 31st March 2019, investment properties of approximately HK\$1,413,227,000 (2018: HK\$1,389,377,000) were stated at open market value based on valuations assessed by an independent professional qualified valuer and reviewed by the directors.

The following table analyses the investment properties carried at fair value, by valuation method.

Fair value hierarchy

Recurring fair value measurement	經常性公允價值計量
— Commercial units	— 商業單元
— Mainland China	— 中國內地

15 投資物業(續)

(iii) 估值技術

於二零一九年三月三十一日，投資物業約1,413,227,000港元(二零一八年：1,389,377,000港元)乃由董事按獨立專業合資格估值師評估之估值以公開市值列賬。

下表以估值法分析以公允價值列賬之投資物業。

公允價值等級

Fair value measurement at 31st March 2019 using

於二零一九年三月三十一日
使用下列項目進行之公允價值計量

Description	Description	Quoted prices	Significant	Significant
		in active	other	Significant
		markets for	observable	unobservable
		identical	inputs	inputs
		assets	inputs	inputs
		於活躍市場	重大其他	重大不可
		可識別資產之	可觀察	觀察輸入數據
		報價	輸入數據	觀察輸入數據
		(Level 1)	(Level 2)	(Level 3)
		(第一層)	(第二層)	(第三層)
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
	Recurring fair value measurement	—	—	1,413,227
	— Commercial units			
	— Mainland China			

Fair value measurement at 31st March 2018 using

於二零一八年三月三十一日
使用下列項目進行之公允價值計量

Description	Description	Quoted prices	Significant	Significant
		in active	other	Significant
		markets for	observable	unobservable
		identical	inputs	inputs
		assets	inputs	inputs
		於活躍市場	重大其他	重大不可
		可識別資產之	可觀察	觀察輸入數據
		報價	輸入數據	觀察輸入數據
		(Level 1)	(Level 2)	(Level 3)
		(第一層)	(第二層)	(第三層)
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
	Recurring fair value measurement	—	—	1,389,377
	— Commercial units			
	— Mainland China			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment Properties (Continued)

15 投資物業(續)

(iii) Valuation technique (Continued)

(iii) 估值技術(續)

Fair value measurement using significant unobservable inputs (Level 3)

使用重大不可觀察輸入之公允價值計量(第三層)

		Mainland China 中國內地 HK\$'000 千港元
As at 1st April 2018	於二零一八年四月一日	1,389,377
Capitalised subsequent expenditure	其後開支撥充資本	6,040
Fair value gain on investment properties	投資物業之公允價值收益	108,865
Currency translation differences	貨幣匯兌差額	(91,055)
<hr/>		
As at 31st March 2019	於二零一九年三月三十一日	1,413,227
<hr/>		
Total unrealised gains for the year included in the consolidated income statement for asset held at 31st March 2019	於二零一九年三月三十一日所持資產於本年度計入綜合損益表之未變現收益總額	108,865
<hr/>		
As at 1st April 2017	於二零一七年四月一日	1,222,682
Transfer from property, plant and equipment	自物業、廠房及設備之轉入	4,729
Capitalised subsequent expenditure	其後開支撥充資本	16,170
Fair value gain on investment properties	投資物業之公允價值收益	14,818
Currency translation differences	貨幣匯兌差額	130,978
<hr/>		
As at 31st March 2018	於二零一八年三月三十一日	1,389,377
<hr/>		
Total unrealised gains for the year included in the consolidated income statement for asset held at 31st March 2018	於二零一八年三月三十一日所持資產於本年度計入綜合損益表之未變現收益總額	14,818

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment Properties (Continued)

(iii) Valuation technique (Continued)

Fair value measurement using significant unobservable inputs (Level 3) (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3) as follows:

Description	Fair value	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
描述	公允價值 (HK\$'000) (千港元)	估值技術	不可觀察輸入數據	不可觀察 輸入數據範圍	不可觀察輸入數據與 公允價值之關係
As at 31st March 2019 於二零一九年三月三十一日					
Investment properties — Mainland China	1,413,227	Income capitalisation approach and direct comparison approach	Adjusted market yields	4.00% to 5.00%	The higher the adopted yields, the lower the fair value
投資物業 — 中國內地		收益資本化法及 直接比較法經	經調整市場收益率		已採納收益率越高， 公允價值越低
As at 31st March 2018 於二零一八年三月三十一日					
Investment properties — Mainland China	1,389,377	Income capitalisation approach and direct comparison approach	Adjusted market yields	4.00% to 5.00%	The higher the adopted yields, the lower the fair value
投資物業 — 中國內地		收益資本化法及 直接比較法經	經調整市場收益率		已採納收益率越高， 公允價值越低

Valuation processes of the investment properties

The Group engages external, independent and qualified valuer to determine the fair value of the investment properties at the end of every financial year. As at 31st March 2019, the fair value of the investment properties owned by the Group was determined by Knight Frank Petty Limited (2018: Same).

15 投資物業(續)

(iii) 估值技術(續)

使用重大不可觀察輸入之公允價值計量 (第三層)(續)

有關使用重大不可觀察輸入(第三層)之公允價值計量之資料如下：

Description	Fair value	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
描述	公允價值 (HK\$'000) (千港元)	估值技術	不可觀察輸入數據	不可觀察 輸入數據範圍	不可觀察輸入數據與 公允價值之關係
As at 31st March 2019 於二零一九年三月三十一日					
Investment properties — Mainland China	1,413,227	Income capitalisation approach and direct comparison approach	Adjusted market yields	4.00% to 5.00%	The higher the adopted yields, the lower the fair value
投資物業 — 中國內地		收益資本化法及 直接比較法經	經調整市場收益率		已採納收益率越高， 公允價值越低
As at 31st March 2018 於二零一八年三月三十一日					
Investment properties — Mainland China	1,389,377	Income capitalisation approach and direct comparison approach	Adjusted market yields	4.00% to 5.00%	The higher the adopted yields, the lower the fair value
投資物業 — 中國內地		收益資本化法及 直接比較法經	經調整市場收益率		已採納收益率越高， 公允價值越低

投資物業之估值程序

本集團委聘外部獨立及合資格估值師釐定於各財政年度末投資物業之公允價值。於二零一九年三月三十一日，由本集團擁有之投資物業之公允價值已由萊坊測計師行有限公司釐定(二零一八年：相同)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment Properties (Continued)

(iii) Valuation technique (Continued)

Valuation processes of the investment properties

The Group's finance department reviews the valuations performed by Knight Frank Petty Limited for financial reporting purpose. These valuation results are then reported to the Group's management for discussions and review in relation to the valuation processes and the reasonableness of valuation results.

The main Level 3 input used by the Group is derived and evaluated as follows:

Adjusted market yields

The adjusted market yields have been determined by making reference to the investment returns implied from recent sale transactions, with adjustments to reflect the differences between the comparables and the investment properties in terms of location, building quality and other factors.

16 Land Use Rights

The Group's interests in land use rights represent prepaid operating lease payments and their net book amounts are analysed as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	9,316	9,518
Amortisation	攤銷	(202)	(202)
Disposal of a subsidiary (Note 36(c))	出售一間附屬公司 (附註 36(c))	(95)	—
At end of year	於年末	9,019	9,316

Amortisation of land use rights has been included in "general and administrative expenses" in the consolidated income statement.

15 投資物業(續)

(iii) 估值技術(續)

投資物業之估值程序

本集團之財務部門會為財務報告目的所需而檢討由萊坊測計師行有限公司作出之評估。有關估值結果其後將向本集團管理層匯報，以就估值程序及估值結果的合理性進行討論及檢討。

本集團使用的主要第三層輸入來源及評估於如下：

經調整市場收益率

經調整市場收益率乃經參考近期銷售交易隱含投資回報(經調整以反映可比較物業與投資物業所在位置、樓宇質量及其他因素方面之差異)予以釐定。

16 土地使用權

本集團於土地使用權之權益包括預付營業租約款項及其賬面淨額分析如下：

土地使用權之攤銷已計入綜合損益表之「一般及行政支出」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 Intangible Assets

17 無形資產

		Goodwill 商譽 HK\$'000 千港元	Distribution rights 分銷權 HK\$'000 千港元	Customer contracts 客戶合約 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2017	於二零一七年四月一日				
Cost	成本	10,664	7,939	—	18,603
Accumulated amortisation and impairment	累計攤銷及減值	(10,664)	(7,939)	—	(18,603)
Net book amount	賬面淨額	—	—	—	—
Year ended 31st March 2018	截至二零一八年三月三十一日止年度				
Opening net book amount	期初賬面淨額	—	—	—	—
Additions	添置	—	—	4,703	4,703
Amortisation	攤銷	—	—	(590)	(590)
Acquisition of a subsidiary (Note 36(b))	收購一間附屬公司 (附註36(b))	2,494	—	—	2,494
Closing net book amount	期終賬面淨額	2,494	—	4,113	6,607
At 31st March 2018	於二零一八年三月三十一日				
Cost	成本	13,158	7,939	4,703	25,800
Accumulated amortisation and impairment	累計攤銷及減值	(10,664)	(7,939)	(590)	(19,193)
Net book amount	賬面淨額	2,494	—	4,113	6,607
Year ended 31st March 2019	截至二零一九年三月三十一日止年度				
Opening net book amount	期初賬面淨額	2,494	—	4,113	6,607
Amortisation	攤銷	—	—	(1,511)	(1,511)
Impairment	減值	(2,494)	—	—	(2,494)
Closing net book amount	期終賬面淨額	—	—	2,602	2,602
At 31st March 2019	於二零一九年三月三十一日				
Cost	成本	13,158	7,939	4,703	25,800
Accumulated amortisation and impairment	累計攤銷及減值	(13,158)	(7,939)	(2,101)	(23,198)
Net book amount	賬面淨額	—	—	2,602	2,602

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 Intangible Assets (Continued)

(i) Customer contracts

The customer contracts were acquired as part of a business, and are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimate useful lives.

Amortisation expense of customer contracts has been included in the “general and administrative expenses” in the consolidated income statement.

(ii) Impairment tests for goodwill

Goodwill is allocated to the Group’s cash-generating unit (“CGU”) as follows:

Property investment and project management business	房地產投資及項目管理業務
— Fanrich Consultants (Shanghai) Limited (“Fanrich”)	— 永蕃投資諮詢(上海)有限公司 (「永蕃」)

Note:

During the year ended 31st March 2019, management has performed an impairment assessment for the CGU of Fanrich, and concluded its value-in-use of the CGU was below its carrying amount. Accordingly, impairment of goodwill of HK\$2,494,000 was recognised in the consolidated income statement.

17 無形資產(續)

(i) 客戶合約

客戶合約乃作為業務的一部分而收購，並於收購日期按其公允價值確認，其後根據合約預計現金流量於其估計可使用年期之時間以直線法攤銷。

客戶合約攤銷支出已計入綜合損益表中的「一般行政及管理費用」。

(ii) 商譽減值測試

商譽分配至本集團的現金產生單位(「現金產生單位」)如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
----------------------------------	----------------------------------

—	2,494
---	-------

附註：

於二零一九年三月三十一日止年度內，管理層對永蕃現金產生單位進行一項減值評估，並認為其現金產生單位之使用價值低於其賬面值。據此，商譽減值2,494,000港元已於綜合損益表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 Financial Instruments by Category

18 金融工具分類

		Loan and receivables 貸款及應收賬款 HK\$'000 千港元	Fair value through profit or loss 計入損益之公允價值 HK\$'000 千港元	Fair value through other comprehensive income 計入其他全面收入之公允價值 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 31st March 2019	於二零一九年三月三十一日				
Assets as per consolidated statement of financial position	綜合財務狀況表內之資產				
Financial asset at fair value through other comprehensive income	計入其他全面收入之公允價值	—	—	144	144
Trade and other receivables (excluding non-financial assets)	應收賬款及其他應收賬款 (不包括非金融資產)	513,037	—	—	513,037
Financial asset at fair value through profit or loss	按公允價值計入損益之金融資產	—	36,698	—	36,698
Pledged bank deposits	已抵押銀行存款	38,884	—	—	38,884
Cash and cash equivalents	現金及現金等值	126,775	—	—	126,775
Total	總額	678,696	36,698	144	715,538

				At amortised cost 按攤銷成本 HK\$'000 千港元
As at 31st March 2019	於二零一九年三月三十一日			
Liabilities as per consolidated statement of financial position	綜合財務狀況表內之負債			
Borrowings	借貸			1,492,549
Trade and bill payables	應付賬款及票據			189,093
Other payables (excluding non-financial liabilities)	其他應付賬款 (不包括非金融負債)			50,600
Total	總額			1,732,242

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 Financial Instruments by Category (Continued)

18 金融工具分類(續)

	Loan and receivables 貸款 及應收賬款 HK\$'000 千港元	Fair value through profit or loss 計入損益之 公允價值 HK\$'000 千港元	Available- for-sale 可供 出售 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 31st March 2018				
Assets as per consolidated statement of financial position				
Available-for-sale financial asset	—	—	286	286
Amount due from a joint venture	17,593	—	—	17,593
Trade and other receivables (excluding non-financial assets)	580,178	—	—	580,178
Financial asset at fair value through profit or loss	—	135,535	—	135,535
Pledged bank deposits	57,807	—	—	57,807
Cash and cash equivalents	312,766	—	—	312,766
Total	總額	968,344	286	1,104,165

	At amortised cost 按攤銷成本 HK\$'000 千港元
As at 31st March 2018	
Liabilities as per consolidated statement of financial position	
Borrowings	1,558,857
Trade and bill payables	284,811
Other payables (excluding non-financial liabilities)	40,695
Total	總額
	1,884,363

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries

Details of the principal subsidiaries as at 31st March 2019 are as follows:

19 附屬公司

於二零一九年三月三十一日之主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務及經營地點
			2019 二零一九年	2018 二零一八年	
Asia Infrastructure Resources Group Limited 亞洲基建資源集團有限公司	Cayman Islands, limited liability company 開曼群島, 有限責任公司	HK\$0.2 0.2港元	100%	100%	Investment holding in Hong Kong 於香港投資控股
Fanrich Consultants (Shanghai) Limited* 永蕃投資諮詢(上海)有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB10,000,000 人民幣 10,000,000 元	42%	42%	Provision of investment consultancy services in Mainland China 於中國內地提供投資諮詢服務
He Tai Steel Co., Limited 和泰鋼鐵有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$35,000,000 35,000,000 港元	100%	100%	Trading of recycling steel in Hong Kong 於香港買賣回收鋼鐵
Hongkong and Shanghai Land Capital Ltd. 滬港地產資本有限公司	Cayman Islands, limited liability company 開曼群島, 有限責任公司	US\$5 5 美元	60%	60%	Fund management outside Hong Kong and Mainland China 於香港及中國內地境外從事基金 管理
Hongkong and Shanghai Land Group Limited 滬港地產集團有限公司	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	US\$1 1 美元	100%	100%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
HSL Asset Management (HK) Limited 滬港資產管理(香港)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1 港元	60%	60%	Provision of management services in Hong Kong 於香港提供管理服務
HSL Investment Advisory (HK) Limited 滬港投資諮詢(香港)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1 港元	60%	60%	Provision of investment advisory services in Hong Kong 於香港提供投資諮詢服務
Plentiful Praise Limited 頌裕有限公司	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	US\$100 100 美元	62%	62%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
Shanghai Bao Shun Chang International Trading Co., Ltd.* 上海寶順昌國際貿易有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB55,000,000 人民幣 55,000,000 元	80.9%	80.9%	Stockholding and trading of steel in Mainland China 於中國內地存銷及買賣鋼材

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries (Continued)

19 附屬公司(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務及經營地點
			2019 二零一九年	2018 二零一八年	
Van Shung Chong (B.V.I.) Limited (i)	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	US\$6 6美元	100%	100%	Investment holding in Hong Kong 於香港投資控股
Van Shung Chong Hong Limited 萬順昌行有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$2,000 ordinary and HK\$10,000,000 non-voting deferred 2,000港元普通股 及10,000,000港元 無投票權遞延股份	100%	100%	Provision of management services in Hong Kong 於香港提供管理服務
VSC Building Products Company Limited 萬順昌建築材料有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$2 2港元	100%	100%	Trading of sanitary wares and kitchen cabinets and kitchen cabinet installation in Hong Kong 於香港買賣衛浴潔具及廚櫃以及 安裝廚櫃
VSC Building Products (Macau) Company Limited 萬順昌建築材料(澳門)有限公司	Macau, limited liability company 澳門, 有限責任公司	MOP\$30,000 澳門幣30,000元	100%	100%	Trading of sanitary wares in Macau 於澳門買賣衛浴潔具
VSC Construction Steel Solutions Limited (Formerly known as TVSC Construction Steel Solutions Limited) VSC Construction Steel Solutions Limited (前稱為TVSC Construction Steel Solutions Limited)	Hong Kong, limited liability company 香港, 有限責任公司	HK\$156,568,000 156,568,000港元	100%	50% (ii)	Principally engaged in the provision of steel processing services in Hong Kong 於香港主要從事鋼鐵加工 服務
VSC Plastics Company Limited 萬順昌塑膠有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$2 2港元	100%	100%	Trading of engineering plastics in Hong Kong 於香港買賣工程塑膠
VSC Steel Company Limited 萬順昌鋼鐵有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$38,000 ordinary and HK\$20,000,000 non-voting deferred 38,000港元普通股 及20,000,000港元 無投票權遞延股份	100%	100%	Stockholding and trading of steel in Hong Kong 於香港存銷及買賣鋼材
VSC Steel Processing Holdings Limited 萬順昌鋼材加工控股有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1港元	100%	100%	Investment holding in Hong Kong, and provision of logistic and management service of steel 於香港投資控股及為鋼材提供物 流及管理服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries (Continued)

19 附屬公司(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務及經營地點
			2019 二零一九年	2018 二零一八年	
VSC Steel Processing Limited 萬順昌鋼材加工有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1港元	100%	100%	Principally engaged in the operation of the land situated in Tsing Yi 主要經營位於青衣之土地
上海个盈置業有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB429,130,000 人民幣429,130,000元	100%	100%	Holding property in Mainland China 於中國內地持有房地產
上海北盈置業有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB92,835,165 人民幣92,835,165元	100%	100%	Holding property in Mainland China 於中國內地持有房地產
上海盈蕃資產管理有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	HK\$20,000,000 20,000,000港元	60%	60%	Provision of asset and investment management services in Mainland China 於中國內地提供資產及投資管理 服務
上海新施房地產經紀有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	US\$1,500,000 1,500,000美元	60%	60%	Property agent in Mainland China 於中國內地為物業代理
利尚派國際貿易(上海)有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	US\$6,500,000 6,500,000美元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣衛浴潔具
萬順昌(上海)企業管理有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	US\$7,280,000 7,280,000美元	100%	100%	Provision of management service and trading of sanitary wares and kitchen cabinets in Mainland China 於中國內地提供管理服務以及買 賣衛浴潔具及廚櫃
銀運貿易(上海)有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB35,440,694 人民幣35,440,694元	100%	100%	Trading of engineering plastics in Mainland China 於中國內地買賣工程塑膠
武漢三金建材有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣衛浴潔具

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries (Continued)

Notes:

- (i) The shares of Van Shung Chong (B.V.I.) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.
- (ii) VSC Construction Steel Solutions Limited was a 50% joint venture of the Company as at 31st March 2018. During the year ended 31st March 2019, the Company acquired the remaining 50% equity interest of VSC Construction Steel Solutions Limited and it becomes a wholly-owned subsidiary of the Company. See Note 36(a) for details.

The above list includes the subsidiaries of the Company which, in the opinion of directors, principally affected the result of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would result in particulars of excessive length.

* For identification only

20 Investments in Associates

Set out below are the associates of the Company as at 31st March 2019. The associates as listed below have share capital consisting solely of ordinary shares, which are held indirectly by the Company.

Details of the principal investments in associates as at 31st March 2019 are as follows:

Name of entity 實體名稱	Place of business/ country establishment/ incorporation 營業地點/註冊成立國家	% of ownership interest 擁有權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2019 二零一九年	2018 二零一八年		
China Able Limited ("China Able")	Mainland China/ British Virgin Islands 中國內地/英屬處女群島	33.33%	33.33%	Note i 附註i	Equity method 權益法
Changshu Baoshunchang Steel Processing Co., Ltd.* ("Changshu Baoshunchang") 常熟寶順昌鋼材加工有限公司 (「常熟寶順昌」)	Mainland China 中國內地	59.99%	49.99%	Note ii 附註ii	Equity method 權益法

19 附屬公司(續)

附註：

- (i) Van Shung Chong (B.V.I.) Limited 之股份由本公司直接持有。其他附屬公司之股份則間接持有。
- (ii) 於二零一八年三月三十一日，VSC Construction Steel Solutions Limited 為本公司佔50%的合營公司。於截至二零一九年三月三十一日止年度內，本公司已收購VSC Construction Steel Solutions Limited 餘下50%的權益，而其成為本公司全資擁有附屬公司。詳情見附註36(a)。

以上所列出者乃董事認為對本集團之業績或資產有主要影響之附屬公司。董事認為列出其他附屬公司之詳情會令資料過於冗長。

* 僅供識別

20 於聯營公司之投資

以下載列本公司於二零一九年三月三十一日之聯營公司。以下所列聯營公司僅具有普通股之股本，由本公司間接持有。

於二零一九年三月三十一日於聯營公司之主要投資詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 Investments in Associates (Continued)

Notes:

(i) China Able was engaged in the property business. It is a contractual joint venture which is held in equal shares among Fit Team Holdings Limited, an indirect wholly-owned subsidiary of the Company, Nanyang Industrial (China) Limited, an independent third-party and Marvel Champ Investments Limited, another independent third-party. It remains inactive since distribution was made to shareholders in prior years. The Group has shared the losses of the associate to the extent of the Group's interest in the associate.

(ii) Changshu Baoshunchang is engaged in the processing of steel. It is a contractual joint venture established in Mainland China with an operating period of 30 years to 2034. On 3rd December 2018, VSC (China) Investments Limited, an indirect wholly-owned subsidiary of the Company, acquired the entire issued share capital of Wishing Pond Group Limited at a consideration of US\$1 and Wishing Pond Group Limited holds 10% equity interest of Changshu Baoshunchang. As such, the Company indirectly holds 59.99% equity interest of Changshu Baoshunchang after the acquisition of Wishing Pond Group Limited. Management assessed the Company maintained significant influence and no control over the operating activities of the entity since there is no change in the composition of board and the voting right after the acquisition of Wishing Pond Group Limited.

During the year ended 31st March 2019, the Group has shared the losses of the associate to the extent of the Group's interest in the associate (2018: Same).

* For identification only

There are no contingent liabilities relating to the Company's interest in the associates.

21 Investments in Joint Ventures and Amount due from a Joint Venture

20 於聯營公司之投資(續)

附註：

(i) China Able從事房地產業務。其為本公司一間間接全資附屬公司Fit Team Holdings Limited，一獨立第三方南洋工業(中國)有限公司及另一名獨立第三方Marvel Champ Investments Limited以共同持有等額股份之一間合營企業。其於過往年間向股東作出分派起暫無業務。本集團已就聯營公司之權益分攤聯營公司之虧損。

(ii) 常熟寶順昌從事鋼鐵加工。為於中國內地成立之合作企業，經營期限為30年至二零三四年止。於二零一八年十二月三日，本公司間接全資擁有附屬公司萬順昌(中國)投資有限公司收購Wishing Pond Group Limited的全部已發行股本，代價為1美元，而Wishing Pond Group Limited持有常熟寶順昌10%的權益。因此，於收購Wishing Pond Group Limited後，本公司間接持有常熟寶順昌59.99%的權益。由於收購Wishing Pond Group Limited後董事會的構成及投票權並無變動，故管理層評估本公司對該實體之經營活動維持重大影響力惟並無控制權。

於截至二零一九年三月三十一日止年度內，本集團已就聯營公司之權益攤佔聯營公司之虧損(二零一八年：相同)。

* 僅供識別

本公司於聯營公司之權益並無涉及或然負債。

21 於合營公司之投資及應收一間合營公司款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Investment in HSL Shanghai Office Partners I Limited ("HSO")	於HSL Shanghai Office Partners I Limited (「HSO」)之投資	299,747	—
Investment in VSC Construction Steel Solutions Limited ("VSC Construction")	於VSC Construction Steel Solutions Limited (「VSC Construction」)之投資	—	19,931
Amount due from VSC Construction	應收VSC Construction之款項	—	17,593

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in Joint Ventures and Amount due from a Joint Venture (Continued)

The amount due from a joint venture was unsecured, non-interest bearing and without pre-determined repayment terms. The carrying amount is denominated in HK\$ and approximate its fair value.

The movements of interests in joint ventures are as follows:

21 於合營公司之投資及應收一間合營公司款項(續)

應收合營公司之金額為無抵押、不計息及並無預定還款期。賬面金額以港元計值及與其公允價值相若。

於合營公司之投資變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	19,931	110,631
Capital contribution to VSC Construction (Note (i))	向VSC Construction注資(附註(i))	—	45,000
Share of loss of VSC Construction for current year	攤佔當期VSC Construction虧損	(1,377)	(24,420)
Share of loss of VSC Construction for unrecognised losses in prior years	攤佔VSC Construction過往年度未確認虧損	—	(649)
Transfer to a subsidiary (Note 36(a))	轉撥至一間附屬公司(附註36(a))	(18,554)	—
Share of profit of HSL China Metropolitan Fund I L.P. ("HCM") (Note (ii))	應佔HSL China Metropolitan Fund I L.P. (「HCM」)之溢利(附註(ii))	—	50,478
Realisation of currency translation differences upon dissolution of HCM	註銷HCM後外幣換算差額變現	—	(11,043)
Distribution from HCM (Note (ii))	自HCM之分派(附註(ii))	—	(167,123)
Investment in HSO (Note (iii))	於HSO之投資(附註(iii))	289,590	—
Share of profit of HSO	應佔HSO之溢利	20,653	—
Currency translation differences	貨幣匯兌差額	(10,496)	17,057
At end of year	於年末	299,747	19,931

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in Joint Ventures and Amount due from a Joint Venture (Continued)

Notes:

- (i) During the year ended 31st March 2018, VSC Steel Processing Limited ("VSC Processing"), an indirect wholly-owned subsidiary of the Company, decided to convert an amount of HK\$45,000,000 due from VSC Construction into capital contribution. This capital contribution formed part of the investment in VSC Construction as of 31st March 2018.

On 9th May 2018, VSC Processing and the joint venture partner subscribed for 45,000,000 shares of VSC Construction, respectively, and VSC Processing satisfied this shares subscription through its capital contribution as recognised as of 31st March 2018. On the same day, VSC Processing acquired the remaining 50% equity interest of VSC Construction from the joint venture partner upon the completion of shares subscription (Note 36(a)).

- (ii) On 13th September 2017, HCM entered into a sale and purchase agreement with an independent third party, whereby it agreed to sell 100% of the equity of its subsidiary, Ruskin Overseas Limited, at an aggregate consideration of approximately RMB812,539,000 (equivalent to approximately HK\$960,923,000). The disposal was completed on 28th September 2017, resulting in a gain on disposal of approximately HK\$239,980,000 in the financial statements of HCM.

On 28th December 2017, the general partner of HCM declared the distribution of all capital and profit of HCM to all partners on a pro rata basis. The Company received approximately HK\$167,123,000 from the distribution. HCM was further dissolved on 16th February 2018.

- (iii) On 18th April 2018, the Company, Plentiful Praise Limited ("Plentiful") (an indirect 62% subsidiary of the Company), Reco Wisteria Private Limited ("RECO") (an independent third party), Hongkong and Shanghai Land Capital Ltd. ("Venture Manager") (an indirect 60% subsidiary of the Company) and HSO entered into the subscription and shareholders' agreement, pursuant to which Plentiful subscribed for 0.45 shares of HSO at US\$4,500 and RECO subscribed for 2.55 shares of HSO at US\$25,500 (the "Transaction"). The Transaction was completed on 1st June 2018, HSO is owned as to 15% by Plentiful and 85% by RECO.

Following completion and upon request by the Venture Manager, RECO and Plentiful agreed to contribute further capital of up to an aggregate amount of US\$350,000,000 on a pro rata basis for operation of HSO. The maximum commitment from Plentiful would be US\$52,500,000, while the maximum commitment from RECO would be US\$297,500,000.

During the year ended 31st March 2019, Plentiful contributed USD36,909,000 (equivalent to approximately HK\$289,590,000) to HSO.

21 於合營公司之投資及應收一間合營公司款項(續)

附註:

- (i) 於截至二零一八年三月三十一日止年度內，本公司之間接全資附屬公司萬順昌鋼材加工有限公司(「萬順昌加工」)決定將應收VSC Construction之45,000,000港元轉換為出資股本。於二零一八年三月三十一日，該出資股本列作於VSC Construction之部份投資。

於二零一八年五月九日，萬順昌加工與合資夥伴分別認購VSC Construction的45,000,000股股份，萬順昌加工將是次股份認購確認為二零一八年三月三十一日之出資股本。同日，萬順昌加工於股份認購完成後從合資夥伴收購VSC Construction之餘下50%股權(附註36(a))。

- (ii) 於二零一七年九月十三日，HCM與獨立第三方訂立買賣協議，據此，其同意以總代價約人民幣812,539,000元(相等於約960,923,000港元)出售其附屬公司Ruskin Overseas Limited 100%股權。於二零一七年九月二十八日完成出售，於HCM財務報表中產生出售收益約239,980,000港元。

於二零一七年十二月二十八日，HCM一般合夥人向全體合夥人按比例宣派HCM全部資本及溢利。本公司收取分派約167,123,000港元。HCM繼而於二零一八年二月十六日註銷。

- (iii) 於二零一八年四月十八日，本公司、頌裕有限公司(「頌裕」，本公司之62%間接附屬公司)、Reco Wisteria Private Limited(「RECO」，獨立第三方)、滙港地產資本有限公司(「企業管理人」，本公司之60%間接附屬公司)及HSO訂立認購及股東協議，據此，頌裕以4,500美元認購HSO的0.45股股份，而RECO以25,500美元認購HSO的2.55股股份(「該交易」)。該交易於二零一八年六月一日完成，頌裕擁有HSO 15%及RECO擁有85%。

交易完成後及據企業管理人要求，RECO及頌裕按比例進一步出資最多合共350,000,000美元以供HSO營運。頌裕最高承擔將為52,500,000美元，而RECO最高承擔將為297,500,000美元。

於截至二零一九年三月三十一日止年度內，頌裕向HSO投入36,909,000美元(相等於約289,590,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in Joint Ventures and Amount due from a Joint Venture (Continued)

Set out below are the joint ventures of the Company as at 31st March 2019. The joint ventures as listed below have share capital consisting solely of ordinary shares, which are held indirectly by the Company.

Details of the principal investments in joint ventures as at 31st March 2019 are as follows:

Name of entity 實體名稱	Place of business/ country of establishment/ incorporation 營業地/註冊成立所在國家	% of ownership interest 擁有權權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2019 二零一九年	2018 二零一八年		
HSL China Metropolitan Fund I L.P.	Mainland China/ Cayman Islands 中國內地/開曼群島	—	—	Note i 附註i	Equity method 權益法
HSL Shanghai Office Partners I Limited and its subsidiaries	Mainland China/ British Virgin Islands 中國內地/英屬處女群島	15%	—	Note ii 附註ii	Equity method 權益法
VSC Construction Steel Solutions Limited	Hong Kong 香港	100%	50%	Note iii 附註iii	Equity method 權益法

Notes:

- (i) HCM is a property investment fund, which is held by the Company and certain independent third parties. HCM was dissolved on 16th February 2018.
- (ii) HSO and its subsidiaries focus on acquiring under-utilised office buildings in prime locations in Shanghai with value-add potential, and implementing value enhancement with efficient capital expenditure and other asset management initiatives. It is held by the Company and an independent third party.
- (iii) VSC Construction is engaged in the provision of steel processing services in Hong Kong. VSC Construction is a contractual joint venture, which was held by the Company and an independent third party. During the year ended 31st March 2019, the Company acquired the remaining 50% equity interest of VSC Construction and it becomes an indirect wholly-owned subsidiary of the Company. See Note 36(a) for details.

There are no contingent liabilities relating to the Company's interests in the joint ventures.

21 於合營公司之投資及應收一間合營公司款項(續)

以下載列本公司於二零一九年三月三十一日之合營公司。以下所列合營公司僅具有普通股之股本，由本公司間接持有。

於二零一九年三月三十一日之主要於合營公司之投資詳情如下：

附註：

- (i) HCM為房地產投資基金，由本公司及若干獨立第三方持有。HCM於二零一八年二月十六日註銷。
- (ii) HSO及其附屬公司將專注於收購位於上海黃金地段而且使用率低但具增值潛力的辦公樓，並有效使用資本及實施其他資產管理舉措，以提升價值。此由本公司及獨立第三方持有。
- (iii) VSC Construction於香港從事提供鋼鐵加工服務。VSC Construction為一間合營公司，由本公司及一獨立第三方持有。於截至二零一九年三月三十一日止年度內，本公司收購VSC Construction餘下50%的權益，其成為本公司的間接全資附屬公司。詳情見附註36(a)。

本公司於合營公司之權益並無涉及或然負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in Joint Ventures and Amount due from a Joint Venture (Continued)

Summarised financial information for joint ventures

Set out below are the summarised financial information for joint ventures which are accounted for using equity method.

21 於合營公司之投資及應收一間合營公司款項(續)

合營公司財務資料概要

下表載列以權益法入賬之合營公司之財務資料概要。

		HSO (Note (i)) (附註(i))		HCM		VSC Construction		Total 合共	
		2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年 HK\$'000 千港元	二零一八年 HK\$'000 千港元	二零一九年 HK\$'000 千港元	二零一八年 HK\$'000 千港元	二零一九年 HK\$'000 千港元	二零一八年 HK\$'000 千港元	二零一九年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
Summarised statement of financial position	財務狀況表概要								
Cash and cash equivalents	現金及現金等值	10,757	—	—	—	—	2,813	10,757	2,813
Other current assets	其他流動資產	121,705	—	—	—	—	14,412	121,705	14,412
Total current assets	流動資產總額	132,462	—	—	—	—	17,225	132,462	17,225
Financial liabilities and total current liabilities	金融負債及總流動負債	(60,195)	—	—	—	—	(96,841)	(60,195)	(96,841)
Non-current assets	非流動資產	4,112,486	—	—	—	—	29,478	4,112,486	29,478
Other non-current liabilities	其他非流動負債	(2,186,440)	—	—	—	—	—	(2,186,440)	—
Net assets/(liabilities)	淨資產/(負債)	1,998,313	—	—	—	—	(50,138)	1,998,313	(50,138)
Summarised statement of comprehensive income	全面損益表概要								
Revenue	收入	66,207	—	—	4,310	5,287	71,699	71,494	76,009
Gain on disposal of subsidiaries	出售附屬公司之收益	—	—	—	239,980	—	—	—	239,980
Depreciation	折舊	—	—	—	—	(311)	(3,667)	(311)	(3,667)
Finance income	財務收入	2,039	—	—	7,175	—	—	2,039	7,175
Finance cost	財務費用	(69,669)	—	—	(15,456)	(20)	(264)	(69,689)	(15,720)
Profit/(loss) before tax	除稅前溢利/(虧損)	194,262	—	—	273,222	(2,753)	(45,644)	191,509	227,578
Income tax expense	所得稅支出	(56,575)	—	—	(101,762)	—	(3,196)	(56,575)	(104,958)
Profit/(loss) for the year	年度溢利/(虧損)	137,687	—	—	171,460	(2,753)	(48,840)	134,934	122,620
Currency translation differences	貨幣匯兌差額	(69,974)	—	—	57,938	—	—	(69,974)	57,938
Total comprehensive income/(loss) for the year	年度全面收入/(虧損)總額	67,713	—	—	229,398	(2,753)	(48,840)	64,960	180,558

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in Joint Ventures and Amount due from a Joint Venture (Continued)

Summarised financial information for joint ventures (Continued)

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the joint ventures.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Company interests in joint ventures

21 於合營公司之投資及應收一間合營公司款項(續)

合營公司財務資料概要(續)

上述資料反映於合營公司財務報表呈列且就本集團與合營公司會計政策差異作出調整之金額(並非本集團應佔之金額)。

財務資料概要對賬

所呈報財務資料概要與本公司於合營公司之權益之賬面金額對賬

		HSO		HCM		VSC Construction		Total 合共	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Summarised financial information	財務資料概要								
Net assets at beginning of year	於年初之資產淨額	—	—	—	375,785	(50,138)	(1,298)	(50,138)	374,487
Capital injection by shareholders (Note (ii))	股東之注資(附註(ii))	1,930,600	—	—	—	90,000	—	2,020,600	—
Profit/(loss) for the year	年度溢利/(虧損)	137,687	—	—	171,460	(2,753)	(48,840)	134,934	122,620
Distribution of capital injected and profit	分派注入資本及溢利	—	—	—	(567,673)	—	—	—	(567,673)
Currency translation differences	貨幣匯兌差額	(69,974)	—	—	57,938	—	—	(69,974)	57,938
Realisation of currency translation difference	匯兌差額變現	—	—	—	(37,510)	—	—	—	(37,510)
Transfer to a subsidiary	轉撥至一間附屬公司	—	—	—	—	(37,109)	—	(37,109)	—
Net assets/(liabilities) at end of year	於年末之資產/(負債)淨額	1,998,313	—	—	—	—	(50,138)	1,998,313	(50,138)
Investments in joint ventures — Carrying value	於合營公司之投資 — 賬面值	299,747	—	—	—	—	19,931	299,747	19,931

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in Joint Ventures and Amount due from a Joint Venture (Continued)

Summarised financial information for joint ventures (Continued)

Reconciliation of summarised financial information (Continued)

Notes:

- (i) HSO engages external, independent and qualified valuer to determine the fair value of the investment properties at the end of the financial year. As at 31st March 2019, the fair value of the investment properties was determined by Jones Lang LaSalle Corporate Appraisal and Advisory Limited.
- (ii) During the year ended 31st March 2018, VSC Processing has decided to convert an amount of HK\$45,000,000 due from VSC Construction into capital contribution. This capital contribution forms part of the investment in VSC Construction as of 31st March 2018.

On 9th May 2018, VSC Processing and the joint venture partner subscribed for 45,000,000 shares of VSC Construction, respectively, and the Group satisfied this shares subscription through its capital contribution as recognised as of 31st March 2018. On the same day, the VSC Processing acquired the remaining 50% equity interest of VSC Construction from the joint venture partner upon the completion of shares subscription and VSC Construction became an indirect wholly-owned subsidiary of the Company since then. No summarised statement of financial position as of 31st March 2019 is shown above, the summarised statement of comprehensive income is presented for the period from 1st April 2018 to 9th May 2018. Details of the acquisition are disclosed in Note 36(a).

During the year ended 31st March 2019, Plentiful and RECO made a capital injection, totaled to HK\$1,930,600 to HSO on a pro rata basis.

21 於合營公司之投資及應收一間合營公司款項(續)

合營公司財務資料概要(續)

財務資料概要對賬(續)

附註：

- (i) HSO委聘外部獨立合資格估值師，以釐定於各財政年度年終投資物業之公允價值。於二零一九年三月三十一日，投資物業之公允價值由仲量聯行企業評估及諮詢有限公司釐定。
- (ii) 截至二零一八年三月三十一日止年度內，萬順昌加工已決定將應收VSC Construction款項45,000,000港元轉為資本出資。資本出資構成VSC Construction截至二零一八年三月三十一日之投資部分。

於二零一八年五月九日，萬順昌加工及合營夥伴分別認購VSC Construction 45,000,000股股份，而本集團已透過其截至二零一八年三月三十一日確認之資本出資結清此股份認購。同日，VSC Processing於股份認購完成後，從合營夥伴收購VSC Construction餘下50%股權，自此VSC Construction成為本公司間接全資附屬公司。截至二零一九年三月三十一日之財務狀況表概要並無列示於上文，而全面損益表概要則於二零一八年四月一日至二零一八年五月九日期間呈列。收購詳情於附註36(a)中披露。

截至二零一九年三月三十一日止年度，頌裕及RECO向HSO按比例出資共1,930,600港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Deferred Income Tax Assets/(Liabilities)

22 遞延所得稅資產／(負債)

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

當具有將即期所得稅資產與即期所得稅負債抵銷之合法強制執行權，以及當同一稅務機關向該應課稅實體或不同應課稅實體就遞延所得稅資產及遞延所得稅負債徵收所得稅，其中有關結餘擬按淨額基準清償時，遞延所得稅資產與負債方可互相抵銷。抵銷金額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred income tax assets:	遞延所得稅資產：		
— Deferred income tax assets to be recovered after 12 months	— 將於十二個月後收回之遞延所得稅資產	33,215	18,010
— Deferred income tax assets to be recovered within 12 months	— 將於十二個月內收回之遞延所得稅資產	13,867	6,807
		47,082	24,817
Deferred income tax liabilities:	遞延所得稅負債：		
— Deferred income tax liabilities to be settled after 12 months	— 將於十二個月後清償之遞延所得稅負債	(92,162)	(71,156)
Net deferred income tax liabilities	遞延所得稅負債淨額	(45,080)	(46,339)

The movements in net deferred income tax liabilities are as follows:

遞延所得稅負債淨額變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	(46,339)	(48,268)
(Charged)/credited to the consolidated income statement (Note 11)	已於綜合損益表中(扣除)／計入(附註11)	(2,889)	8,503
Disposal of a subsidiary (Note 36(c))	出售一間附屬公司(附註36(c))	(490)	—
Currency translation differences	貨幣匯兌差額	4,638	(6,574)
At end of year	於年末	(45,080)	(46,339)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Deferred Income Tax Assets/(Liabilities) (Continued)

The movements in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred income tax assets:

		Cumulative tax losses	Decelerated depreciation	Total
		累計稅項虧損	減慢折舊	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1st April 2017	於二零一七年四月一日	26,415	389	26,804
Credited to the consolidated income statement	已於綜合損益表中 入賬	6,511	72	6,583
Currency translation differences	貨幣匯兌 差額	646	—	646
At 31st March 2018	於二零一八年三月三十一日	33,572	461	34,033
Credited/(charged) to the consolidated income statement	已於綜合損益表中 計入/ (扣除)	22,790	(53)	22,737
Disposal of a subsidiary (Note 36(c))	出售一間附屬公司 (附註36(c))	(490)	—	(490)
Currency translation differences	貨幣匯兌 差額	(562)	—	(562)
At 31st March 2019	於二零一九年三月三十一日	55,310	408	55,718

22 遞延所得稅資產／(負債)(續)

本年度遞延所得稅資產及負債(並無計及同一稅務司法權區內之結餘抵銷)之變動如下:

遞延所得稅資產:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Deferred Income Tax Assets/(Liabilities) (Continued)

22 遞延所得稅資產／(負債)(續)

Deferred income tax liabilities:

遞延所得稅負債：

		Investment property 投資物業 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Accelerated depreciation 加速折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2017 (Charged)/credited to the consolidated income statement	於二零一七年四月一日 已於綜合損益表中(扣除)/ 計入	(66,233)	(1,561)	(7,278)	(75,072)
Currency translation differences	貨幣匯兌差額	(3,704)	951	4,673	1,920
		(7,220)	—	—	(7,220)
At 31st March 2018 (Charged)/credited to the consolidated income statement	於二零一八年三月三十一日 已於綜合損益表中(扣除)/ 計入	(77,157)	(610)	(2,605)	(80,372)
Currency translation differences	貨幣匯兌差額	(27,216)	307	1,283	(25,626)
		5,200	—	—	5,200
At 31st March 2019	於二零一九年三月三十一日	(99,173)	(303)	(1,322)	(100,798)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31st March 2019, the deferred income tax assets recognised from tax losses of approximately HK\$47,167,000 (2018: HK\$24,861,000) can be carried forward indefinitely. The remaining deferred income tax assets recognised from tax losses of approximately HK\$8,143,000 (2018: HK\$8,713,000) will expire in five years from the year they were incurred.

遞延所得稅資產乃因應相關稅務利益透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零一九年三月三十一日，已就稅項虧損確認之遞延所得稅資產約47,167,000港元(二零一八年：24,861,000港元)可以無限期結轉。餘下之已確認遞延所得稅資產稅項虧損約8,143,000港元(二零一八年：8,713,000港元)將於產生年度後五年內失效。

The Group did not recognise deferred income tax assets of approximately HK\$46,929,000 (2018: HK\$33,129,000) and approximately HK\$6,390,000 (2018: HK\$3,950,000) in respect of tax losses amounting to approximately HK\$284,419,000 (2018: HK\$200,782,000) that can be carried forward indefinitely and approximately HK\$25,558,000 (2018: HK\$15,800,000) will be expired in five years from the year they were incurred respectively. The above includes the tax losses of HK\$146,027,000 arising from the acquisition of VSC Construction which did not recognise as deferred income tax assets of approximately HK\$24,094,000 during the year ended 31st March 2019.

本集團並無就約284,419,000港元(二零一八年：200,782,000港元)之稅項虧損確認約46,929,000港元(二零一八年：33,129,000港元)之遞延所得稅資產，該金額可以無限期結轉，及約25,558,000港元(二零一八年：15,800,000港元)之稅項虧損確認，相等於約6,390,000港元(二零一八年：3,950,000港元)之遞延所得稅資產，其將於產生年度後五年內失效。上述載有產生自收購VSC Construction之稅項虧損146,027,000港元，其於截至二零一九年三月三十一日止年度未確認為約24,094,000港元之遞延所得稅資產。

Deferred income tax liabilities of approximately HK\$19,000 (2018: HK\$168,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries, as management currently has no intention to remit those earnings.

並無就若干附屬公司之未匯出收益之應付預扣稅確認約19,000港元(二零一八年：168,000港元)之遞延所得稅負債，因為管理層現時無意匯出該等盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 Financial Asset At Fair Value Through Other Comprehensive Income (2018: Available-For-Sale Financial Asset)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	286	506
Change in fair value recognised in other comprehensive income (Note 34)	於其他全面收入中確認之公允價值變動 (附註34)	(142)	(220)
At end of year	於年末	144	286

Financial asset at fair value through other comprehensive income (2018: available-for-sale financial asset), which is stated at fair value and denominated in HK\$, represents shares listed on The Stock Exchange of Hong Kong Limited.

按公允價值計入其他全面收入之金融資產(二零一八年：可供出售之金融資產)按公允價值列賬並以港元計值，指於香港聯合交易所有限公司上市之股份。

24 Financial Assets At Fair Value Through Profit or Loss

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Investments in unit trusts, at quoted price (Note (i))	單位信託投資報價 (附註(i))	—	111,861
Structured bank products, at quoted price (Note (ii))	結構性銀行產品報價 (附註(ii))	36,698	23,674
		36,698	135,535

Notes:

- (i) The investments in unit trusts were denominated in HK\$. Changes in fair value were recognised in "other gains — net" in the consolidated income statement.
- (ii) The investments in structured bank products were denominated in RMB. Changes in fair value were recognised in "other gains — net" in the consolidated income statement.

附註：

- (i) 單位信託投資以港元計值。公允價值變動於綜合損益表「其他收益 — 淨額」中確認。
- (ii) 結構性銀行產品投資以人民幣計值。公允價值變動於綜合損益表「其他收益 — 淨額」中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 Inventories

25 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finished goods	製成品	289,156	289,566
Work in progress	在製品	1,503	—
		290,659	289,566

The costs of inventories recognised as expenses and included in “cost of sales” in the consolidated income statement amounted to approximately HK\$2,533,767,000 (2018: HK\$2,765,195,000).

約2,533,767,000元(二零一八年：2,765,195,000港元)之存貨成本已確認為支出，並已計入綜合損益表之「銷售成本」中。

The Group made inventory provision for obsolete inventories and write-down of the inventories to net realisable value. As at 31st March 2019, there is a provision of HK\$15,035,000 (2018: HK\$13,891,000) was net off with the inventories in the consolidated statement of financial position. A provision for impairment of inventories of HK\$1,594,000 (2018: HK\$1,007,000) was included in “cost of sales” in the consolidated income statement.

本集團就過時存貨計提存貨撥備並將存貨撇減至可變現淨值。於二零一九年三月三十一日，撥備15,035,000港元(二零一八年：13,891,000港元)由綜合財務狀況表中的存貨所抵銷。存貨減值撥備1,594,000港元(二零一八年：1,007,000港元)已計入綜合損益表之「銷售成本」中。

26 Trade and Bill Receivables

26 應收賬款及票據

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade and bill receivables	應收賬款及票據		
— from third parties	— 來自第三方	483,688	504,249
— from an associate and a joint venture	— 來自聯營公司及合營公司	20,049	41,525
Less: Provision for impairment	減：減值撥備	(23,214)	(17,536)
Trade and bill receivables — net	應收賬款及票據 — 淨額	480,523	528,238

Sales are either covered by letters of credit or open account with credit terms of 0 to 90 days.

銷售均以信用證或具信貸期之記賬方式進行，信貸期一般介乎0至90日不等。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 Trade and Bill Receivables (Continued)

Ageing analysis of trade and bill receivables by invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 to 60 days	0至60日	340,981	349,681
61 to 120 days	61至120日	82,306	99,638
121 to 180 days	121至180日	39,709	12,464
181 to 365 days	181至365日	16,813	42,460
Over 365 days	超過365日	23,928	41,531
		503,737	545,774
Less: Provision for impairment	減：減值撥備	(23,214)	(17,536)
		480,523	528,238

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristics and the aging from billing. See Note 3.1(b) for further information about expected credit loss provision.

Movements on the provision for impairment of trade and bill receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1st April	於四月一日	17,536	14,609
Change in accounting policy (Note 2.2)	會計政策之變動 (附註2.2)	5,190	—
Restated total at 1st April	於四月一日重列總額	22,726	14,609
Provision for impairment	減值撥備	4,262	1,218
Written off during the year as uncollectible	年內撇銷為 不可收回	(2,283)	(3)
Currency translation differences	貨幣匯兌差額	(1,491)	1,712
At 31st March	於三月三十一日	23,214	17,536

26 應收賬款及票據(續)

應收賬款及票據根據發票日期之賬齡分析如下：

本集團符合香港財務報告第9號採用簡化法計提預期信貸虧損，其中允許就應收賬款使用全期預期虧損撥備。對計量預期信貸虧損，此等應收款項已按共同信貸風險特性及票據賬齡歸類。有關預期信貸虧損撥備之進一步資料見附註3.1(b)。

應收賬款及票據之減值撥備變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 Trade and Bill Receivables (Continued)

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2019.

The carrying amounts of net trade and bill receivables were denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	238,736	275,703
HK\$	港元	226,068	218,950
US\$	美元	15,719	33,585
		480,523	528,238

26 應收賬款及票據(續)

應收賬款及票據淨額之賬面金額與其於二零一九年三月三十一日之公允價值相若。

應收賬款及票據淨額之賬面金額以下列貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		238,736	275,703
		226,068	218,950
		15,719	33,585
		480,523	528,238

27 Prepayments, Deposits and Other Receivables

Prepayments for purchases	預付採購款項	79,129	124,235
Prepayments for property, plant and equipment	預付物業、廠房及設備款項	133	2,539
Rental and other deposits	租金及其他按金	16,890	18,201
Value-added tax recoverable	可收回增值稅	22,718	30,016
Compensation receivable in relation to an unfulfilled contract	未履行合約應收賠償款項	2,915	18,944
Others	其他	12,709	14,795

Less: Non-current	減：非即期	134,494 (19,084)	208,730 (22,628)
-------------------	-------	---------------------	---------------------

Current	即期	115,410	186,102
---------	----	---------	---------

27 預付款項、按金及其他應收賬款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		79,129	124,235
		133	2,539
		16,890	18,201
		22,718	30,016
		2,915	18,944
		12,709	14,795

		134,494 (19,084)	208,730 (22,628)
--	--	---------------------	---------------------

		115,410	186,102
--	--	---------	---------

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 Prepayments, Deposits and Other Receivables (Continued)

The carrying amounts of prepayments, deposits and other receivables approximated their fair values as at 31st March 2019. They were denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	86,982	138,155
HK\$	港元	47,072	69,691
US\$	美元	241	884
Others	其他	199	—
		134,494	208,730

27 預付款項、按金及其他應收賬款(續)

預付款項、按金及其他應收賬款之賬面金額與其於二零一九年三月三十一日之公允價值相若。預付款項、按金及其他應收賬款以下列貨幣計值：

28 Pledged Bank Deposits/Cash and Cash Equivalents

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash on hand	手頭現金	210	189
Cash at bank	銀行存款	165,449	277,697
Short-term bank deposits	短期銀行定期存款	—	92,687
		165,659	370,573
Less: Pledged bank deposits	減：已抵押銀行存款	(38,884)	(57,807)
Cash and cash equivalents	現金及現金等值	126,775	312,766

28 已抵押銀行存款／現金及現金等值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 Pledged Bank Deposits/Cash and Cash Equivalents (Continued)

Pledged bank deposits and cash and cash equivalents were denominated in the following currencies:

HK\$	港元
RMB	人民幣
US\$	美元
Others	其他

28 已抵押銀行存款／現金及現金等值(續)

已抵押銀行存款及現金及現金等值以下列貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		76,182	178,897
		69,082	167,300
		20,349	24,299
		46	77
		165,659	370,573

The carrying amounts of pledged bank deposits and cash and cash equivalents approximated their fair values as at 31st March 2019.

The effective interest rate on the bank deposit is 1.11% (2018: 1.22%) per annum. These deposits have an average maturity of 11 days (2018: 20 days).

As at 31st March 2019, the Group's bank deposits of approximately HK\$38,884,000 (2018: HK\$57,807,000) were pledged as collateral for the Group's bill payables.

As at 31st March 2019, pledged bank deposits and cash and bank deposits totalling approximately HK\$63,029,000 (2018: HK\$85,971,000) were denominated in RMB and kept in banks in Mainland China. These funds are not freely convertible in the international market with exchange rate determined by the People's Bank of China.

已抵押銀行存款及現金及現金等值之賬面金額與其於二零一九年三月三十一日之公允價值相若。

銀行存款之實際利率為每年1.11% (二零一八年：1.22%)。該等存款的平均到期日為十一日 (二零一八年：二十日)。

於二零一九年三月三十一日，本集團的銀行存款約為38,884,000港元 (二零一八年：57,807,000港元) 已抵押作為本集團應付票據之抵押品。

於二零一九年三月三十一日，已抵押銀行存款以及現金及銀行存款合共約63,029,000港元 (二零一八年：85,971,000港元) 以人民幣計值並存於中國內地。此等貨幣並不能在國際市場自由兌換及其匯率由中國人民銀行釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 Trade and Bill Payables

Payment terms with suppliers are either on letters of credit or open account with credit period of 30 to 60 days.

Ageing analysis of trade and bill payables by invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 to 60 days	0至60日	188,702	239,723
61 to 120 days	61至120日	18	43,961
121 to 180 days	121至180日	174	299
181 to 365 days	181至365日	22	74
Over 365 days	超過365日	177	754
		189,093	284,811

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2019. They were denominated in the following currencies:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	114,764	146,265
HK\$	26,412	12,086
US\$	47,917	126,460
	189,093	284,811

29 應付賬款及票據

與供應商之付款條款均以信用證或具信貸期之記賬方式進行，信貸期一般介乎30至60日不等。

應付賬款及票據根據發票日期之賬齡分析如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0至60日	188,702	239,723
61至120日	18	43,961
121至180日	174	299
181至365日	22	74
超過365日	177	754
	189,093	284,811

應付賬款及票據之賬面金額與其於二零一九年三月三十一日之公允價值相若。應付賬款及票據以下列貨幣計值：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	114,764	146,265
HK\$	26,412	12,086
US\$	47,917	126,460
	189,093	284,811

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 Accrued Liabilities and Other Payables

30 應計負債及其他應付賬款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Accrual for employee benefit expenses	應計僱員福利支出	14,597	9,895
Accrual for operating expenses	應計經營支出	33,875	27,526
Provision for onerous contracts	有償契約撥備	—	40,656
Rental deposits received	已收租賃按金	16,725	13,169
Value-added tax payables	應付增值稅	2,868	2,171
		68,065	93,417
Less: Non-current	減：非即期	(15,246)	(11,813)
Current	即期	52,819	81,604

The carrying amounts of accrued liabilities and other payables approximated their fair values as at 31st March 2019.

應計負債及其他應付賬款之賬面金額與其於二零一九年三月三十一日之公允價值相若。

Accrued liabilities and other payables were denominated in the following currencies:

應計負債及其他應付賬款以下列貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$	港元	29,075	65,443
RMB	人民幣	32,954	27,724
US\$	美元	6,036	250
		68,065	93,417

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 Borrowings

31 借貸

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current	即期		
— Trust receipts bank loans (i)	— 信託收據銀行貸款(i)	658,918	749,879
— Short-term bank loans (i)	— 短期銀行貸款(i)	90,818	155,958
— Current portion of long-term bank loans, secured (ii)	— 部份即期長期銀行貸款，有抵押(ii)	37,974	41,728
		787,710	947,565
Non-current	非即期		
— Long-term bank loans, secured (ii)	— 長期銀行貸款，有抵押(ii)	704,839	611,292
Total borrowings	借貸總額	1,492,549	1,558,857

Notes:

- (i) As at 31st March 2019 and 2018, trust receipts bank loans and short-term bank loans were secured by corporate guarantee.
- (ii) As at 31st March 2019, the long-term bank loans of approximately HK\$484,616,000 (2018: HK\$553,238,000) were secured by the pledge of the Group's investment property of approximately HK\$1,404,990,000 (2018: HK\$1,380,568,000) (Note 15) and corporate guarantee. The remaining long-term bank loans of approximately HK\$258,197,000 (2018: HK\$99,782,000) were secured by corporate guarantee and secured by the Company equity interests in certain subsidiaries.

The maturity of the Group's borrowings in accordance with the repayment schedule:

附註：

- (i) 於二零一九年及二零一八年三月三十一日，信託收據銀行貸款及短期銀行貸款以公司擔保作抵押。
- (ii) 於二零一九年三月三十一日，約484,616,000港元(二零一八年：553,238,000港元)之長期銀行貸款由本集團投資物業約1,404,990,000港元(二零一八年：1,380,568,000港元)作質押(附註15)及企業擔保。剩餘258,197,000港元(二零一八年：99,782,000港元)之長期銀行貸款由企業擔保及由本公司於若干附屬公司的權益作抵押。

本集團借貸基於還款時間表之到期情況如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	1年內	787,710	947,565
Between one and two years	1至2年	91,158	128,179
Between two and five years	2至5年	613,681	483,113
		1,492,549	1,558,857

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 Borrowings (Continued)

Borrowings were denominated in the following currencies:

		2019 二零一九年 <i>HK\$'000</i> 千港元	2018 二零一八年 <i>HK\$'000</i> 千港元
HK\$	港元	822,565	589,034
US\$	美元	115,468	325,626
RMB	人民幣	554,516	644,197
		1,492,549	1,558,857

The effective interest rates of borrowings (per annum) at the reporting dates are as follows:

		2019 二零一九年 <i>HK\$'000</i> 千港元	2018 二零一八年 <i>HK\$'000</i> 千港元
RMB	人民幣	5.8%	5.7%
HK\$	港元	4.5%	2.8%
US\$	美元	4.0%	3.0%

All the Group's borrowings as at 31st March 2019 are on floating rate basis and the carrying amounts of the borrowings approximated their fair values.

The Group has the following floating rate undrawn borrowing facilities:

		2019 二零一九年 <i>HK\$'000</i> 千港元	2018 二零一八年 <i>HK\$'000</i> 千港元
— expiring within one year	— 一年內到期	451,468	292,919
— expiring beyond one year	— 一年後到期	250,755	673,511
		702,223	966,430

31 借貸(續)

借貸以下列貨幣計值：

		2019 二零一九年 <i>HK\$'000</i> 千港元	2018 二零一八年 <i>HK\$'000</i> 千港元
HK\$	港元	822,565	589,034
US\$	美元	115,468	325,626
RMB	人民幣	554,516	644,197
		1,492,549	1,558,857

於報告日，借貸之實際利率(每年)如下：

		2019 二零一九年 <i>HK\$'000</i> 千港元	2018 二零一八年 <i>HK\$'000</i> 千港元
RMB	人民幣	5.8%	5.7%
HK\$	港元	4.5%	2.8%
US\$	美元	4.0%	3.0%

於二零一九年三月三十一日，本集團之所有借貸均按浮動利率計息及借貸之賬面金額與其公允價值相若。

本集團有以下未提取之浮息借貸融資：

		2019 二零一九年 <i>HK\$'000</i> 千港元	2018 二零一八年 <i>HK\$'000</i> 千港元
— expiring within one year	— 一年內到期	451,468	292,919
— expiring beyond one year	— 一年後到期	250,755	673,511
		702,223	966,430

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 Share Capital

32 股本

		Authorised (Ordinary shares of HK\$0.10 each)		Issued and fully paid (Ordinary shares of HK\$0.10 each)	
		Number of shares	Nominal value	Number of shares	Nominal value
		'000	HK\$'000	'000	HK\$'000
		千股	千港元	千股	千港元
As at 31st March 2017	於二零一七年三月三十一日	1,000,000	100,000	641,883	64,188
Shares repurchased and cancelled (i)	股份購回及註銷 (i)	—	—	(1,336)	(133)
As at 31st March 2018	於二零一八年三月三十一日	1,000,000	100,000	640,547	64,055
Exercise of share options	行使購股權	—	—	685	68
As at 31st March 2019	於二零一九年三月三十一日	1,000,000	100,000	641,232	64,123

Note:

- (i) During the year ended 31st March 2018, pursuant to the mandate to buy-back shares of the Company obtained from the shareholders at the annual general meeting of the Company held on 18th August 2017, the Company repurchased an aggregate of 1,336,000 shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration of HK\$940,000 (after expenses) during the year. All these shares were subsequently cancelled by the Company.

附註：

- (i) 於截至二零一八年三月三十一日止年度，根據本公司於二零一七年八月十八日舉行之股東週年大會自股東取得購回本公司股份之授權，於本年度，本公司於香港聯合交易所有限公司合共購回1,336,000股股份，總代價為940,000港元（扣除開支後），隨後本公司註銷全部該等股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share Options

The Company has two share option schemes in which the share option scheme adopted since 12th November 2001 (the “2001 Share Option Scheme”) was terminated on 11th August 2011 and the other share option scheme was adopted since 11th August 2011 (the “2011 Share Option Scheme”). Upon termination of the 2001 Share Option Scheme, no further options will be granted by the Company thereunder but in all other respects the provisions of the 2001 Share Option Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith. The 2011 Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date (i.e. 11th August 2011) and will expire on 10th August 2021. The 2011 Share Option Scheme may grant options to any person being an employee, agent, consultant or representative (including executive directors and non-executive directors) of the Group to subscribe for shares in the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time, excluding for the shares issued on the exercise of options. The exercise price will be determined by the Company’s board of directors and must be at least the highest of (i) the closing price of the Company’s shares quoted on The Stock Exchange of Hong Kong Limited on the date of grant of the options, which must be a business day; (ii) the average closing prices of the Company’s shares quoted on The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant of the options; and (iii) the nominal value of the Company’s shares of HK\$0.10 each.

33 購股權

本公司設有兩項購股權計劃，其中於二零零一年十一月十二日採納之購股權計劃（「二零零一年購股權計劃」）已於二零一一年八月十一日終止，而另一項購股權計劃（「二零一一年購股權計劃」）於二零一一年八月十一日採納。二零零一年購股權計劃終止後，本公司將不會再按二零零一年購股權計劃授出購股權，惟其所有其他條款仍然有效，而於該計劃終止前授出之所有購股權仍然有效及可按條款行使。二零一一年購股權計劃之有效期自採納日期（即二零一一年八月十一日）起計，為期十年，並將於二零二一年八月十日屆滿。二零一一年購股權計劃，其可授予任何人仕即本集團之僱員、代理人、顧問或代表（包括執行董事及非執行董事）購股權以認購本公司之股份，但最多為本公司不時已發行股本之30%，其中不包括因行使購股權而發行之股份。行使價將由本公司董事會釐定及最少必須以下列最高者為準：(i) 本公司股份於授出購股權日期（必須為營業日）在香港聯合交易所有限公司所報之收市價；(ii) 本公司股份於緊接授出購股權日期前五個營業日在香港聯合交易所有限公司所報之平均收市價；及(iii) 本公司股份面值每股0.10港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share Options (Continued)

Movements of share options for the year ended 31st March 2019 were as follows:

33 購股權(續)

於截至二零一九年三月三十一日止年度之購股權變動如下：

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share (i)	As at 1st April 2018	Granted	Cancelled/lapsed	Exercised	As at 31st March 2019
授予日期	有效期	每股行使價	每股行使價(i)	於二零一八年四月一日	授予	註銷/失效	已行使	於二零一九年三月三十一日
		HK\$	HK\$	'000	'000	'000	'000	'000
		港元	港元	千股	千股	千股	千股	千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	0.928	0.928	10,800	—	(7,700)	—	3,100
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至二零二三年十一月二十六日	1.300	1.043	9,474	—	(8,228)	—	1,246
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	0.670	0.537	8,078	—	(5,360)	(374)	2,344
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至二零一九年十月十二日	0.504	0.404	12,206	—	—	—	12,206
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至二零一九年九月十七日	0.586	0.470	937	—	—	(312)	625
19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至二零一八年六月十八日	0.780	0.626	1,247	—	(1,247)	—	—
Total	總計			42,742	—	(22,535)	(686)	19,521

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share Options (Continued)

33 購股權(續)

Movements of share options for the year ended 31st March 2018 were as follows:

於截至二零一八年三月三十一日止年度之購股權變動如下：

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share (i)	As at 1st April 2017	Granted	Cancelled/lapsed	Exercised	As at 31st March 2018
授予日期	有效期	每股行使價	每股行使價(i)	於二零一七年四月一日	授予	註銷/失效	已行使	於二零一八年三月三十一日
		HK\$ 港元	HK\$ 港元	'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	0.928	0.928	10,800	—	—	—	10,800
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至二零二三年十一月二十六日	1.300	1.043	9,474	—	—	—	9,474
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	0.670	0.537	8,078	—	—	—	8,078
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至二零一九年十月十二日	0.504	0.404	12,206	—	—	—	12,206
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至二零一九年九月十七日	0.586	0.470	937	—	—	—	937
19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至二零一八年六月十八日	0.780	0.626	1,247	—	—	—	1,247
Total	總計			42,742	—	—	—	42,742

Note:

附註：

- (i) The exercise prices and number of share options granted prior to 17th December 2014 under the 2001 Share Option Scheme and 2011 Share Option Scheme were adjusted for the open offer completed in December 2014.

- (i) 根據二零零一年購股權計劃及二零一一年購股權計劃於二零一四年十二月十七日前及授出之購股權數目行使價已就二零一四年十二月完成公開發售作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share Options (Continued)

Options exercised during the year revolved in approximately 686,000 share (2018: Nil) being issued, at weighted average exercise price of HK\$0.5 (2018: Nil) per ordinary share with total proceeds of approximately HK\$344,000 (2018: Nil). The related weighted average price at the time of exercise was HK\$0.68 (2018: Nil). During the year ended 31st March 2019, approximately 22,535,000 share options (2018: Nil) were lapsed.

No share options were granted during the year ended 31st March 2019 (2018: Nil).

33 購股權(續)

年內所行使之購股權導致約686,000股股份(二零一八年：無)以加權平均行使價每股普通股0.5港元(二零一八年：無)發行，所得款項總額約為344,000港元(二零一八年：無)。行使時相關加權平均價為0.68港元(二零一八年：無)。於截至二零一九年三月三十一日止年度內，約22,535,000股購股權(二零一八年：無)已失效。

截至二零一九年三月三十一日止年度，概無授出任何購股權(二零一八年：無)。

34 Reserves

34 儲備

		Share premium	Share option reserve	Capital redemption reserve (ii) 資本贖回儲備(ii)	Statutory reserves (i) 法定儲備(i)	Capital reserve 資本儲備	Other reserve 其他儲備	Available-for-sale reserve 可供出售儲備	Cumulative foreign currency translation reserve 累計外幣匯兌調整	Retained earnings 保留溢利	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st April 2017	於二零一七年四月一日	426,676	7,371	79,684	12,804	58,355	(10,137)	17	(48,934)	519,487	1,045,323
Loss for the year	年度虧損	—	—	—	—	—	—	—	—	(147,712)	(147,712)
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	—	115,818	—	115,818
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之金融資產之公允價值變動(附註23)	—	—	—	—	—	—	(220)	—	—	(220)
Appropriation of statutory reserves	撥提法定儲備	—	—	—	3,944	—	—	—	—	(3,944)	—
Share-based payment	以股份為基礎之支付	—	2,861	—	—	—	—	—	—	—	2,861
Shares repurchased and cancelled	股份回購及註銷	(807)	—	940	—	—	—	—	—	(940)	(807)
Change in ownership interest in subsidiaries without change of control (Note 37)	於附屬公司之擁有權益變動而控制權不變(附註37)	—	—	—	—	—	(5,566)	—	(10)	(56)	(5,632)
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	—	—	—	—	—	—	(15,983)	(15,983)
At 31st March 2018	於二零一八年三月三十一日	425,869	10,232	80,624	16,748	58,355	(15,703)	(203)	66,874	350,852	993,648

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 Reserves (Continued)

34 儲備(續)

		Share premium	Share option reserve	Capital redemption reserve (ii)	Statutory reserves (i)	Capital reserve	Other reserve	Available-for-sale reserve	Financial assets at fair value through other comprehensive income reserve	Cumulative foreign currency translation reserve	Retained earnings	Total
		股份溢價	購股權儲備	資本贖回儲備(ii)	法定儲備(i)	資本儲備	其他儲備	可供出售儲備	按公允價值計入全面金融資產之儲備收入	累計外幣匯兌調整	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April 2018	於二零一八年四月一日	425,869	10,232	80,624	16,748	58,355	(15,703)	(203)	—	66,874	350,852	993,648
Changes in accounting policies (Note 2.2)	會計政策之變動(附註2.2)	—	—	—	—	—	—	203	(203)	—	(4,672)	(4,672)
Restated balance as at 1st April 2018	於二零一八年四月一日之重列結餘	425,869	10,232	80,624	16,748	58,355	(15,703)	—	(203)	66,874	346,180	988,976
Profit for the year	年內溢利	—	—	—	—	—	—	—	—	—	13,888	13,888
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	—	—	(69,029)	—	(69,029)
Change in financial assets at fair value through other comprehensive income (Note 23)	按公允價值計入其他全面收入之金融資產之變動(附註23)	—	—	—	—	—	—	—	(142)	—	—	(142)
Appropriation of statutory reserves	撥發法定儲備	—	—	—	1,275	—	—	—	—	—	(1,275)	—
Share-based payment	以股份為基礎之支付	—	2,311	—	—	—	—	—	—	—	—	2,311
Exercise of share options	行使購股權	384	(108)	—	—	—	—	—	—	—	—	276
Lapse of share options	失效之購股權	—	(5,244)	—	—	—	—	—	—	—	5,244	—
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	—	—	—	—	—	—	—	(10,057)	(10,057)
At 31st March 2019	於二零一九年三月三十一日	426,253	7,191	80,624	18,023	58,355	(15,703)	—	(345)	(2,155)	353,980	926,223

Notes:

附註:

- (i) Statutory reserves represent enterprise expansion reserve fund and general reserve fund set up by certain subsidiaries in Mainland China. As stipulated by regulations in Mainland China, the subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior year losses) to the enterprise expansion reserve fund and general reserve fund, at rates determined by their respective boards of directors. The general reserve fund may be used for making up losses and increasing capital, while the enterprise expansion reserve fund may be used for increasing capital.
- (ii) The capital redemption reserve has been established upon repurchase of shares.

- (i) 法定儲備即由中國內地若干附屬公司設立之企業發展儲備基金及一般儲備基金。按照中國內地法規訂明，於中國內地成立及經營之附屬公司須於其除稅後溢利(經抵銷過往年度虧損)撥出部分至企業發展儲備基金及一般儲備基金，比率乃由各自董事會釐定。一般儲備基金可用作抵銷虧損及增加股本，而企業發展儲備基金可用作增加股本。
- (ii) 資本贖回儲備已於購回股份時設立。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 Consolidated Statement of Cash Flows

35 綜合現金流量表

(a) Reconciliation of profit/(loss) before income tax to net cash (used in)/generated from operations is as follows:

(a) 除所得稅前溢利／(虧損)與經營(所用)／所得之現金淨額對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	17,826	(142,012)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	(19,276)	(14,366)
Interest income	利息收入	(4,920)	(5,010)
Interest expenses	利息支出	80,638	70,708
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	43,195	39,705
Gain on bargain purchase arising from the acquisition of a subsidiary	分階段收購一間附屬公司產生之收購溢價收益	(18,554)	—
(Gain)/loss on disposals of property, plant and equipment	出售物業、廠房及設備之(收益)／虧損	(1,006)	39
Unrealised exchange loss	未變現匯兌虧損	16,860	18,607
Gain on disposal of a subsidiary	出售附屬公司之收益	(5,313)	—
Impairment of goodwill	商譽減值	2,494	—
Impairment of property, plant and equipment	物業、廠房及設備之減值	1,181	—
Amortisation of land use rights	土地使用權之攤銷	202	202
Amortisation of intangible assets	無形資產之攤銷	1,511	590
Fair value gain on investment properties	投資物業之公允價值收益	(108,865)	(14,818)
Provision for impairment of trade and bill receivables — net	應收賬款減值撥備 — 淨額	4,262	1,218
Provision for impairment of inventories — net	存貨減值撥備 — 淨額	1,594	1,007
Unrealised fair value loss on financial assets at fair value through profit or loss	按公允價值計入虧損之金融資產之未變現公允價值收益	—	2,133
Share-based payment (Reversal of)/provision for onerous contracts	以股份為基礎之支付有償契約之(撥回)／撥備	2,311	2,859
		(40,656)	26,656
Operating loss before working capital changes	營運資金變動前之經營虧損	(26,516)	(12,482)
— Inventories	— 存貨	(2,627)	105,231
— Trade and bill receivables	— 應收賬款及票據	30,459	(34,076)
— Prepayments, deposits and other receivables	— 預付款項、按金及其他應收賬款	66,200	9,834
— Amounts due from joint ventures	— 應收合營公司款項	(2,403)	(78,133)
— Trade and bill payables	— 應付賬款及票據	(116,810)	141,207
— Receipts in advance	— 預收款項	3,782	(4,522)
— Accrued liabilities and other payables	— 應計負債及其他應付賬款	10,993	(107,660)
Net cash (used in)/generated from operations	經營(所用)／所得之現金淨額	(36,922)	19,399

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 Consolidated Statement of Cash Flows (continued)

35 綜合現金流量表(續)

(b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

(b) 於綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net book amount (Note 14) 賬面淨額(附註14)	1,483	192
Gain/(loss) on disposals of property, plant and equipment (Note 7) 出售物業、廠房及設備之收益/(虧損)(附註7)	1,006	(39)
Sales proceeds of disposals of property, plant and equipment 出售物業、廠房及設備所得之銷售所得款項	2,489	153

(c) Reconciliation of liabilities from financing activities

(c) 融資活動之負債對賬

	Liabilities from financing activities 融資活動負債		
	Borrowing due within 1 year 一年內到期之借款 HK\$'000 千港元	Borrowing due after 1 year 一年後到期之借款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Net debt as at 1st April 2018 於二零一八年四月一日之淨債務	947,565	611,292	1,558,857
Proceeds from bank borrowings 銀行借貸所得款項	55,997	254,372	310,369
Repayment of bank borrowings 償還銀行借貸	(120,531)	(129,683)	(250,214)
Net decrease in trust receipt bank loans 信託收據銀行貸款淨額減少	(90,962)	—	(90,962)
Other non-cash movements 其他非現金變動	3,621	2,759	6,380
Foreign exchange adjustments 外匯調整	(7,980)	(33,901)	(41,881)
Net debt as at 31st March 2019 於二零一九年三月三十一日之淨債務	787,710	704,839	1,492,549

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 Acquisitions and Disposal

(a) Acquisition of VSC Construction Steel Solutions Limited

On 30th April 2018, NatSteel Holdings Pte. Ltd. (“NatSteel”), VSC Steel Processing, an indirect wholly-owned subsidiary of the Company, VSC Steel Processing Holdings Limited, an indirect wholly-owned subsidiary of the Company, the Company and VSC Construction (formerly known as TVSC Construction Steel Solutions Limited) entered into an agreement for certain arrangement in relation to VSC Construction, among others:

- (i) each of NatSteel and VSC Processing agreed to subscribe for 45,000,000 shares of VSC Construction at HK\$1 per share respectively (the “Share Subscriptions”); and
- (ii) following the completion of the Share Subscriptions, NatSteel transferred the legal and beneficial interests of all its shares of VSC Construction held or owned by itself to VSC Processing at a nominal consideration of HK\$1 payable by VSC Processing.

The Group satisfied the Share Subscriptions of HK\$45,000,000 through the conversion of amount due from a joint venture into capital contribution and such conversion formed a part of the investment in VSC Construction as at 31st March 2018.

The transfer of shares from NatSteel to VSC Processing was completed on 9th May 2018, since then VSC Construction has become an indirect wholly-owned subsidiary of the Company.

36 收購及出售

(a) 收購 VSC Construction Steel Solutions Limited

於二零一八年四月三十日，NatSteel Holdings Pte. Ltd. (「NatSteel」)、萬順昌鋼材加工，本公司之間接全資附屬公司、萬順昌鋼材加工控股有限公司(本公司之間接全資附屬公司)、本公司及VSC Construction(前稱TVSC Construction Steel Solutions Limited)訂立協議，內容有關VSC Construction之若干安排，其中包括：

- (i) NatSteel及萬順昌鋼材加工各自同意分別按每股1港元認購VSC Construction之45,000,000股股份(「股份認購事項」)；及
- (ii) 股份認購事項完成後，NatSteel須向萬順昌鋼材加工轉讓其所持或擁有之所有VSC Construction股份之法定及實益權益，萬順昌鋼材加工應支付象徵性代價1港元。

本集團透過將應收一間合營公司45,000,000港元之款項轉換為出資支付股份認購事項，該轉換構成於二零一八年三月三十一日於VSC Construction投資之一部分。

NatSteel於二零一八年五月九日完成轉讓股份予萬順昌鋼材加工，自此起VSC Construction成為本公司之間接全資附屬公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 Acquisitions and Disposal (Continued)

36 收購及出售(續)

(a) Acquisition of VSC Construction Steel Solutions Limited (Continued)

(a) 收購 VSC Construction Steel Solutions Limited (續)

		HK\$'000 千港元
Consideration:	代價：	
— Cash paid	— 已付現金	—
— Fair value of 50% shares held by the Company	— 本公司所持50%股份之公允價值	18,699
		18,699
Less: Net assets acquired at fair value of:	減：以下之按公允價值收購之淨資產項目：	
— Property, plant and equipment	— 物業、廠房及設備	29,167
— Trade and other receivables, deposits and prepayments	— 應收及其他應收賬款、按金及預付款項	10,643
— Cash and cash equivalents	— 現金及現金等值	47,497
— Pledged bank deposits	— 已抵押銀行存款	1,156
— Inventories	— 存貨	6,804
— Trade and other payables	— 應付及其他應付賬款	(32,710)
— Borrowings	— 借貸	(5,308)
— Amount due to the Group	— 應付本集團賬款	(19,996)
		37,253
Gain on bargain purchase	收購議價之收益	18,554
An analysis on net cash flows arising from the step acquisition:	分階段收購事項產生之現金流量淨額分析：	
Net cash consideration	現金代價淨額	—
Add: Cash and cash equivalents acquired	加：所收購現金及現金等值	47,497
		47,497
Net cash acquired from the acquisition of a subsidiary	收購一間附屬公司之所獲現金流出淨額	47,497

The gain on bargain purchase of HK\$18,554,000 was mainly resulted from the commercial negotiation of NatSteel and VSC Processing after considering liquidity and operation needs of VSC Construction.

收購議價收益18,554,000港元主要由於NatSteel與萬順昌鋼材加工經考慮VSC Construction之流動資金及營運需要後進行商業磋商而產生。

The acquired business contributed revenue of HK\$114,237,000 and net loss of HK\$36,123,000 to the Company for the period from 10th May 2018 to 31st March 2019. If the acquisition had occurred on 1st April 2018, the consolidated revenue and consolidated profit after tax of the Company for the year ended 31st March 2019 would have been HK\$2,884,447,000 and HK\$3,003,000 respectively.

所收購業務於二零一八年五月十日至二零一九年三月三十一日期間為本公司貢獻收入114,237,000港元及虧損淨額36,123,000港元。倘收購事項於二零一八年四月一日發生，本公司截至二零一九年三月三十一日止年度之除稅後綜合收入及綜合溢利應分別為2,884,447,000港元及3,003,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 Acquisitions and Disposal (Continued)

(b) Acquisition of a subsidiary

On 1st December 2017, Top Praise Ventures (HK) Limited, an indirect non-wholly owned subsidiary of the Company completed the acquisition of 100% equity interest of Fanrich Consultants (Shanghai) Limited ("Fanrich") at a consideration of approximately HK\$3,549,000.

Fanrich is principally engaged in the provision of the investment consultancy service in Shanghai.

The relative fair values of assets acquired and liabilities assumed at the acquisition date is analysed as follows:

36 收購及出售(續)

(b) 收購一間附屬公司

於二零一七年十二月一日，盛讚創投(香港)有限公司(本公司之間接非全資附屬公司)完成以代價約3,549,000港元收購永蕃投資諮詢(上海)有限公司(「永蕃」)100%股權。

永蕃主要在上海從事提供投資諮詢服務。

於收購日期收購之資產及承擔之負債之相對公允價值分析如下：

		HK\$'000 千港元
Consideration paid as at acquisition date	於收購日期支付之代價	3,549
Assets and liabilities:	資產及負債：	
— Property and equipment	— 物業及設備	152
— Trade and other receivables	— 應收賬款及其他應收賬款	771
— Cash and cash equivalents	— 現金及現金等值	855
— Accruals and other payables	— 應計費用及其他應付賬款	(723)
Total identifiable net assets acquired	已收購可識別資產總值	1,055
Add: Goodwill (Note 17)	加：商譽(附註17)	2,494
		3,549

An analysis on net cash flows arising from the acquisition:

收購產生之現金流量淨額之分析：

		HK\$'000 千港元
Net cash consideration	現金代價淨額	3,549
Less: Cash and cash equivalents acquired	減：已收購現金及現金等值	(855)
Net cash outflow from acquisition of a subsidiary	收購一間附屬公司產生之現金流出淨額	2,694

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 Acquisitions and Disposal (Continued)

36 收購及出售(續)

(c) Disposal of a subsidiary

On 30th November 2018, the Company disposed its 100% equity interest of Vantage Godown Company Limited (“Vantage”) to an independent third party at a consideration of HK\$5,900,000.

Vantage is principally engaged in provision of warehousing services in Hong Kong.

The carrying values of assets disposed and liabilities assumed at the disposal date is analysed as follows:

(c) 出售一間附屬公司

於二零一八年十一月三十日，本公司已向一名獨立第三方出售其於順發貨倉有限公司(「順發」)之100%股權，代價為5,900,000港元。

順發主要於香港從事提供倉庫服務。

於出售日期之已售淨資產及已承擔負債之賬面值分析如下：

		HK\$'000 千港元
Consideration received as at disposal date	於出售日期之已收代價	5,900
Assets and liabilities:	資產及負債：	
— Land use rights	— 土地使用權	95
— Property and equipment	— 物業及設備	2
— Deferred tax asset	— 遞延稅項資產	490
Total identifiable net assets disposed	已售可識別資產淨值總額	587
Gain on disposal of a subsidiary	出售一間附屬公司之收益	5,313

An analysis on net cash flows arising from the disposal:

因出售產生的現金流淨值分析如下：

		HK\$'000 千港元
Net cash consideration	現金淨值代價	5,900
Less: Cash and cash equivalents disposed	減：已售現金及現金等值	—
Net cash inflow from the disposal of a subsidiary	出售一間附屬公司之現金流入淨額	5,900

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 Transactions With Non-Controlling Interests

(a) Deemed disposal of China Sources Technology Limited and its subsidiaries

On 20th November 2017, VSC China Property Limited, a wholly-owned subsidiary of the Company, transferred its 100% equity interest in China Sources Technology Limited and its subsidiaries to Hongkong and Shanghai Land Capital Ltd., a 60% owned subsidiary of the Company. As such, the Company deemed to dispose of 40% equity interest in China Sources Technology Limited and its subsidiaries. The Company recorded an increase in non-controlling interest of approximately HK\$8,044,000 and a decrease in other reserve of approximately HK\$8,044,000.

(b) Deemed disposal of Optimum Sage (HK) Limited

On 27th December 2017, SC Renewable Resources Holdings Limited, a wholly-owned subsidiary of the Company, transferred its 100% equity interest in Optimum Sage (HK) Limited (formerly known as VSC Engineering Products Company Limited), to Optimum Sage Limited, a 60% owned subsidiary of the Company. As such, the Company deemed to dispose of 40% equity interest in Optimum Sage (HK) Limited. The Company recorded an increase in non-controlling interest of approximately HK\$20,000 and a decrease in other reserve of approximately HK\$20,000.

(c) Disposal of 30% of equity interest in Top Praise Ventures Limited and Optimum Sage Limited

On 2nd February 2018, Hongkong and Shanghai Land Capital Ltd. entered into a share transfer agreement with Alpha Knight Limited, an independent third party, for the sale of 30% of equity interest in Top Praise Ventures Limited and Optimum Sage Limited at a consideration of approximately HK\$1,042,000 and HK\$1,411,000 respectively. The Company recorded an increase in non-controlling interest of approximately HK\$45,000 and an increase in other reserve of approximately HK\$2,498,000.

37 與非控制性權益進行的交易

(a) 被視作出售China Sources Technology Limited及其附屬公司

於二零一七年十一月二十日，本公司之全資附屬公司VSC China Property Limited將其於China Sources Technology Limited及其附屬公司之100%股權轉讓予滬港地產資本有限公司，一家本公司擁有60%股權之附屬公司。因此，本公司被視為出售China Sources Technology Limited及其附屬公司之40%股權。本公司錄得非控制性權益增加約8,044,000港元及其他儲備減少約8,044,000港元。

(b) 被視作出售適智(香港)有限公司

於二零一七年十二月二十七日，本公司之全資附屬公司順昌再生資源投資控股有限公司將其於適智(香港)有限公司(前稱萬順昌工程產品有限公司)的100%股權轉讓予適智有限公司，一家本公司擁有60%股權之附屬公司。因此，本公司被視為出售適智(香港)有限公司40%股權。本公司錄得非控制性權益增加約20,000港元及其他儲備減少約20,000港元。

(c) 出售於適智有限公司及盛讚創投有限公司擁有之30%股權

於二零一八年二月二日，滬港地產資本有限公司與獨立第三方Alpha Knight Limited訂立股份轉讓協議，以出售盛讚創投有限公司及適智有限公司之30%股本權益，代價分別為約1,042,000港元及1,411,000港元。本公司錄得非控制性權益增加約45,000港元及其他儲備減少約2,498,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 Commitments

(a) Commitments under operating leases

(i) Lessor

The Group leases investment properties under non-cancellable operating lease agreements. The lease agreements are renewable at the end of the lease period at market rate.

Total commitments receivable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	未逾1年	30,829	23,043

(ii) Lessee

The Group leases various retail outlets, offices, warehouses and site under non-cancellable operating lease agreements. The majority of lease agreements are renewable at the end of the lease period at market rate.

Total commitments payable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	未逾1年	28,258	33,490
Later than one year and not later than five years	逾1年及未逾5年	29,751	48,298
		58,009	81,788

38 承擔

(a) 營業租賃承擔

(i) 出租人

本集團根據不可撤銷之營業租約出租投資物業。租約可在租期屆滿後以市場租值續簽。

就出租物業而訂立之多份不可撤銷營業租賃之應收承擔總額分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	未逾1年	30,829	23,043

(ii) 承租人

本集團根據不可撤銷之營業租約承租多個零售商舖、辦公室、貨倉及工地。大部分租約可在租期屆滿後以市場租值續簽。

就承租物業而訂立之各份不可撤銷營業租約之應付承擔總額分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	未逾1年	28,258	33,490
Later than one year and not later than five years	逾1年及未逾5年	29,751	48,298
		58,009	81,788

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 Commitments (Continued)

(b) Capital commitments

Capital commitments at the end of the reporting period are as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted but not provided for: 已訂約但尚未撥備：		
Renovation work for an investment property 一個投資物業之翻修工程	1,403	3,865

39 Related Party Transactions

(a) Transactions

The following is a summary of significant related party transactions, which were carried out in the normal course of the Group's business:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Management fee income from services provided to joint ventures 提供服務予合營公司之管理費收入 (i)	40,800	60,799
Sales of goods to:		
— a joint venture 銷售貨品予：一間合營公司 (ii)	3,256	34,230
— an associate 一間聯營公司 (iii)	76,489	42,753
	79,745	76,983
Purchase of goods from:		
— a joint venture 購買貨品自：一間合營公司 (iv)	189	1,922
— an associate 一間聯營公司 (v)	56,856	23,034
	57,045	24,956
Disposal service income received from a joint venture 已收自一間合營公司出售服務之收入 (vi)	—	11,703
Service fee paid to a joint venture 付予一間合營公司之服務費 (vii)	—	9,029

38 承擔(續)

(b) 資本承擔

於報告期末之資本承擔如下：

39 與關聯方之交易

(a) 交易

於本集團正常業務過程中進行之重大關連人士交易概要如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 Related Party Transactions (Continued)

39 與關聯方之交易(續)

(a) Transactions (Continued)

(a) 交易(續)

Notes:

附註：

- (i) Management services were provided by 上海新施房地產經紀有限公司, Hongkong and Shanghai Land Capital Ltd. and VSC Steel Processing Holdings Limited, indirect subsidiaries of the Company, to joint ventures at prices mutually agreed by both parties.
- (ii) Goods were sold by VSC Steel Company Limited, an indirect subsidiary of the Company, to a joint venture at prices mutually agreed by both parties.
- (iii) Goods were sold by Shanghai Bao Shun Chang International Trading Co., Ltd., an indirect subsidiary of the Company, to an associate at prices mutually agreed by both parties.
- (iv) VSC Steel Company Limited and He Tai Steel Co., Limited, indirect subsidiaries of the Company, purchased goods from a joint venture at prices mutually agreed by both parties.
- (v) Shanghai Bao Shun Chang International Trading Co., Ltd., an indirect subsidiary of the Company, purchased goods from an associate at prices mutually agreed by both parties.
- (vi) Disposal service income was received by Hongkong and Shanghai Land Capital Ltd., an indirect subsidiary of the Company, from HCM, a joint venture, in relation to the provision of consultancy service for the disposal of the subsidiary of HCM at prices mutually agreed by both parties.
- (vii) Service fee was paid by VSC China Property Limited, an indirect subsidiary of the Company, to a joint venture, for providing consultancy and referral service at prices mutually agreed by both parties.
- (i) 由本公司的間接附屬公司上海新施房地產經紀有限公司、滬港地產資本有限公司及萬順昌鋼材加工控股有限公司按雙方共同商定之價格向合營公司提供之管理服務。
- (ii) 本公司的一間間接附屬公司萬順昌鋼鐵有限公司以雙方同意之價格向一間合營公司出售貨物。
- (iii) 本公司的一間間接附屬公司上海寶順昌國際貿易有限公司以雙方同意之價格向聯營公司出售貨物。
- (iv) 本公司的間接附屬公司萬順昌鋼鐵有限公司及和泰鋼鐵有限公司以雙方同意之價格向一間合營公司購買貨品。
- (v) 本公司的一間間接附屬公司上海寶順昌國際貿易有限公司以雙方同意之價格向一間聯營公司購買貨品。
- (vi) 出售服務收入由本公司的一間間接附屬公司滬港地產資本有限公司自本公司一間合營公司HCM收取，按雙方同意之價格就出售HCM之附屬公司提供諮詢服務。
- (vii) 由本公司的間接附屬公司VSC China Property Limited支付予一間合營公司之服務費，按雙方協定之價格提供諮詢及轉介服務。

(b) Key management compensation

(b) 主要管理層報酬

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	14,282	13,760
Bonus	花紅	5,483	8,426
Pension costs	退休金成本		
— defined contribution schemes	— 界定供款計劃	315	367
Share-based payment	以股份為基礎之支付	33	358
		20,113	22,911

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 Related Party Transactions (Continued)

(c) Corporate guarantee

As of 31st March 2018, the Company provides corporate guarantee of HK\$2,806,000 to VSC Construction for bank facilities amounting to HK\$5,611,000, which was fully utilised and the directors of the Company are of the opinion that it is not probable that the above guarantee would be called upon.

39 與關聯方之交易(續)

(c) 公司擔保

於二零一八年三月三十一日，本公司就銀行融資5,611,000港元向VSC Construction提供2,806,000港元的公司擔保，有關款項已悉數動用，而本公司董事認為上述擔保不大可能會被要求履行。

40 Statement of Financial Position and Reserve Movement of The Company

40 本公司財務狀況表及儲備變動

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	657,564	670,466
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	66	68
Cash and cash equivalents	現金及現金等值	802	621
		868	689
Total assets	總資產	658,432	671,155
Equity	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	64,123	64,055
Reserves	儲備	593,456	606,359
Total equity	權益總額	657,579	670,414
Liabilities	負債		
Current liabilities	流動負債		
Accrued liabilities and other payables	應計負債及其他應付賬款	853	741
Total equity and liabilities	權益及負債總額	658,432	671,155

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 Statement of Financial Position and Reserve Movement of The Company (Continued)

40 本公司財務狀況表及儲備變動(續)

(a) Reserve movement of the Company

(a) 本公司儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元 Note (i) 附註 (i)	Contributed surplus 繳入盈餘 HK\$'000 千港元 Note (ii) 附註 (ii)	Retained earnings 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2017	於二零一七年四月一日	426,676	7,247	79,684	53,986	7,573	575,166
Profit for the year	年度溢利	—	—	—	—	47,539	47,539
Share-based payment	以股份為基礎之支付	—	444	—	—	—	444
Shares repurchased and cancelled	股份回購及註銷	(807)	—	940	—	(940)	(807)
Dividends paid	已付股息	—	—	—	—	(15,983)	(15,983)
At 31st March 2018	於二零一八年三月三十一日	425,869	7,691	80,624	53,986	38,189	606,359
Loss for the year	年度虧損	—	—	—	—	(3,178)	(3,178)
Share-based payment	以股份為基礎之支付	—	56	—	—	—	56
Exercise of share option	行使購股權	384	(108)	—	—	—	276
Lapse of share option	購股權失效	—	(5,244)	—	—	5,244	—
Dividends paid	已付股息	—	—	—	—	(10,057)	(10,057)
At 31st March 2019	於二零一九年三月三十一日	426,253	2,395	80,624	53,986	30,198	593,456

Notes:

- (i) The capital redemption reserve has been established upon repurchase of shares.
- (ii) The contributed surplus of the Company represents the difference between the aggregate of the nominal values of the shares of the subsidiaries acquired at the date of acquisition, over the nominal value of the shares of the Company issued in exchange thereof.

In addition to the retained profits, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

附註：

- (i) 資本贖回儲備已於購回股份時設立。
- (ii) 本公司繳入盈餘指於收購日期收購附屬公司之股份面值總額與本公司因此發行以作交換之股份面值兩者間之差額。

除保留溢利外，根據百慕達一九八一年公司法(經修訂)，繳入盈餘亦可分派予股東。然而，倘(i)本公司不能或於繳款後將不能支付到期之負債；或(ii)本公司之可變現資產值低於其負債及已發行股本及股份溢價賬之總額，則本公司不得自繳入盈餘中宣派或派發股息或作出分派。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

41 Subsequent Events

On 17th April 2019, Green Success Global Limited (“Green Success”), an indirect wholly-owned subsidiary of the Company, and an independent third party entered into a sales and purchase agreement pursuant to which the independent third party has agreed to acquire and Green Success has agreed to sell, the entire issued share capital of He Tai Steel Co., Limited (“He Tai”) at a consideration of HK\$15,000,000. An impairment loss of approximately HK\$1,181,000 on property, plant and equipment of He Tai was recognised in the consolidated income statement for the year ended 31st March 2019 based on the net asset value of He Tai as at 31st March 2019.

Upon completion of the transfer of shares of He Tai from Green Success to the independent third party on 30th April 2019, He Tai ceased to be an indirect wholly-owned subsidiary of the Company.

41 結算日後事項

於二零一九年四月十七日，本公司之間接全資附屬公司Green Success Global Limited（「Green Success」）與獨立第三方訂立買賣協議，據此，獨立第三方已同意收購而Green Success亦已同意出售和泰鋼鐵有限公司（「和泰」）全部已發行股本，代價為15,000,000港元。根據和泰於二零一九年三月三十一日之資產淨值，其物業、廠房及設備減值虧損約1,181,000港元，於截至二零一九年三月三十一日止年度之綜合損益表中確認。

自Green Success於二零一九年四月三十日完成將和泰之股份轉讓至獨立第三方後，和泰不再為本公司之間接全資附屬公司。



www.hkshalliance.com