

長江製衣有限公司 YANGTZEKIANG GARMENT LIMITED

股份代號 Stock code : 294

ANNUAL REPORT 年 報

2018/19

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

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Chan Wing Fui, Peter, MA (Chairman)
Chan Wing Kee, GBM, GBS, OBE, JP (Managing Director)
Chan Wing To, PhD (Deputy Managing Director)
Chan Suk Man, MSc
Chan Wing Sun, Samuel
Chan Suk Ling, Shirley, BBS, JP
So Ying Woon, Alan

Independent Non-executive Directors

Lin Keping
Choi Ting Ki
So Stephen Hon Cheung
Li Guangming

AUDIT COMMITTEE

So Stephen Hon Cheung (Chairman)
Lin Keping
Choi Ting Ki
Li Guangming

REMUNERATION COMMITTEE

Lin Keping (Chairman)
Chan Wing Fui, Peter
Chan Wing Kee
Choi Ting Ki
So Stephen Hon Cheung
Li Guangming

NOMINATION COMMITTEE

Choi Ting Ki (Chairman)
Chan Wing Fui, Peter
Chan Wing Kee
Lin Keping
So Stephen Hon Cheung
Li Guangming

RISK MANAGEMENT COMMITTEE

Chan Wing Fui, Peter (Chairman)
Chan Wing Kee
Chan Suk Man
So Ying Woon, Alan

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

SOLICITORS

Loeb & Loeb LLP

AUDITORS

KPMG
Certified Public Accountants

COMPANY SECRETARY

Hui Sau Ling, FCCA, CPA

REGISTERED OFFICE

22 Tai Yau Street
San Po Kong
Kowloon

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712 – 1716
17th Floor, Hopewell Centre
Hong Kong

WEBSITE

www.ygm.com.hk

董事會

執行董事

陳永奎 (主席)
陳永棋 (董事總經理)
陳永滔 (副董事總經理)
劉陳淑文
陳永榮
周陳淑玲
蘇應垣

獨立非執行董事

林克平
蔡廷基
蘇漢章
李光明

審核委員會

蘇漢章 (主席)
林克平
蔡廷基
李光明

薪酬委員會

林克平 (主席)
陳永奎
陳永棋
蔡廷基
蘇漢章
李光明

提名委員會

蔡廷基 (主席)
陳永奎
陳永棋
林克平
蘇漢章
李光明

風險管理委員會

陳永奎 (主席)
陳永棋
劉陳淑文
蘇應垣

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

律師

Loeb & Loeb LLP

核數師

畢馬威會計師事務所
執業會計師

公司秘書

許秀玲

註冊辦事處

九龍
新蒲崗
大有街二十二號

股份登記及過戶處

香港中央證券登記有限公司
香港
合和中心十七樓
1712 – 1716室

公司網址

www.ygm.com.hk

CHAIRMAN'S STATEMENT

主席報告

GROUP RESULTS

Revenue of the Group for the current year of 2018/19 was HK\$717,614,000 (2017/18: HK\$749,280,000) and the overall profit was HK\$20,301,000 (2017/18: HK\$35,043,000).

BUSINESS REVIEW AND PROSPECTS

Revenue of the year under review was 4% less than the previous year, and the overall profit was down by 42%. The main reasons for the drop of profit were the significant reduction of revaluation gains on our investment properties as well as the lesser profits from our Wuxi investment.

Our core garment business despite all the unfavourable political and economical adversities in the year under review was able to yield a profit from operations of HK\$16,259,000 as compared to HK\$17,096,000 of the year before, with a 5% decrease.

Our China operation in Panyu and Guigang had a difficult time for the year under review. The even spread of orders over the high and low seasons as well as an increase of orders contributed to the positive result. However the disorder in global trade environment caused by the current exacerbating trade wars and Brexit has already affected our operation in China.

Our factories in Bangladesh in the year under review incurred a loss. The change of import regulations by the Bangladesh government had affected our deliveries plus inadequate orders as well as big increase in our operating expenses attributed to this negative result.

The high demand for production in our Myanmar factory for both woven and knitted garments had given rise to a profit in the year under review. The knit plant which started manufacturing only in January 2019 is now in full force and has same production capacity as the woven plant.

Trade wars, national environmental policies, rising cotton costs, stagnant yarn prices and interest expenses from the Ethiopia project had affected our Wuxi investment's performance, but thanks to the weak Reminbi that had helped greatly to improve the profitability despite of the low gross margin and increase in interest costs.

集團業績

本集團之二零一八／一九年度之收入為717,614,000港元(二零一七／一八年度：749,280,000港元)，整體溢利為20,301,000港元(二零一七／一八年度：35,043,000港元)。

業務回顧及展望

回顧年度內收入較去年減少4%，而整體溢利則下降42%。溢利減少之主要原因為本集團投資物業之重估收益大幅減少以及來自無錫投資之溢利有所減少。

儘管於回顧年度內出現各種不利之政治及經濟逆境，但本集團之核心成衣業務仍能錄得經營溢利16,259,000港元，而去年則為17,096,000港元，即減少5%。

本集團在番禺及貴港之中國經營業務於回顧年度內渡過了一艱難時期。平均分佈訂單於淡旺季以及訂單增加，帶來了正面影響。然而，目前正在惡化之貿易戰及英國脫歐導致環球貿易環境出現混亂，已影響到本集團之中國經營業務。

本集團於孟加拉之工廠於回顧年度內錄得虧損。孟加拉政府變更進口規例影響到本集團之交付時間，加上訂單不足以及經營費用大幅增加，均導致出現此負面業績。

對於本集團緬甸工廠生產之梭織及針織成衣需求高企，導致於回顧年度內之溢利上升。針織廠於二零一九年一月方開始生產，現已全面運作，其產能與梭織廠相同。

貿易戰、國家環境政策、棉花成本上漲、紗線價格停滯不前及埃塞俄比亞項目之利息開支，均影響到無錫投資之表現，儘管毛利率低且利息成本增加，人民幣疲弱有助大幅改善盈利能力。

CHAIRMAN'S STATEMENT

主席報告

OUTLOOK

The coming year will likely be very challenging. The China/U.S. trade war will affect our China operations as we mainly produce for the U.S. higher end brands there. To deal with the situation, the management has started to diversify our production to more countries like Vietnam and Indonesia besides our own factories in Myanmar and Bangladesh. Business in U.K. and Europe has been slow and the weak pound sterling and Euro make trading with these markets difficult.

APPRECIATION

I would like, on behalf of the Board and shareholders, to express our appreciation to the Company's employees for their hard work and loyal service to the Company during the past year.

By Order of the Board
Chan Wing Fui, Peter
Chairman

Hong Kong, 24 June 2019

前景

來年很可能是非常具挑戰性的一年。由於本集團主要在中國為美國較高檔品牌進行生產，故中美貿易戰將會影響本集團之中國經營業務。為處理有關情況，除本集團本身在緬甸及孟加拉之工廠外，管理層已開始將本集團之生產多元化發展至更多國家，例如越南及印尼。英國及歐洲之業務欠佳，英鎊及歐元疲弱導致與該等市場進行之貿易十分困難。

鳴謝

本人謹代表董事會及全體股東向本公司之僱員在過去一年內所付出之努力及盡忠職守深表謝意。

承董事會命
主席
陳永奎

香港，二零一九年六月二十四日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

KEY PERFORMANCE INDICATORS

主要表現指標

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	+/- Change 變動
Performance Indicators	表現指標			
Revenue	收入	717,614	749,280	-4%
Gross profit	毛利	132,584	137,549	-4%
Gross profit margin	毛利率	18%	18%	0 pp
Profit from operations	經營溢利	16,259	17,096	-5%
Operating margin	經營溢利率	2%	2%	0 pp
Profit attributable to equity shareholders of the Company	本公司股權持有人 應佔溢利	22,062	36,558	-40%
Net profit margin	純利率	3%	5%	-2 pp
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	扣除利息、稅項、折舊及 攤銷前的盈利「EBITDA」	30,697	49,864	-38%
EBITDA margin	EBITDA率	4%	7%	-3 pp
Return on total assets	資產總額回報率	1.6%	2.6%	-1 pp
Financial Health Indicators	財務狀況指標			
Cash and bank balances	現金及銀行結餘	323,769	323,112	0%
Net current assets	流動資產淨值	387,317	409,486	-5%
Total assets	資產總額	1,359,110	1,391,151	-2%
Total liabilities	負債總額	144,365	142,184	2%
Shareholders' equity	股東權益	1,216,646	1,247,728	-2%
Return on shareholders' equity	股東權益回報率	1.8%	2.9%	-1.1 pp
Current ratio (times)	流動率(倍)	4.7	5.0	-6%
Shareholders' Return Indicators	股東回報指標			
Earnings per share – basic	每股盈利 – 基本	\$0.11	\$0.18	-39%
Dividend per share	每股股息	\$0.12	\$0.12	0%
Dividend payout	派息率	109%	67%	+42 pp
Cash Flow and Capital Expenditure	現金流量及資本支出			
Cash generated from operations	經營業務所得現金	41,460	19,533	+112%
Capital expenditure – other assets	資本支出 – 其他資產	7,098	2,005	+254%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

RESULTS OF OPERATIONS

The Group's revenue for the year ended 31 March 2019 was HK\$717,614,000, a decrease of 4% as compared with HK\$749,280,000 of the year before. Due to the significant reduction of our investment properties revaluation gains and lesser profits from our Wuxi investment, the overall profit dropped by 42% to HK\$20,301,000 (2017/18: a profit of HK\$35,043,000).

GARMENT BUSINESS

YangtzeKiang Garment Limited and Hong Kong Knitters Limited are the two names that we use to operate our garment business. We manufacture a wide variety of products that include men's and ladies' shirts, trousers, shorts, polo shirts, T-shirts, jackets and knitted outerwear, etc. Hong Kong is our Group's headquarters that handles our core garment businesses including manufacturing, trading and sourcing. We have factories in China (Panyu and Guigang), Bangladesh and Myanmar. Besides Hong Kong and places where we have factories, we also have offices in China (Dongguan and Hangzhou). These offices not only provide supports to our own factories, but also monitor and liaise with our subcontractors and business partners around these areas.

Our core garment business continued to be affected by the trade wars, Brexit as well as the high increase of our operating expenses. The high tariffs imposed on Chinese made products by the U.S. government fuel the urge to diversify our production sources. Besides expanding our own production facilities in Bangladesh and Myanmar, we will venture into Vietnam and Indonesia for our production needs.

Our China factories operating under the names of Exquisite Knitters (Guangzhou) Limited and Whampoa Garment Manufacturing (Guigang) Co., Ltd. pulled through another difficult year. The increase of orders from customers and enough orders to fill up our low season's capacity added profitability to the results for the year under review. The intense trade war between China and the U.S. has caused great commotions. Not only has it impacted our garment division but also hampered our fabrics division due to the change of preference from cotton to synthetic knitwears. The new and tightened local environmental laws that came into effect also added big costs to our operating expenses, and we expect our domestic sales to drop too. The coming year would be another tough year for our China operation.

Our Bangladesh factories recorded a loss for the year under review, reasons being the sudden change of import regulations that resulted in heavy airfreight expenses; the big increase of 51% of the minimum wage; the high increase of the operating expenses and the selling prices that could not be increased. For year 2019/20, all these unfavourable factors plus the problem of inadequate orders for low season would continue to disturb our operation. It is hoped that by acquiring more orders at higher prices and restructuring the factory operation to cut down our operating expenses, we could reduce the loss to the minimum for the coming year.

經營業績

本集團截至二零一九年三月三十一日止年度之收入為717,614,000港元，較其去年749,280,000港元減少4%。由於本集團投資物業之重估收益大幅減少以及來自無錫投資之溢利有所減少，故整體溢利下降42%至20,301,000港元（二零一七／一八年度：溢利35,043,000港元）。

成衣業務

本集團主要以長江製衣有限公司及香港織造有限公司之名義經營成衣業務。本集團生產之產品廣泛，包括男士及女士恤衫、長褲、短褲、polo恤、T恤、大衣及針織外套等。本集團之總部位於香港，負責處理旗下之核心成衣業務，包括製造、貿易及採購。本集團在中國（番禺及貴港）、孟加拉及緬甸設有工廠。除香港及本集團設有工廠之地方外，本集團亦在中國（東莞及杭州）設有辦事處。該等辦事處不單為本集團旗下工廠提供支援，還監察有關地區鄰近之加工廠及業務伙伴以及與彼等聯絡。

本集團之核心成衣業務繼續受到貿易戰、英國脫歐以及本集團經營費用大幅增加之影響。美國政府對中國製造之產品徵收高額關稅促使本集團更多元化產地來源。除擴充本集團本身於孟加拉及緬甸之生產設施外，本集團將嘗試在越南及印尼滿足本集團之生產需要。

本集團以卓越織造（廣州）有限公司及黃浦江製衣（貴港）有限公司之名稱經營之中國工廠渡過了另一個艱難的年度。客戶訂單之增加以及足夠訂單填補於淡季時的產能，使回顧年度之業績有若干改善。中國與美國之間激烈的貿易戰已造成巨大反響。由於客戶偏好由棉質轉向合成針織品，故其不單影響本集團之成衣部門，亦有礙本集團之布料部門。新生效及收緊之當地環境法律，亦使本集團之經營費用大幅增加，而本集團預期國內銷售額亦會有所下降。對本集團之中國經營業務而言，來年將為另一個艱難的年度。

本集團於孟加拉之工廠於回顧年度內錄得虧損，原因為突然變更進口規例，導致高昂空運費；最低工資大幅上調51%；經營費用大幅增加；及售價無法上調。於二零一九／二零年度，上述各項不利因素加上淡季訂單不足之問題，將繼續影響本集團之經營業務。期望透過取得更多價格較高之訂單以及重組工廠營運以降低經營費用，本集團能將來年之虧損減至最低。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Our factory in Myanmar – Dagon Talent Garment Limited, recorded a positive result in the year under review. The demand for our Myanmar production has increased a lot this year especially from the buyers from Japan. Besides the woven shirts, they also look for knitted items. In response to the demand, a knitted garments division was set up in January 2019 with same capacity as the woven garments division. With stable orders in both woven and knitted production, stable labour supply, improved efficiency and the weak local currency, we expect a better result for the Myanmar operation in the coming year.

OTHER BUSINESS

Wuxi No. 1 Cotton Investment Co., Ltd. in which we have a 49% shareholding is a joint venture that owns several textiles related companies in Wuxi, China (“Wuxi Group”). The core business of the Wuxi Group is the production of medium range to high end yarns. The Wuxi Group recorded a share of profit of HK\$12,007,000 in the year under review (2017/18: HK\$14,967,000). Factors that affected their profitability included trade frictions between China and the U.S.; national environmental policies; rising cotton costs but not followed by yarn prices in tandem. Investment in Ethiopia project also added to the interest expenses. Timely adjustments in product mix helped to improve their sales and the exchange gains arising from the weak Renminbi against U.S. Dollars during the year substantially mitigated the reduction in gross margin and increase of interest costs. All these factors that affected Wuxi operation would continue to the coming year and the profit outlook for the Wuxi investment is uncertain.

LIQUIDITY AND FINANCIAL POSITION

During the year under review, the Group’s operations continued to be mainly financed by the internal resources.

As at 31 March 2019, the cash and bank balances of the Group were approximately HK\$323,769,000 (2018: HK\$323,112,000). As at 31 March 2019 and 2018, the Group did not have any short term and long term borrowings.

The Group adopts a prudent policy to hedge the fluctuation of foreign exchange rates. As most of the Group’s sales, purchases, cash and bank balances are denominated in Hong Kong dollars, United States dollars, Euros, Pounds Sterling or Renminbi, the Group may enter into forward foreign exchange contracts to hedge its committed future sales denominated in the above foreign currencies against the exchange rate fluctuation when the exposure is significant. As at 31 March 2019, the Group has forward foreign exchange contracts hedging forecast transactions with net fair value of HK\$56,000 (assets) (2018: HK\$2,353,000 (liabilities)), recognised as derivative financial instruments.

本集團於緬甸之工廠—Dagon Talent Garment Limited於回顧年度內錄得正面業績。於本年度內對本集團緬甸生產之需求大幅增加，其中尤其來自日本買家。除梭織恤衫外，買家亦尋求購買針織品。為回應需求，本集團已於二零一九年一月成立針織成衣部門，其產能與梭織成衣部門相同。由於梭織及針織生產之訂單均相當穩定、勞動力供應穩定、效率提升以及當地貨幣疲弱，本集團預期，緬甸經營業務於來年之業績將會較佳。

其他業務

無錫一棉投資有限公司為本集團擁有49%股權之合營企業，在中國無錫擁有數家紡織相關公司（「無錫集團」）。無錫集團之核心業務為生產中檔至高檔紗線。於回顧年度內，無錫集團錄得應佔溢利為12,007,000港元（二零一七／一八年度：14,967,000港元）。影響其盈利能力之因素包括中國與美國之間的貿易摩擦；國家環境政策；棉花成本持續上調，但紗線價格並未同步跟隨。投資於埃塞俄比亞項目亦使利息開支增加。適時調整產品組合有助改善其銷售額，而本年度內人民幣相對美元疲弱所產生之匯兌收益則大幅減輕毛利減少及利息成本增加之影響。所有此等影響無錫業務之因素於來年將會持續，而無錫投資之溢利展望並不明確。

流動資金及財務狀況

於回顧年度內，本集團仍主要以其內部資源作為營運資金。

於二零一九年三月三十一日，本集團之現金及銀行結餘約為323,769,000港元（二零一八年：323,112,000港元）。於二零一九年及二零一八年三月三十一日，本集團並沒有任何短期及長期借貸。

本集團採用審慎政策以對沖匯率波動。由於本集團大部份銷售、採購、現金及銀行結餘均主要以港元、美元、歐羅、英鎊或人民幣結算，當風險重大時，本集團或會就以上外幣結算之承諾未來銷售訂立遠期合約，以對沖外匯波動。於二零一九年三月三十一日，本集團用以對沖預期交易之遠期外匯合約之公平價值淨額為56,000港元（資產）（二零一八年：2,353,000港元（負債）），並已確認為衍生金融工具。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

LAW AND REGULATIONS

Law and regulations in relation to workplace quality, product safety and environmental performance may have a material effect on our Group's principal activities.

Workplace Quality

The Group believes that continued business success relies on the full contribution and support of our employees. We are dedicated to promoting equal opportunities for all of our employees in different areas, including recruitment, compensation and benefits, training, staff promotion, transfer, and dismissal. All employees are assessed based on their ability, performance and contribution, irrespective of their nationality, race, religion, gender, age or family status.

The Group is committed to the health, safety and welfare of our employees. We pledge full compliance in all occupational health and safety legislations and we have implemented an effective and safe working environment for our employees.

The Group complied with labour or other relevant legislations. We did not identify any material non-compliance or breach of legislation related to workplace quality.

Product Safety

The Group places the highest importance on the welfare of its customers globally, as well as on its broader societal and environmental impact. The quality and safety of our products is a vital part of this.

All products are safe and fully adhere to international environmental and safety standards. We did not identify any material non-compliance or breach of legislation related to product safety.

Environmental Performance

The Group is committed to protecting and sustaining the environment through reduced consumption of electrical power.

We are committed to upholding high environmental standards to fulfill relevant requirements under applicable laws or ordinances during the manufacturing and material disposal processes.

We did not identify any material non-compliance or breach of relevant standards, rules and regulations on air and greenhouse gas emission, discharges into water and land, generation of hazardous or non-hazardous water, etc.

法律及法規

有關工作場所質素、產品安全和環保表現的法律及法規可能對本集團的主要業務產生重大影響。

工作場所質素

本集團認為持續業務成功有賴於本集團僱員全力貢獻和支持。本集團致力在不同範疇為所有僱員推廣平等機會，當中包括招聘、薪酬及福利、培訓、晉升機會、調職和解僱。本集團乃根據所有僱員的能力、表現和貢獻進行評估，而不論其國籍、種族、宗教信仰、性別、年齡或家庭狀況。

本集團致力確保僱員之健康、安全及福利，承諾完全遵守所有職業健康及安全法例，並為本集團僱員執行有效及安全的工作環境。

本集團遵守勞工或其他相關法例，並沒發現任何重大地不遵守或違反有關工作場所質素之法例。

產品安全

本集團高度關注全球性客戶的福利及其廣泛性社會和環境的影響。本集團的產品質素及安全為該方針的重要部分。

本集團所有產品均屬安全，並完全符合國際環境及安全標準。本集團沒發現任何重大地不遵守或違反有關產品安全之法例。

環保表現

本集團通過節省用電致力保護和維持環境。

本集團致力維持高度環保標準，以滿足根據適用法律或條例在製造及處置材料過程中的規定。

本集團就空氣及溫室氣體排放、排放水源及土地、產生有害或無害用水等各方面，並沒發現任何重大地不遵守或違反相關標準、規定和法例。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

SOCIAL PERFORMANCE

The Group has long been committed to being a responsible corporate citizen and actively supports various charitable organisations and causes. We encourage staff to join our "YGM Volunteer Team" and participate in various charitable activities to help people in need, demonstrating its corporate social responsibility and promoting the caring culture in the society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

An environmental, social and governance report will be published on the website of The Stock Exchange of Hong Kong Limited and the Company's website no later than three months after the publication of the Company's annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

Risks and uncertainties can affect the Group's businesses, financial conditions, operational results or growth prospects leading to a divergence from expected or historical results. Key risk factors and uncertainties affecting the Group are outlined below. In dealing with these risk factors and uncertainties, the Group remains in touch with our stakeholders with the aim of understanding and addressing their concerns.

These factors are not exhaustive or comprehensive, and there may be other risks in addition to those shown below which are not known to the Group or which may not be material now but could become material in the future.

Global Economy and Macro-economic Conditions

The global economic recovery has been weaker than expected with uneven recovery in advanced economies. Downside risks have increased due to economic pressures and geopolitical tensions such as slowing growth in emerging markets and the instability in Middle East and Eastern Europe.

The principal business activities of the Group is the manufacture and sale of garments and textiles to the customers in Europe, North America and Mainland China. The industries in which the Group operates are affected by the economic conditions, consumer spending, contagious disease outbreaks and currency environment in these regions. Any combination of these factors or continuing adverse economic conditions in these regions may adversely affect the Group's financial position, potential income, asset value and liabilities.

The Group has taken a proactive approach to monitoring changes in global economy and macro-economic conditions. Adequate risk mitigation measures are in place and are constantly reviewed for enhancement.

社會表現

本集團長期以來一直致力成為負責任的企業公民，並積極支持不同的慈善機構和目標。本集團鼓勵員工加入本集團的「YGM企業義工隊」，並參與各種慈善活動，幫助有需要人士，以展示其企業社會責任及促進社會的關懷文化。

環境、社會及管治報告

環境、社會及管治報告將於本公司年報刊發後三個月內於香港聯合交易所有限公司及本公司網站刊載。

主要風險及不確定因素

風險和不確定因素可能影響本集團的業務、財務狀況、經營業績或增長前景，使其與預期或過去業績出現較大差距。影響本集團的主要風險及不確定因素概述如下。為處理該等風險及不確定因素，本集團仍然與股東密切聯繫，以了解和解除有關疑慮。

該等因素並非廣泛或全面，除了如下所示的風險外，亦可能有其他風險而本集團並未知悉或現時並非重大但將來可能屬重大者。

全球經濟和宏觀經濟狀況

全球經濟復甦趨勢遜於預期，而各發達經濟體的復甦步伐不一。由於經濟壓力和地緣政治緊張局勢，如新興市場增長放緩，以及中東和東歐局勢不穩定，促使下行風險增加。

本集團之主要業務為製造及銷售成衣及紡織品予歐洲、北美洲及中國內地之客戶。本集團所經營的行業受上述國家的經濟狀況、消費支出、傳染性疾病爆發及貨幣環境等因素影響。如上述任何因素的結合影響或上述地區持續出現不利的經濟狀況，則可能影響本集團的財務狀況、潛在收益、資產價值和負債。

本集團已採取積極方法，監察全球經濟和宏觀經濟狀況的變化。妥善風險緩解措施已推行且經常檢討，以加強其效用。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Currency Markets

The Group operates on a global basis and earns revenues, incurs costs and make investments in a number of currencies. The Group's financial results are reported in Hong Kong dollars. The majority of reported revenues are earned in non-Hong Kong currencies. Therefore the Hong Kong dollar value of reported revenues, profits and cash flows may be reduced as a result of unfavourable currency exchange rate movements.

The Group adopts a prudent policy to hedge the fluctuation of foreign exchange rates. The details of the policy are set out in the paragraph of "Liquidity and Financial Position".

Impact of Local, National and International Regulations

Local business risks specific to individual countries and cities where the Group operates could have a material impact on its financing conditions, operating results and growth prospects.

The Group is, and may increasingly become, exposed to different and changing political, social, legal, tax, regulatory and listing requirements at the local, national and international level. New policies or measures by governments, whether fiscal, tax or regulatory, may pose a risk to the returns delivered by the Group's business and may delay or prevent the commercial operation of an individual business, with a resulting loss in revenue and profit.

The Group has taken a proactive approach to monitoring changes in government policies and legislation. Adequate risk mitigation measures are in place and are constantly reviewed for enhancement.

PLEDGE OF ASSETS

As at 31 March 2019, none of the assets of the Group was pledged.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2019, the Group, including its subsidiaries but excluding its joint ventures, employed approximately 4,000 employees. Remuneration packages are determined by reference to employees' performance and the prevailing salary levels in the market. In addition, the Group provides year end double pay, provident fund scheme, medical insurance and training to staff.

貨幣市場

本集團在全球營運，並以多種貨幣賺取收入、產生經營成本及進行投資。本集團財務業績以港元呈列，大部份呈報的收入以港元以外的貨幣賺取。因此，不利的貨幣匯率變動可能導致收入、溢利和現金流量的港元價值降低。

本集團採用審慎政策以對沖匯率波動。有關政策的詳情載列於上文「流動資金及資本來源」。

地方、國家及國際法規的影響

本集團經營業務的個別國家和城市的本地業務風險可能對本集團財務狀況、經營業績和增長前景產生重大影響。

本集團在地方、國家和國際層面越來越多地涉及不同且不斷變化的政治、社會、法律、稅項、監管和上市規定。政府推行新政策或措施，不論是有關財政、稅項或監管，均可能對本集團業務所產生的回報構成風險，以及可能延誤或阻止個別業務的商業營運，導致收入及溢利損失。

本集團已採取積極方法，監察政府政策和立法的變化。妥善風險緩解措施已推行，且經常檢討，以加強其效用。

資產抵押

於二零一九年三月三十一日，本集團並無以任何資產作抵押。

僱員及薪酬政策

於二零一九年三月三十一日，除合營企業外，本集團（包括其附屬公司）聘用約4,000名僱員。薪酬組合乃參照員工之表現及市場當時之薪金水平而釐定。此外，本集團為僱員提供年終雙薪、公積金計劃、醫療保險及培訓。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

RELATIONSHIP WITH SUPPLIERS AND SUBCONTRACTORS

Fair and Open Competition

The Group promotes fair and open competition that aims to develop long-term relationships with suppliers and subcontractors based on mutual trust.

Public Interest and Accountability

The procurement from suppliers or services providers is conducted in a manner consistent with the highest ethical standards. This helps assure high quality products at all times to gain the confidence of customers, suppliers and the public.

Procurement Procedures

The subcontracting and the purchase of goods are based solely on need, quality and price. This ensures compliance with procurement policies and fosters positive and open competition.

RELATIONSHIP WITH CUSTOMERS

Customer Services

The Group seeks to provide efficient and courteous customer service to maintain customer satisfaction and co-operation. Customers have access to information about the operation and development of the Group through annual reports. The Group shall not make any misrepresentation, exaggeration or overstatement.

Pricing Policies

The Group believes in the economic system of the free market, in which price is determined by supply and demand. The Group also seeks to provide customers with the highest quality products at fair prices which allow the Group a reasonable profit in relation to the value provided.

IMPORTANT EVENT AFTER THE END OF THE REPORTING PERIOD

There is no important event affecting the Group which has occurred since the end of the reporting period.

供應商及加工廠關係

公平及公開競爭

本集團鼓勵公平及公開競爭，本着互信與供應商及加工廠建立長遠的合作關係。

公眾利益及問責性

本集團向供應商或服務商採購時，秉持最高的道德標準，有助確保產品質素優良，務求令客戶、供應商和公眾安心信賴。

採購程序

為確保符合採購政策及促進公開的良性競爭，本集團在加工及採購貨物時，僅以需要、質素和價格作為考慮因素。

客戶關係

客戶服務

本集團致力提供高效率及慇懃有禮的服務，令客戶感到滿意，樂於與我們合作。透過本集團的年報，客戶可獲得其業務營運和未來發展的資料。本集團不會作任何失實、誇大或過份的聲稱。

訂價政策

本集團信奉由供求決定價格的自由市場經濟體制，同時竭力以公平價格為客戶提供最高質素的產品，以令本集團賺取與產品價值相符的合理利潤。

於結算日後發生之重大事項

於結算日後，並沒有存在影響本集團的重大事項。

REPORT OF THE DIRECTORS

董事會報告書

The directors submit herewith their annual report together with the audited financial statements of Yangtzekiang Garment Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Group are the manufacture and sale of garments and textiles, provision of processing services and rental of properties. Further discussion and analysis of these activities as required by schedule 5 to the Companies Ordinance, including an indication of likely future developments in the Group's business and a discussion of the principal risks and uncertainties facing the group, can be found in the Chairman's Statement and Management Discussion and Analysis set out on pages 3 to 4 and pages 5 to 11 of the Annual Report respectively. This discussion forms part of this directors' report.

The analysis of the principal activities and geographical locations of the operations of the Group during the financial year are set out in note 10 to the financial statements.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year are set out in note 25(c) to the financial statements.

DIVIDENDS

The directors now recommend the payment of a final dividend of HK12 cents (2018: HK12 cents) per ordinary share in respect of the year ended 31 March 2019.

DISTRIBUTABILITY OF RESERVES

At 31 March 2019, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of section Part 6 of the Hong Kong Companies Ordinance, was HK\$357,024,000 (2018: HK\$391,737,000). After the end of the reporting period, the directors recommended the payment of a final dividend of HK\$24,810,000 (2018: HK\$24,810,000) in respect of the year ended 31 March 2019 (note 25(b)). This dividend has not been recognised as a liability at the end of the reporting period.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK\$20,000 (2018: HK\$47,000).

董事會同寅謹提呈長江製衣有限公司(「本公司」)及其附屬公司(「本集團」)，截至二零一九年三月三十一日止年度之年報及經審核賬目。

主要業務

本集團之主要業務是製造及銷售成衣及紡織品、提供加工服務和物業租賃。根據香港公司條例附表5所規定，有關該等業務之進一步討論及分析(包括本集團業務未來可能發展之指引，及有關本集團所面臨主要風險及不確定因素之討論)可分別於本年報第3頁至第4頁主席報告及第5頁至第11頁管理層討論與分析中查閱。此討論構成本董事會報告之一部份。

本集團於本財政年度之主要業務及業務經營地區分析載於財務報表附註10。

股本

本公司年內之股本變動詳情載於財務報表附註25(c)。

股息

董事會現建議派發截至二零一九年三月三十一日止年度之末期股息每股普通股12港仙(二零一八年：12港仙)。

可供分派儲備

於二零一九年三月三十一日，根據香港公司條例第6部計算，本公司可供分派予本公司股權持有人的儲備總額為357,024,000港元(二零一八年：391,737,000港元)。於結算日後，董事建議派發截至二零一九年三月三十一日止年度末期股息24,810,000港元(二零一八年：24,810,000港元)(附註25(b))。該股息於結算日尚未確認為負債。

慈善捐款

本集團年內之慈善捐款為20,000港元(二零一八年：47,000港元)。

REPORT OF THE DIRECTORS 董事會報告書

MAJOR CUSTOMERS AND SUPPLIERS

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

The largest customer	最大客戶
Five largest customers in aggregate	首五大客戶合計
The largest supplier	最大供應商
Five largest suppliers in aggregate	首五大供應商合計

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

DIRECTORS

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

Executive Directors

Chan Wing Fui, Peter
Chan Wing Kee
Chan Wing To
Chan Suk Man
Chan Wing Sun, Samuel
Chan Suk Ling, Shirley
So Ying Woon, Alan

Independent Non-executive Directors

Lin Keping
Choi Ting Ki
So Stephen Hon Cheung
Li Guangming

A full list of the names of the directors of the Group's subsidiaries can be found in the Company's website at www.ygm.com.hk under "Investor Relation/Corporate Governance".

主要客戶及供應商

於本財政年度內主要客戶及供應商佔本集團之總銷售額及採購額分析如下：

Percentage of the Group's total 佔本集團總額

2019 二零一九年		2018 二零一八年	
Sales 銷售	Purchases 採購	Sales 銷售	Purchases 採購
17%		17%	
48%		44%	
	7%		7%
	21%		22%

各董事、彼等之聯繫人士或任何股東(就董事會所知擁有本公司股本5%以上者)在本年度任何時間內並無擁有上述主要客戶或供應商之權益。

董事

於本年度及截至本報告之日期止，本公司之董事為：

執行董事

陳永奎
陳永棋
陳永滔
劉陳淑文
陳永樂
周陳淑玲
蘇應垣

獨立非執行董事

林克平
蔡廷基
蘇漢章
李光明

詳列本集團附屬公司董事姓名的名錄，可於本公司網頁www.ygm.com.hk「投資者關係／企業管治」內查閱。

REPORT OF THE DIRECTORS

董事會報告書

Pursuant to Article 105 of the Articles of Association, at each annual general meeting (“AGM”), one-third of the Directors for the time being shall retire from office by rotation. Mr. Chan Wing Kee, Mr. Chan Wing Sun, Samuel, Mr. Lin Keping and Mr. Choi Ting Ki will retire from the Board by rotation and, being eligible, will offer themselves for re-election at the AGM.

The Company confirms that it has received from each of the independent non-executive directors an annual confirmation of their respective independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) (“the Listing Rules”) and the Company considers the independent non-executive directors to be independent.

DIRECTORS’ SERVICE CONTRACTS

None of the directors who offered themselves for re-election at the forthcoming annual general meeting of the Company has entered into any service contract with the Company or any other member of the Group which is not determinable by the relevant employer within one year without payment of compensation, other than normal statutory obligations.

INDEMNITY OF DIRECTORS

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout this year.

DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Apart from the connected transactions under Chapter 14A of the Listing Rules as set out amongst other related party transactions in note 28 to the financial statements, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

根據章程細則第105條，於各股東週年大會上，當時在任的三分之一董事須輪值告退。陳永棋先生、陳永燊先生、林克平先生及蔡廷基先生將輪值退出董事會，惟彼等均合資格且願意於股東週年大會上膺選連任。

本公司確認已收到各位獨立非執行董事根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條有關其獨立性的年度確認函件，且本公司認為獨立非執行董事具有獨立身份。

董事服務合約

擬於即將召開之本公司股東週年大會上願意膺選連任之董事，概無與本公司或本集團任何成員公司於一年內不可在不予賠償（除一般法定賠償外）之情況下由僱主終止之尚未屆滿的服務合約。

獲准許彌償條文

於本年度及截至本報告之日期止，本公司按有關法規的允許，備有以董事為受益人的彌償條文（定義見香港公司條例第469條）。

董事之交易、安排或合約權益

除根據上市規則第14A章所列之關連交易並載於財務報表附註28內有關其他關連人士交易詳情外，本公司各董事概無於本公司或其任何附屬公司所訂立，而於年終或年內任何時間仍屬有效之交易、安排或重大合約中佔有重大權益。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS' INTERESTS IN SHARES

(a) As at 31 March 2019, the interests and short positions of the directors and their associates in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Issuers ("the Model Code") and which were required to be entered in the register kept by the Company under section 352 of the SFO were as follows:

Name of director	董事姓名	Number of ordinary shares 普通股股份數目			
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益
Chan Wing Fui, Peter	陳永奎	486,102	9,153,465	-	(i) & (ii)
Chan Wing Kee	陳永棋	8,589,624	319,691	-	(i) & (iii)
Chan Wing To	陳永滔	10,073,389	-	-	(i) & (iii)
Chan Wing Sun, Samuel	陳永燊	6,089,244	250,000	3,604,415	(i)
Chan Suk Ling, Shirley	周陳淑玲	4,535,816	524,000	-	(i)
Chan Suk Man	劉陳淑文	3,438,466	-	-	(i) & (iii)
So Ying Woon, Alan	蘇應垣	12,000	-	-	-
Lin Keping	林克平	-	-	-	-
Choi Ting Ki	蔡廷基	-	-	-	-
So Stephen Hon Cheung	蘇漢章	-	-	-	-
Li Guangming	李光明	-	-	-	-

Notes:

- (i) 48,032,240 shares of the Company were held by Chan Family Investment Corporation Ltd. (which is owned by Messrs Chan Wing Kee, Chan Wing To, Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley and Madam Chan Suk Man and other members of the Chan Family) and its subsidiaries.
- (ii) 13,965,280 shares of the Company were held by Mr. Chan Wing Fui, Peter, the executor of the estate of the late Dr. Chan Sui Kau.
- (iii) 2,383,500 shares of the Company were held by Super Team International Limited which is indirectly owned by Messrs Chan Wing Kee, Chan Wing To, Madam Chan Suk Man and other members of the Chan Family.

(b) Save as disclosed above, as at 31 March 2019, none of the directors or their associates, had, under Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any 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) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事之股份權益

(a) 於二零一九年三月三十一日，本公司各董事及彼等之聯繫人士於本公司或任何聯營公司（按證券及期貨條例（「證券條例」）第XV部之涵義）之股份、相關股份及債券中擁有根據證券條例第XV部第7及8分部、上市公司董事進行證券交易標準守則（「標準守則」）之規定須知會本公司及聯交所之權益及淡倉（包括彼等根據該等證券條例規定被視作或當作擁有之權益及淡倉），並須登記於根據證券條例第352條存置之登記冊之權益及淡倉如下：

Name of director	董事姓名	Number of ordinary shares 普通股股份數目			
		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益
Chan Wing Fui, Peter	陳永奎	486,102	9,153,465	-	(i) & (ii)
Chan Wing Kee	陳永棋	8,589,624	319,691	-	(i) & (iii)
Chan Wing To	陳永滔	10,073,389	-	-	(i) & (iii)
Chan Wing Sun, Samuel	陳永燊	6,089,244	250,000	3,604,415	(i)
Chan Suk Ling, Shirley	周陳淑玲	4,535,816	524,000	-	(i)
Chan Suk Man	劉陳淑文	3,438,466	-	-	(i) & (iii)
So Ying Woon, Alan	蘇應垣	12,000	-	-	-
Lin Keping	林克平	-	-	-	-
Choi Ting Ki	蔡廷基	-	-	-	-
So Stephen Hon Cheung	蘇漢章	-	-	-	-
Li Guangming	李光明	-	-	-	-

附註：

- (i) 合共48,032,240股本公司股份乃由Chan Family Investment Corporation Ltd.（由陳永棋先生、陳永滔先生、陳永燊先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員擁有）及其附屬公司所持有。
- (ii) 合共13,965,280股本公司股份乃由已故陳瑞球博士之遺產遺囑執行人陳永奎先生所持有。
- (iii) 合共2,383,500股本公司股份乃由Super Team International Limited持有。該公司由陳永棋先生、陳永滔先生、劉陳淑文女士及其他陳氏家族成員間接擁。

(b) 除上文所披露外，於二零一九年三月三十一日，各董事或彼等之聯繫人士概無於本公司或任何聯營公司（按證券條例第XV部之涵義）之股份、相關股份或債券中擁有或被視作擁有根據證券條例第XV部第7及8分部之任何權益或淡倉而須登記於本公司根據證券條例第352條存置之登記冊之任何權益，或根據標準守則之規定須知會本公司及聯交所之任何權益。

REPORT OF THE DIRECTORS

董事會報告書

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

Other than the interests disclosed in the section "Directors' Interests In Shares" in respect of the directors, the following shareholder had interests in 5% or more of the ordinary share of the Company in issue as at 31 March 2019, according to the register of interests and short positions required to be kept by the Company under section 336 of the SFO:

Name of shareholder	股東名稱	Capacity 權益性質	Number of ordinary shares held 持有普通股 股份數目	Percentage of ordinary shares in issue 佔已發行普通股 股份百分比
Guangzhou Textiles Industry & Trade Holdings Ltd.	廣州紡織工貿企業集團有限公司	Beneficial owner 實益擁有人	17,806,000 (note) (附註)	8.61%

Note: The shares were directly held by Yue Xiu Textiles Co., Ltd., a 100% owned subsidiary of Guangzhou Textiles Industry & Trade Holdings Ltd.

Save as disclosed above, no other interests required to be recorded in the register kept under section 336 of the SFO have been notified to the Company.

CONNECTED TRANSACTIONS

Details of connected transactions under Chapter 14A of the Listing Rules are set out amongst related party transactions in note 28(a) to the financial statements.

In the opinion of the independent non-executive directors, the connected transactions were entered into by the Group:

- in the ordinary and usual course of its business;
- conducted either on normal commercial terms (which expression will be applied by reference to transactions of a similar nature and to be made by similar entities) or where there is no available comparison, on terms that are fair and reasonable so far as the independent shareholders of the Company are concerned;
- in accordance with the terms of the agreements governing the transactions; and
- in accordance with the pricing policies of the Group, where applicable.

主要股東及其他人士權益

於二零一九年三月三十一日，除在上述「董事之股份權益」所披露之權益外，根據證券條例第336條規定存置之股份權益及淡倉登記冊所示，持有本公司已發行普通股股份5%或以上權益之股東記錄如下：

Number of ordinary shares held 持有普通股 股份數目	Percentage of ordinary shares in issue 佔已發行普通股 股份百分比
17,806,000 (note) (附註)	8.61%

附註： 股份由廣州紡織工貿企業集團有限公司之全資擁有附屬公司越秀紡織品有限公司直接持有。

除上文所披露外，本公司並無獲知會任何其他須記錄在根據證券條例第336條規定存置之登記冊的權益。

關連交易

根據上市規則第14A章所列之關連交易與關連人士交易的詳情均載於財務報表附註28(a)內。

獨立非執行董事認為，本集團所進行之關連交易均：

- 於一般及日常業務過程中進行；
- 按正常商業條款(所指之「正常商業條款」將參考與類似機構進行性質相若之交易時所依據之條款)或倘並無可供比較之條款，則按對本公司之獨立股東而言屬公平合理之條款進行；
- 符合規管該等交易之協議條款；及
- 根據集團之定價政策(如有)進行。

REPORT OF THE DIRECTORS

董事會報告書

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Chapter 14A of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

There are no other connected transactions which are required to be disclosed in this report in accordance with the requirements of Chapter 14A of the Listing Rules.

RETIREMENT SCHEMES

Particulars of the retirement schemes of the Group are set out in note 22 to the financial statements.

AUDIT COMMITTEE

To comply with the Code of Best Practice as set out in Appendix 14 to the Listing Rules, the Company has set up an audit committee (the "Committee") with written terms of reference, for the purposes of reviewing and providing supervision on the financial reporting process and internal control of the Group. The Committee comprises four independent non-executive directors.

FIVE YEAR SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 127 of the annual report.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

AUDITORS

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming annual general meeting of the Company.

By Order of the Board
Chan Wing Fui, Peter
Chairman

Hong Kong, 24 June 2019

本公司已外聘核數師，遵照香港會計師公會頒佈的《香港鑒證業務準則》第3000號「歷史財務信息非審核或審閱的鑒證業務」，並參考《實務說明》第740號「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易作出彙報。核數師已根據《上市規則》第14A章出具披露本集團持續關連交易的結論的無保留意見函件。本公司已將該函件副本呈交香港聯交所。

概沒有其他關連交易須根據上市規則第14A章所規定須於本報表中披露。

退休計劃

本集團退休計劃之詳情載於財務報表附註22。

審核委員會

根據上市規則附錄14所載之最佳應用守則之規定，本公司已成立一個審核委員會（「委員會」）並已備妥職權範圍書，藉以審閱及監察本集團之財務申報程序及內部控制事務。委員會由四名獨立非執行董事組成。

五年概要

本集團在過去五個財政年度之業績及資產與負債概要載於本年報第127頁。

公眾持股量

根據本公司獲得之公開資料並就本公司董事所知，本公司於刊發本年報之日已維持公眾持股量不少於上市規則規定之本公司已發行股份之25%。

核數師

畢馬威會計師事務所依章告退，惟願膺選連任。在即將召開之本公司股東週年大會上，董事會將提呈決議案，動議續聘畢馬威會計師事務所為本公司核數師。

承董事會命
主席
陳永奎

香港，二零一九年六月二十四日

CORPORATE GOVERNANCE REPORT

企業管治報告

The board of directors (the “Board”) of the Company is dedicated to uphold a high corporate governance standard. The Board firmly believes that the principles of transparency, accountability and independence are essential for protecting the interests of the Company and maximizing shareholder value.

The Company has complied with the code provisions in the Corporate Governance Code (the “Code”) set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) throughout the financial year ended 31 March 2019, except for the deviation from code provision A.4.1 of the Code, pursuant to which the non-executive directors of the Company should be appointed for a specific term, subject to re-election. The non-executive directors of Company are not appointed for a specific term but are subject to retirement by rotation and re-election requirements at the annual general meeting of the Company in accordance with Articles 96 and 105 of the Company’s articles of association.

BOARD OF DIRECTORS

The Board is committed to act in good faith in the best interests of the Company and its shareholders. The Board sets the Group’s overall objectives and strategic directions, monitors and evaluates its operating and financial performance. It also decides on matters relating to annual and interim results, audited financial statements, notifiable transactions, appointment and re-appointment of directors, major acquisitions and disposals, material contracts, risk management, major financings and borrowings, accounting and dividends policies. The Board delegates day-to-day operations of the Company to the management of the Group and also instructs the management to implement the Board’s decisions and resolutions. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee.

The Board comprises seven executive directors and four independent non-executive directors. The number of independent non-executive directors represents at least one-third of the Board in accordance with Rule 3.10A of the Listing Rules. The independent non-executive directors bring a diverse range of expertise, skills and experience to provide effective guidance and an outside perspective to all major decisions of the Group.

Details of backgrounds and qualifications of the directors as well as relationships between them are set out in the section of “Directors and Management”.

The Board, Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee had held 5, 3, 1, 1 and 1 meetings respectively in the year under review.

本公司董事會（「董事會」）致力維持高水平之企業管治。董事會堅信，透明、問責和獨立三項原則對於保障本公司之利益及提升股東之價值至為重要。

於截至二零一九年三月三十一日止財政年度內，本公司已採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之《企業管治守則》（「守則」）適用的守則條文規定，惟守則之守則條文A.4.1項之偏離除外，據此，本公司的非執行董事應有特定明確任期，並可膺選連任。本公司的非執行董事並無特定明確任期，彼等須依據本公司的公司組織章程第96條及第105條於本公司股東週年大會上輪值告退及重選。

董事會

董事會致力以誠以公司及股東整體利益為最優先的考慮因素。董事會為本集團訂立整體目標及策略方向、監督及評估其營運及財務表現。由董事會作決策之事宜包括年度及中期業績、經審核財務報表、須予公佈之交易、董事委任及續任、主要收購及出售、重大合約、風險管理、主要財務及借貸、會計以及股息政策。董事會指派本集團管理層負責本公司日常營運，並指示管理層執行董事會之決策及決議。此外，董事會亦將若干責任下放審核委員會、薪酬委員會、提名委員會及風險管理委員。

董事會包括七名執行董事及四名獨立非執行董事。獨立非執行董事的數目根據上市規則第3.10A條須至少為董事會成員的三分之一。獨立非執行董事帶來多方面的專業知識、技能和經驗，為本集團提供有效指引，並為本集團面對的所有重大決策帶來局外的觀點。

董事背景及資歷與其關係載於「董事及管理人員」一節。

董事會、審核委員會、薪酬委員會、提名委員會及風險管理委員會曾於回顧年度分別舉行了五次、三次、一次、一次及一次會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance at the Board and respective Board committees meetings held in the year ended 31 March 2019 are as follows:

董事會及各董事委員會於截至二零一九年三月三十一日止年度內所舉行會議之出席記錄載列如下：

		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Risk Management Committee 風險管理委員會	Annual General Meeting 股東週年大會
Executive directors	執行董事						
Chan Wing Fui, Peter	陳永奎	5/5	N/A	1/1	1/1	1/1	1/1
Chan Wing Kee	陳永棋	5/5	N/A	1/1	1/1	1/1	1/1
Chan Wing To	陳永滔	5/5	N/A	N/A	N/A	N/A	1/1
Chan Suk Man	劉陳淑文	5/5	N/A	N/A	N/A	1/1	1/1
Chan Wing Sun, Samuel	陳永燊	5/5	N/A	N/A	N/A	N/A	1/1
Chan Suk Ling, Shirley	周陳淑玲	5/5	N/A	N/A	N/A	N/A	1/1
So Ying Woon, Alan	蘇應垣	5/5	N/A	N/A	N/A	1/1	1/1
Independent non-executive directors	獨立非執行董事						
Lin Keping	林克平	5/5	3/3	1/1	1/1	N/A	0/1
Choi Ting Ki	蔡廷基	5/5	3/3	1/1	1/1	N/A	1/1
So Stephen Hon Cheung	蘇漢章	5/5	3/3	1/1	1/1	N/A	1/1
Li Guangming	李光明	5/5	3/3	1/1	1/1	N/A	0/1

The 2018 Annual General Meeting (“AGM”) was held on 3 September 2018. The directors’ attendance to the general meeting is listed out as above. The Chairman of the Board, the Chairman of Audit Committee and Nomination Committee, the members of Remuneration Committee and the external auditor of the Company, attended the AGM to answer questions raised by shareholders. Proceedings of annual general meeting are reviewed from time to time to ensure that the Company follows good corporate governance practices. Voting results were posted on the Company’s and the Stock Exchange’s websites on the day of the AGM.

二零一八年度股東週年大會（「股東週年大會」）於二零一八年九月三日召開，董事之出席記錄載列如上。董事會主席、審核委員會及提名委員會主席，薪酬委員會成員及外聘核數師均出席股東週年大會答覆股東提問。本公司於適當時候會檢討股東週年大會進程序去執行良好企業管治常規。投票結果已於股東週年大會當日在本公司網站及聯交所網站發佈。

Each of the independent non-executive directors has confirmed with the Company in writing his independence from the Company in accordance with the relevant guidelines set out in Rule 3.13 of the Listing Rules. The Nomination Committee and the Board considered that all independent non-executive directors of the Company are independent with reference to Rule 3.13.

本公司已接獲各名獨立非執行董事各自按照上市規則第3.13條所載之相關指引作出之年度獨立身分確認書。提名委員會及董事會認為，本公司全體獨立非執行董事均屬上市規則第3.13條所述之獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE POLICY AND DUTIES

The Board is committed to ensure that a good corporate governance framework and practices are established within the Group. The Board is responsible for performing the duties on corporate governance functions as required under code provision D.3.1 of the Code which are set out below:

- (1) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- (2) reviewing and monitoring the training and continuous professional development of directors and senior management;
- (3) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (4) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (5) reviewing the Company's compliance with the Code and disclosure in the Corporate Governance Report.

CHAIRMAN AND MANAGING DIRECTOR

The Chairman of the Board is Mr. Chan Wing Fui, Peter and the Managing Director of the Company is Mr. Chan Wing Kee. The roles of the Chairman of the Board and the Managing Director of the Company are separated, with a clear division of responsibilities. The Chairman of the Board is responsible for formulating corporate strategies and overall business development planning. The Managing Director's duty is to oversee the execution of daily business activities. The division of responsibilities at the Board level is to ensure a balance of power and authority.

DIRECTORS' TRAINING

According to code provision A.6.5 of the Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of the directors. The Company provides tailored induction programme to new director upon his appointment to equip him with the appropriate understanding of the business and operations of the Group and to ensure that he is fully aware of his responsibilities and obligations under the relevant law and the Listing Rules.

During the year, the Company organized one in-house seminar to update the Directors on the new amendments to the corporate governance code and relevant Listing Rules. The Company circulates materials relating to the legislative and regulatory environment to the directors on a regular basis for their information. The Company also encourages Directors to attend relevant seminars, conferences or forums to develop and refresh their knowledge and skills. During the year, all directors participated in continuous professional development in compliance with code provision A.6.5 of the Code.

企業管治政策及職責

董事會致力確保本集團內建立良好的企業管治框架和常規。董事會負責履行守則之守則條文D.3.1項所規定之企業管治職能責任，其載列如下：

- (1) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (2) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (3) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (4) 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- (5) 檢討本公司遵守《守則》的情況及在《企業管治報告》內的披露。

主席及董事總經理

董事會主席為陳永奎先生，本公司董事總經理為陳永棋先生。本公司董事會主席及董事總經理的角色互相分立，各自有明確的職責區分。董事會主席負責制定企業策略及整體業務發展規劃；董事總經理則負責監督日常業務活動之執行。在董事會層面，清楚區分這兩者之職責，旨在確保權力及授權分佈均衡。

董事培訓

根據守則之守則條文A.6.5項，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。本公司應負責安排合適的培訓並提供有關經費，以及適切着重董事的角色、職能及責任。本公司於委任新董事後，均向其提供切合需要的入職培訓計劃，以便能充分認識本集團的業務及營運，並確保其完全知悉根據有關法律及上市規則所規定的責任和義務。

於本年度內，本公司安排了一次內部講座，使各董事了解企業管治守則修訂及有關上市規則的最新資料。本公司就立法和監管事宜定期向董事提供更新材料。本公司同時鼓勵各董事參與有關講座、研討會或論壇以增進各董事的知識及技能。於年度內，所有董事均參與符合守則之守則條文A.6.5項所訂明的持續專業發展。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' INSURANCE

During the year, the Company has arranged for the renewal of an insurance policy on directors' and officers' liability to ensure our directors and senior management are protected from any liability arising from the performance of their duties.

BOARD COMMITTEES

The Board has established the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee, each with mandate to oversee particular aspects of the affairs of the Company. Each of these four Board committees is set up with written terms of reference. The Board committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice in appropriate circumstance at the expenses of the Company.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference. The Audit Committee comprises four independent non-executive directors, namely Mr. Lin Keping, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. It is chaired by Mr. So Stephen Hon Cheung. The members' attendance to the Audit Committee meeting is listed out on page 19.

The Audit Committee is mainly responsible for monitoring the integrity of the Company's financial statements, reviewing the Company's internal control system and its execution through the review of the work undertaken by the internal and external auditors, evaluating financial information and related disclosure, reviewing connected transactions and considering the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

During the year ended 31 March 2019, the Audit Committee has, inter alia, reviewed and discussed with management and the external auditor the interim and annual results with a view to ensuring that the Group's financial statements were prepared in accordance with accounting principles generally accepted in Hong Kong. The Audit Committee has met with external auditor twice a year, in the absence of management, to discuss any issues arising from the audit and any other matters the auditor may wish to raise. The Audit Committee has also reviewed the independence and quality of work of KPMG and has recommended to the Board to re-appoint KPMG as auditor for the year ending 31 March 2020.

During the year, the Board has not taken any view that is different from that of the Audit Committee nor rejected any recommendation presented by the Audit Committee.

董事保險

於本年度內，本公司已安排就董事及高級職員的責任更新保單，以確保董事及高級管理人員於彼等履行職務時所產生的任何責任獲得保障。

董事委員會

董事會已成立審核委員會、薪酬委員會、提名委員會及風險管理委員會，並授權其監督本公司特定範疇事務。該四個董事委員會各備有書面權責範圍。董事委員會獲提供充足資源以履行其職責及可於適當情況下尋求獨立專業意見，費用由本公司支付。

審核委員會

本公司已成立審核委員會，並備有書面權責範圍。審核委員會包括四名獨立非執行董事，分別為林克平先生、蔡廷基先生、蘇漢章先生及李光明先生，並由蘇漢章先生出任主席。審核委員會會議之出席記錄載列於第19頁。

審核委員會主要負責監管本公司財務報表的完整性，透過檢討內部和外聘核數師進行的工作審閱本公司內部監控制度及其執行情況、評估財務資料及有關披露、審閱關連交易及考慮本公司於會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。

截至二零一九年三月三十一日止年度內，審核委員會已審閱及和管理層與外聘核數師討論中期及全年業績，以確保本集團財務報表皆符合香港公認會計原則而編製。審核委員會在管理層不參與的情況下，與外聘核數師每年兩次會面，以討論由審計而發現的任何事宜及核數師可能提出的任何其他事項。審核委員會亦審閱畢馬威會計師事務所之獨立性及其工作質素並建議董事會續聘畢馬威會計師事務所為截至二零二零年三月三十一日止年度之核數師。

於本年度內，董事會並無與審核委員會意見不合，亦無拒絕接納審核委員會提交之任何建議。

REMUNERATION COMMITTEE

The Committee comprises two executive directors, namely Mr. Chan Wing Fui, Peter and Mr. Chan Wing Kee, and four independent non-executive directors, namely Mr. Lin Keping, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. It is chaired by Mr. Lin Keping. The members' attendance to the Remuneration Committee meeting is listed out on page 19.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and in overseeing remuneration packages of the directors. It makes recommendations to the Board on the remuneration packages of individual executive directors and senior management. It takes into consideration factors such as salaries and compensation packages paid by comparable companies, time commitment and responsibilities of the directors. It would also take into account whether the emoluments offered are appropriate given the duties and performance of the respective individuals concerned and whether such emoluments are competitive and sufficiently attractive to retain such individuals.

Details of the directors' emoluments are set out in note 6 to the financial statements.

NOMINATION COMMITTEE

The Nomination Committee comprises two executive directors, namely Mr. Chan Wing Fui, Peter and Mr. Chan Wing Kee, and four independent non-executive directors, namely Mr. Lin Keping, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. It is chaired by Mr. Choi Ting Ki. The members' attendance to the Nomination Committee meeting is listed out on page 19.

The roles of the Nomination Committee are to review the structure, size and composition of the Board, identify individuals suitably qualified to become members of the Board, and assess the independence of independent non-executive directors and make recommendations to the Board on the appointment and re-election of directors and succession planning for directors, in particular the chairman and the managing director. The Nomination Committee will consider the suitability of the candidate on the basis of his professional qualification, skills, experience and background.

The Nomination Committee has adopted a Board Diversity Policy ("Policy") which sets out a policy of considering a number of factors when deciding on appointments to the Board and the continuation of those appointments, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The ultimate decision will be based on merit and contribution (considering factors like skills, knowledge and experience) that the selected candidates will bring to the Board.

The Board noted that the measurable objectives have been set for achieving diversity on the Board. In addition, the Board is satisfied that its composition is appropriate being considered the skills, experience and attributes of the Directors. The Nomination Committee of the Company will monitor the implementation of the Board Diversity Policy and review the policy as appropriate.

薪酬委員會

薪酬委員會包括兩名執行董事分別為陳永奎先生及陳永棋先生，以及四名獨立非執行董事，即林克平先生、蔡廷基先生、蘇漢章先生及李光明先生，並由林克平先生出任主席。薪酬委員會會議之出席記錄載列於第19頁。

薪酬委員會負責確保制定酬金政策的程序合乎規範及透明，以及監督董事的酬金組合。委員會就個別執行董事及高級管理人員酬金組合向董事會提出意見，當中會考慮可作比較公司所支付的薪金及薪酬組合、董事投放的時間及責任等因素。委員會亦會考慮所提供酬金就各有關人士的職務及表現而言是否恰當，以及該等酬金有否競爭力及吸引力足以挽留該等人士。

董事酬金詳情載於財務報表附註6。

提名委員會

提名委員會包括兩名執行董事，分別為陳永奎先生及陳永棋先生，以及四名獨立非執行董事，即林克平先生、蔡廷基先生、蘇漢章先生及李光明先生，並由蔡廷基先生出任主席。提名委員會會議之出席記錄載列於第19頁。

提名委員會負責檢討董事會之架構、人數及組成，物色具備合適資格可擔任董事的人士，評核獨立非執行董事的獨立性，以及就董事委任或重新委任以及董事（尤其是主席及董事總經理）繼任計劃向董事會提出建議。提名委員會將根據候選人的專業資格、技能、經驗及背景，考慮是否適合。

提名委員會已採納董事會成員多元化政策（「政策」）。該政策列出當決定委任董事會成員及延續該等委任時，會考慮一系列因素包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及行業和地區經驗。最終決定會按人選的長處及其可為董事會提供的貢獻（考慮因素如技能、知識及經驗）為基礎。

董事會知悉，為達致董事會多元化，已制定可計量的目標。此外，在審視董事之技能、經驗及特質後，董事會認為其組成切合本公司需要。本公司提名委員會將會監察董事會成員多元化政策之執行及在適當時候檢討該政策。

CORPORATE GOVERNANCE REPORT

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During the year ended 31 March 2019, the Nomination Committee performed the following work:

- (i) reviewed the structure, size, composition (including the skills, knowledge and experience) and diversity, and the Board diversity policy of the Board;
- (ii) assessed the independence of INEDs;
- (iii) made recommendations to the Board on the appointment and re-appointment of Director; and
- (iv) reviewed the directors nomination policy of the Company.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises four executive directors, namely Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Ms. Chan Suk Man and Mr. So Ying Woon, Alan. It is chaired by Mr. Chan Wing Fui, Peter. The members' attendance to the Risk Management Committee meeting is listed out on page 19.

The purpose of the Committee is to oversee the overall design, implementation and monitoring of the risk management and the internal control systems of the Company and its subsidiaries (collectively, the "Group") and to advise the Board on the Group's risk-related matters.

DIVIDEND POLICY

The Company has established a Dividend Policy which was adopted by the Board to set out the guidelines for the Board to determine (i) whether dividends are to be declared and paid; and (ii) the level of the dividend to be paid to the shareholders. It is the policy to allow the shareholders to participate in the Company's profits whilst to retain adequate reserves for future growth.

The Board shall consider the following factors before declaring or recommending dividends:

- (i) financial results;
- (ii) cash flow situation;
- (iii) business conditions and strategies;
- (iv) future operations and earnings;
- (v) capital requirements and expenditure plans;
- (vi) interests of shareholders;
- (vii) any restrictions on payment of dividends; and
- (viii) any other factors that the Board may consider relevant.

The declaration and payment of dividends shall remain to be determined at the sole discretion of the Board and subject to the Articles of Association of the Company and all applicable laws and regulations.

於截至二零一九年三月三十一日止年度內，提名委員會曾執行下述工作：

- (i) 檢討董事會之架構、人數、組成（包括技能、知識及經驗方面）及多樣性，以及董事會成員多元化政策；
- (ii) 評估獨立非執行董事之獨立性；
- (iii) 就有關董事委任及重新委任事宜向董事會提出建議；及
- (iv) 檢討本公司的董事提名政策。

風險管理委員會

風險管理委員會包括四名執行董事，分別為陳永奎先生、陳永棋先生、劉陳淑文女士及蘇應垣先生，並由陳永奎先生出任主席。風險管理委員會會議之出席記錄載列於第19頁。

成立委員會目的旨在監督對本公司及其附屬公司（統稱「本集團」）風險管理及內部監控系統的整體設計、實施及監察；以及向董事會就本集團的風險相關事宜提供建議。

股息政策

本公司訂立並由董事會採納之股息政策列載指引以供董事會確定(i)是否宣布及派發股息，以及(ii)向本公司股東派發的股息水平。本政策允許股東參與本公司的利潤，同時預留足夠的儲備以供未來增長。

董事會於宣派及建議派發股息前，須考慮下列因素：

- (i) 財務業績；
- (ii) 現金流量狀況；
- (iii) 業務狀況及策略；
- (iv) 未來營運及收入；
- (v) 資金需求及支出計劃；
- (vi) 股東的利益；
- (vii) 任何派付股息的限制；及
- (viii) 董事會可能視為相關的任何其他因素。

股息的宣派及派付應由董事會全權酌情決定，並受本公司章程細則和所有適用法律法規的約束。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

EMOLUMENTS OF SENIOR MANAGEMENT

The senior management of the Group comprises 5 individuals. Details of backgrounds and qualifications of each senior executive are set out in the section of "Directors and Management".

During the year ended 31 March 2019 the emoluments of the senior management of the Group fell within the following bands:

Emoluments

HK\$0 to HK\$1,000,000
HK\$1,000,001 to HK\$2,000,000

酬金

0港元至1,000,000港元
1,000,001港元至2,000,000港元

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DIRECTORS' AND AUDITOR'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for overseeing the preparation of financial statements of the Group and ensure that the financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards.

The statement of external auditors of the Company about their reporting responsibilities of the financial statements is set out in the "Independent Auditor's Report" on pages 31 to 37.

AUDITORS' REMUNERATION

During the year, total auditors' remuneration in relation to statutory audit work of the Group amounted to HK\$1,832,000 (2018: HK\$1,657,000), of which a sum of HK\$1,740,000 (2018: HK\$1,604,000) was paid or payable to the Group's principal auditors, KPMG.

The remunerations paid or payable to the Group's principal auditor, KPMG and its affiliated firms, for services rendered in statutory audit and non-audit were HK\$1,740,000 (2018: HK\$1,604,000) and HK\$407,000 (2018: HK\$418,000) respectively. The non-audit services principally comprise tax and internal control review services provided to the Group.

本公司將會持續審閱股息政策以及保留其唯一及全權酌情權以在任何時候更新、修訂及／或修改本政策，並且股息政策絕不構成一項本公司對其將派付任何特定數額股息的法律約束承諾，本公司並無義務隨時或不時宣派股息。

高級管理人員酬金

本集團高級管理人員包括五名人士。各高級行政人員背景及資歷載於「董事及管理人員」一節。

截至二零一九年三月三十一日止年度內，本集團高級管理人員的酬金介乎下列區間：

Number of senior executives 高級行政人員數目

董事及核數師有關財務報表之責任

董事負責監督本集團財務報表之編製工作，並確保該等財務報表之編製均符合所有有關法規及適用會計準則的規定。

本公司之外聘核數師有關彼等於財務報表之報告責任載於第31頁至37頁之「獨立核數師報告」。

核數師酬金

於年度內，本集團就法定審核工作而支付之核數師酬金總額為1,832,000港元（二零一八年：1,657,000港元），其中1,740,000港元（二零一八年：1,604,000港元）已支付予或應支付予本集團之主要核數師畢馬威會計師事務所。

本集團之主要核數師畢馬威會計師事務所及其關連機構就所提供之法定審核及非審核服務而獲支付或應支付之酬金分別為1,740,000港元（二零一八年：1,604,000港元）及407,000港元（二零一八年：418,000港元）。非審核服務主要包括向本集團提供的稅務及內部監控檢討服務。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a Securities Dealing Code regarding director's securities transactions on terms no less exacting than required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. All directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and the Securities Dealing Code throughout the year under review.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has an overall responsibility for the risk management framework, and for determining the significant risks it is willing to take in achieving the Company's objectives. Audit Committee is delegated with overseeing the effectiveness of internal control and risk management, while management is responsible for the design, implementation and monitoring of such systems. The Risk Management Committee is responsible for coordinating risk management activities, and to report at least annually to the Board. However, the Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and only provide reasonable and not absolute assurance against material misstatement or loss.

Our approach to manage risks involves identification and assessment of principal risks from the external and internal environments at different organisation levels. The assessment considers the changes in nature and extent of significant risks and the Group's ability to respond to changes in its business and the external environment. Action plans have been developed and risk ownership has been assigned for each key principal risk. The risk owners coordinate the mitigation measures to ensure proper implementation of these action plans. The process is closely monitored by the Risk Management Committee.

Taken into consideration the principal risks and mitigation actions, the Board believes that the Company has the ability to respond to any such changes in our business and the external environment, and considers that the Group's risk management and internal control system was effective and adequate.

Regarding the disclosure of inside information, the Board had implemented procedures and internal controls for handling and dissemination of inside information so that potential inside information can be promptly identified and escalated up for deciding whether an announcement should be made in order to ensure compliance with the continuous obligations under the Listing Rules and the statutory obligation to disclose information under the SFO.

INTERNAL AUDIT FUNCTION

During the year under review, the Board has engaged an external consultant to perform internal audit services. The external consultant has assisted the Group to perform a review of the effectiveness of internal controls system for certain selected processes. The assessment results and proposed improvement opportunities were discussed and agreed with Management and were reported to the Audit Committee.

董事之證券交易

本公司已採納有關董事證券交易的證券買賣守則，其條款不遜於上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）載列的規定準則。經過本公司向所有董事作出具體查詢後，本公司董事已確認彼等於回顧年度內一直遵守標準守則所載的規定準則及其有關董事證券交易的證券買賣守則。

內部監控及風險管理

董事會全面負責風險管理框架，釐定本公司為達成目標而願意承受的主要風險。審核委員會獲授權監察內部監控及風險管理的成效，而管理層負責設計、落實及監控有關系統。風險管理委員會負責統籌風險管理活動，並至少每年向董事會匯報。不過，本集團風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

我們管理風險的措施包括識別及評估各組織層面來自外部及內部環境的主要風險。評估考慮主要風險性質及程度，以及本集團應對其業務及外部環境變化的能力。我們已就各主要風險制訂行動計劃及指定風險負責人。風險負責人負責統籌緩解措施，以確保妥善落實該等行動計劃。該程序由風險管理委員會緊密監控。

經考慮主要風險及緩解措施後，董事會相信本公司有能力應對其業務及外部環境所產生的任何有關變化，並且認為本集團的風險管理及內部監控制度有效及足夠。

就披露內幕消息而言，董事會已推行有關處理及發佈內幕消息的程序及內部監控措施，使潛在內幕消息能迅速被識別及通報，以決定應否作出公佈，從而確保符合上市規則項下之持續責任及證券及期貨條例披露資料之法定責任。

內部審核職能

於回顧年度內，董事會外聘顧問進行內部審計服務。外聘顧問已協助本集團執行內部監控制度的若干選定的進程的有效性進行審查。評估結果及改善建議已經與管理層討論及確認，並向審核委員會匯報。

COMPANY SECRETARY

The Company Secretary is an employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary is responsible for advising the Board through the Chairman and/or the Vice Chairman on governance matters and also facilitates the induction and professional development of directors. The Company Secretary also keeps proper records of all Board and Committee meetings. The biography of the Company Secretary is set out on page 30. The Company Secretary has undertaken no less than 15 hours of professional training during the year.

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene an extraordinary general meeting ("EGM")

Article 67 of the articles of association of the Company provides that an extraordinary general meeting shall be convened on requisition, as provided by the Companies Ordinance. According to section 566 of the Companies Ordinance, the directors of the Company are required to call a general meeting if the Company has received requests to do so from shareholders representing at least 5% of the total voting rights of all shareholders having a right to vote at general meetings of the Company.

Procedures for putting forward proposals at EGM

Pursuant to section 566 of the Companies Ordinance, the request for a general meeting must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request may be sent to the Company in hard copy form at the registered office of the Company or in electronic form at cs_info@ygm.com.hk and must be authenticated by the requisitioner(s). The directors must call a general meeting within 21 days after the date of the receipt of the requests to do so. The meeting called must be held on a date not more than 28 days after the date of the notice convening the meeting.

Procedures for directing Shareholders' enquiries to the Board

Shareholders may put forward enquiries to the Board through the Company Secretary who will direct the enquiries to the Board for handling. The contact details of the Company Secretary are as follows:

The Company Secretary
Yangtzekiang Garment Limited
22 Tai Yau Street
San Po Kong
Kowloon
Hong Kong

E-Mail: cs_info@ygm.com.hk
Telephone: (852) 2327 5111
Facsimile: (852) 2352 2286

Changes in the Company's constitutional documents

No amendments are made to the articles of association of the Company during the year ended 31 March 2019.

公司秘書

公司秘書為本公司的僱員及了解本公司的日常事務。透過主席及／或副主席，公司秘書負責對董事會就管治事項提供意見並協助董事的就職及專業發展。公司秘書同時保存董事會及各委員會會議的完整記錄。公司秘書的履歷已列於第30頁。於本年內，公司秘書已接受不少於15小時的相關專業培訓。

股東權利

股東召開股東特別大會（「股東特別大會」）之程序

本公司的公司組織章程第67條訂明，根據公司條例，股東特別大會可以應請求而召開。根據公司條例第566條，倘本公司收到不少於5%在本公司股東大會上擁有投票權的股東請求召開股東大會，則本公司之董事須召開股東大會。

於股東特別大會上提呈議案之程序

根據公司條例第566條，召開股東大會的請求書必須說明在會議上須處理事務的大體性質，並可包括在會議上可恰當地被動議及擬被動議的決議案細節。該請求書可以書面形式送呈本公司的註冊辦事處或以電子形式發送到cs_info@ygm.com.hk，且必須由請求人進行驗證。董事必須在收取請求書當日起二十一天內召開股東大會，該會議並必須在召開大會通告日期起不超過二十八天內舉行。

股東向董事會查詢之程序

股東可透過公司秘書向董事會作出查詢，而公司秘書會轉交有關查詢予董事會處理。公司秘書之聯絡詳情如下：

公司秘書
長江製衣有限公司
香港
九龍
新蒲崗
大有街二十二號

電郵：cs_info@ygm.com.hk
電話：(852) 2327 5111
傳真：(852) 2352 2286

本公司章程文件之修訂

截至二零一九年三月三十一日止年度，本公司的組織章程並無任何修訂。

DIRECTORS AND MANAGEMENT 董事及管理人員

DIRECTORS

EXECUTIVE DIRECTORS

Chan Wing Fui, Peter, MA

Aged 73, Mr. Chan received a Master's degree in Administrative Science from Yale University, USA in 1969 and joined the Group in the same year. He was appointed as Director and Managing Director in 1971 and 1980 respectively and Vice Chairman of the board of directors in 1987. Mr. Chan is at present the Chairman of the board of directors and has held directorships in a number of subsidiaries of the Group. Mr. Chan was the Chairman of the board of directors of YGM Trading Limited from 2010 to 2015, and is at present the executive director of YGM Trading Limited. Mr. Chan has extensive experience in garment manufacturing and marketing in the Far East and the USA.

Chan Wing Kee, GBM, GBS, OBE, JP

Aged 72, Mr. Chan received a Bachelor's degree in Industrial Engineering in 1970. He joined the Group in 1970 as Production Manager and later became Sales Manager. He was appointed as Director in 1977 and Managing Director in 1987. He is also an Executive Director of YGM Trading Limited; Independent Non-executive Director of Kingboard Holdings Limited (formerly known as Kingboard Chemical Holdings Limited). Mr. Chan has participated in many textile negotiations with the USA and Europe for Hong Kong and Macau. He is a Standing Committee Member of The 10th, 11th and 12th of The Chinese People's Political Consultative Conference; Deputy of the 8th and 9th National People's Congress of China, Ex-member of Commission on Strategic Development of Hong Kong Special Administrative Region; Ex-member of Economic Council of Macau Special Administrative Region; Ex-member of the Textile Advisory Board of Hong Kong; Ex-Committee Member of the Preparatory Committee for Hong Kong Special Administrative Region and Ex-Advisor of Hong Kong Affairs.

Chan Wing To, PhD

Aged 68, Mr. Chan joined YGM Singapore in 1978. He was appointed as Executive Director of the Group in 1983 and YGM Trading Ltd in 1987. Mr. Chan received a Doctor of Philosophy degree in economics from the University of Rochester, USA in 1978. He has extensive experience in the textile and garment business.

Chan Suk Man, MSc

Aged 71, Ms. Chan received Master of Science Degrees from the University of Windsor, Canada in 1973 and Case Western Reserve University USA in 1975. Madam Chan joined the Group in 1976 and was appointed as Executive Director in 1993.

董事

執行董事

陳永奎

七十三歲，陳先生於一九六九年獲美國耶魯大學頒發行政管理學碩士學位，並於同年加入本集團。彼分別於一九七一年及一九八零年獲委任為董事及董事總經理，並於一九八七年出任董事會副主席。陳先生現為董事會主席，亦出任本集團數家附屬公司的董事。陳先生於二零一零年至二零一五年期間出任YGM貿易有限公司董事會主席，及現為YGM貿易有限公司之執行董事。陳先生於遠東及美國之成衣製造及市場推廣有廣泛之經驗。

陳永棋

七十二歲，陳先生於一九七零年獲工業工程學士學位。於一九七零年加入本集團，先後任生產經理、營業經理，一九七七年獲委任為董事，一九八七年任董事總經理。彼亦為YGM貿易有限公司執行董事；建滔集團有限公司（前稱為建滔化工集團有限公司）之獨立非執行董事。陳先生曾多次參與歐美與港澳之間之紡織品談判。陳先生為中華人民共和國第十屆、第十一屆及第十二屆全國政協常務委員；中華人民共和國第八屆及第九屆全國人民代表大會代表；前香港特別行政區政府策略發展委員會委員；前澳門特別行政區經濟委員會委員；前香港政府紡織業諮詢委員會委員；前香港特別行政區籌備委員會委員及前中國國務院香港事務顧問。

陳永滔

六十八歲，陳先生於一九七八年加入新加坡長江，並於一九八三年及一九八七年獲委任為本集團及YGM貿易有限公司執行董事。陳先生於一九七八年獲得美國University of Rochester頒發經濟博士學位，陳先生於紡織品及成衣業務有廣泛之經驗。

劉陳淑文

七十一歲，陳女士分別於一九七三年及一九七五年獲得加拿大University of Windsor及美國Case Western Reserve University 理科碩士學位，陳女士於一九七六年加入本集團，並於一九九三年獲委任為執行董事。

DIRECTORS AND MANAGEMENT

董事及管理人員

Chan Wing Sun, Samuel

Aged 71, Mr. Chan received a Bachelor's degree from University of Manchester, the United Kingdom in 1970 and qualified as a Chartered Accountant in 1973. He was the Company Secretary of the Group from 1974 to 1988 and has been an Executive Director since 1977. Mr. Chan was the Managing Director of YGM Trading Limited from 1987 to 2006 and the Chief Executive Officer of YGM Trading Limited from 2006 to 2010. He was the Vice Chairman of the board of directors of YGM Trading Limited from 2010 and was re-designated as the Chairman of board of directors of YGM Trading Limited in September 2015. Mr. Chan has been the Chairman of the board of directors of Crater Gold Mining Limited, whose shares are listed on Australian Securities Exchange, since 2013.

Chan Suk Ling, Shirley, BBS, JP

Madam Chan joined the Group in 1973 and appointed as the Director in 1983. She is also the Vice Chairman of the board of directors of YGM Trading Limited. Madam Chan, aged 68, has extensive experience of management in the garment retail and wholesale business. She is a Member of Fashion Industry Training Advisory Committee of Hong Kong Special Administrative Region, a Council Member of the Hong Kong Trade Development Council ("HKTDC"), the Chairman of Staff & Finance Committee of HKTDC, the Executive Committee Member of the Chinese Manufacturers' Association of Hong Kong, the Vice President of the Guangdong Association of Enterprises with Foreign Investment, a Council Member of The Hong Kong Polytechnic University ("PolyU") and the Chairman of Advisory Committee on Textile and Clothing Industries of PolyU. She received a Bachelor's degree from Nottingham Trent University, the United Kingdom in 1973.

So Ying Woon, Alan

Aged 69, Mr. So received a Bachelor's degree from the Chinese University of Hong Kong in 1974. Mr. So joined the Group in 1974 and was promoted to the position of Sales Manager in 1976. He has been the General Manager since 1993. Mr. So was appointed as Executive Director of the Company in 2005.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lin Keping

Aged 80, Mr. Lin has been an Independent Non-executive Director of the Company since 2004. Mr. Lin is an engineer, graduated from Beijing University of Posts and Telecommunications in 1963. He is a member of the Eighth National Committee of the Chinese People's Political Consultative Conference and an executive member of the Eighth All-China Federation of Industry and Commerce. He has served in postal and telecommunication research institutes, the Ministry of Posts and Telecommunications and other organisations for years, and was an executive vice president of China Minsheng Bank Corp. Ltd. He is also an Independent Non-executive Director of YGM Trading Limited.

陳永燊

七十一歲，陳先生一九七零年獲英國曼徹斯特大學頒授學士學位，並於一九七三年成為特許會計師。彼於一九七四年至一九八八年間出任本集團之公司秘書及一九七七年獲委任為執行董事。陳先生於一九八七年至二零零六年間出任YGM貿易有限公司之董事總經理及由二零零六年至二零一零年間出任YGM貿易有限公司之行政總裁。彼自二零一零年起出任YGM貿易有限公司董事會副主席，並於二零一五年九月調任為YGM貿易有限公司董事會主席。陳先生自二零一三年起出任Crater Gold Mining Limited (其股份於澳洲證券交易所上市) 董事會主席。

周陳淑玲

陳女士於一九七三年加入本集團，一九八三年出任本集團董事。彼為YGM貿易有限公司董事會副主席。陳女士，六十八歲，於管理成衣零售及批發業務有廣泛之經驗。現為香港特別行政區政府服裝業行業培訓諮詢委員會成員、香港貿易發展局理事、香港貿易發展局職員及財務委員會主席、香港中華廠商聯合會常務會董、廣東外商投資企業協會副會長、香港理工大學校董會成員及香港理工大學紡織及服裝學系顧問委員會主席。彼於一九七三年獲英國 Nottingham Trent University 頒發學士學位。

蘇應垣

六十九歲，蘇先生於一九七四年獲得香港中文大學學士學位，蘇先生於一九七四年加入本集團，於一九七六年升任營業部經理，自一九九三年出任營業總經理。蘇先生於二零零五年獲委任為本公司執行董事。

獨立非執行董事

林克平

八十歲，林先生自二零零四年起出任本公司獨立非執行董事。林先生為工程師，一九六三年畢業於北京郵電大學。為中國人民政治協商會第八屆全國委員會委員、第八屆中華全國工商聯合會執行委員。林先生曾長期在郵電科研機構、郵電部及其他部門任職，曾任中國民生銀行副行長。彼亦為YGM貿易有限公司之獨立非執行董事。

DIRECTORS AND MANAGEMENT

董事及管理人員

Choi Ting Ki

Aged 64, is a fellow member of the Hong Kong Institute of Certified Public Accountants. In 1978, Mr. Choi graduated from the Department of Accounting of the Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University). He joined KPMG in the same year and has held various positions, including Partner of the audit department of KPMG Hong Kong Office, Managing Partner of KPMG Shanghai Office, Senior Partner of KPMG Huazhen Shanghai Office as well as Senior Partner of KPMG Huazhen in Eastern and Western China. Mr. Choi retired from KPMG Huazhen in April 2010. Mr. Choi has been an Independent Non-executive Director of the Company since December 2012. Mr. Choi is also an Independent Non-executive Director of YGM Trading Limited.

So Stephen Hon Cheung

Aged 63, has been a director of an accounting firm T.M Ho, So & Leung CPA Limited since August 2003. Currently, he is the chief financial officer and company secretary of Ying Kee Tea House Group Limited (stock code: 8241). He has extensive experience in the commercial sector of manufacturing, wholesale and trading and in public practice working for various companies in Hong Kong, China and Canada. He holds a bachelor's degree in commerce from the University of British Columbia, Canada. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Chartered Professional Accountants of Canada and a member of the Society of Certified Management Accountants of Canada. Mr. So has been an independent non-executive director of the Company and YGM Trading Limited (stock code: 375) since September 2017, Teamway International Group Holdings Limited (stock code: 1239) since August 2017, Pinestone Capital Limited (stock code: 804) since May 2015 and PINE Technology Holdings Limited (stock code: 1079) since September 2002, whose shares are listed on the Main Board of the Stock Exchange. Mr. So was an independent non-executive director of Milan Station Holdings Limited (stock code: 1150) from May 2011 to February 2017, whose shares are listed on the Main Board of the Stock Exchange.

Li Guangming

Aged 67, Mr. Li was appointed as an Independent Non-executive Director of the Company in January 2018. He was appointed as deputy chief of No. 1 Cotton Textile Factory of Wuxi City in July 1984 and chief of factory in February 1991. He has held various positions in Wuxi City Guolian Development (Group) Company Limited and its subsidiaries. Among other things, he was appointed as the general manager of Wuxi Guolian Textile Group Company Limited (now known as Wuxi No.1 Cotton Textile Group Company Limited) in October 2005, and subsequently served as the chairman of its board until December 2014. He had also held various management roles in Wuxi No. 1 Cotton Investment Co., Ltd. (a joint venture held as to 49% by the Company) and its subsidiaries up to June 2015. Mr. Li graduated from Wuxi Professional University (now known as Jiangnan University) and was a member of the Standing Committee of Wuxi Municipal People's Congress of the People's Republic of China. He also has been an Independent Non-executive Director of YGM Trading Limited (stock code: 375) since January 2018, whose shares are listed on the Stock Exchange.

蔡廷基

六十四歲，現為香港會計師公會資深會員。蔡先生一九七八年畢業於香港理工學院（現稱為香港理工大學）會計系，同年加入畢馬威會計師事務所，歷任香港畢馬威會計師事務所審計部合夥人，畢馬威會計師事務所上海辦事處執行合夥人，畢馬威華振會計師事務所上海首席合夥人，畢馬威華振會計師事務所華東華西區首席合夥人。二零一零年四月蔡先生自畢馬威華振會計師事務所退休。蔡先生自二零一二年十二月起出任為本公司獨立非執行董事，蔡先生亦是YGM貿易有限公司之獨立非執行董事。

蘇漢章

六十三歲，自二零零三年八月起擔任會計師行何鐵文蘇漢章梁樹賢會計師行有限公司董事。現為英記茶莊集團有限公司（股份代號：8241）之財務總監兼公司秘書。彼在製造、批發及貿易商業部門有廣泛之經驗，以及在香港、中國及加拿大多家公司擔任公職。蘇先生持有加拿大英屬哥倫比亞大學商學學士學位。彼為香港會計師公會資深會員、加拿大特許專業會計師公會會員及加拿大公認管理會計師公會會員。蘇先生自二零一七年九月起出任本公司及YGM貿易有限公司（股份代號：375）之獨立非執行董事、自二零一七年八月起出任Teamway International Group Holdings Limited（股份代號：1239）之獨立非執行董事、自二零一五年五月起出任鼎石資本有限公司（股份代號：804）之獨立非執行董事及自二零零二年九月起為松景科技控股有限公司（股份代號：1079）之獨立非執行董事（其股份於聯交所主板上市）。於二零一一年五月至二零一七年二月，蘇先生為米蘭站控股有限公司（股份代號：1150）之獨立非執行董事（其股份於聯交所主板上市）。

李光明

六十七歲，李先生於二零一八年一月獲委任為本公司獨立非執行董事。彼於棉紡織行業擁有四十年以上經驗。李先生於一九八四年七月獲委任為無錫市第一棉紡織廠副廠長，並於一九九一年二月獲委任為廠長。彼曾在無錫市國聯發展（集團）有限公司及其附屬公司擔任若干職位，包括彼於二零零五年十月獲委任為無錫國聯紡織集團有限公司（現稱無錫一棉紡織集團有限公司）總經理，其後出任董事長直至二零一四年十二月止。截至二零一五年六月，彼亦曾在無錫一棉投資有限公司（一間由本公司持有49%之合資企業）及其附屬公司中擔任若干管理角色。李先生畢業於無錫職業大學（現稱江南大學），曾任中華人民共和國無錫市人民代表大會常務委員會委員。彼亦自二零一八年一月起出任YGM貿易有限公司（其股份於聯交所上市，股份代號：375）之獨立非執行董事。

DIRECTORS AND MANAGEMENT

董事及管理人員

Directors' relationship with other Directors, senior management, substantial or controlling shareholders of the Company

Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel and Madam Chan Suk Ling, Shirley are siblings.

Mr. Chan Wing Kee, Mr. Chan Wing To and Madam Chan Suk Man are siblings. They are also the cousins of Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel and Madam Chan Suk Ling, Shirley. Madam Chan Suk Man is the wife of Mr. Lau Shing Choy.

Save as disclosed herein, the Directors do not have any relationship with other Directors, senior management, substantial or controlling Shareholders of the Company.

MANAGEMENT

Lau Shing Choy

Aged 71, Mr. Lau received a Bachelor's degree from the Chinese University of Hong Kong in 1969, and a Doctor of Philosophy Degree from Case Western Reserve University, USA in 1978. Mr. Lau joined the Group in 1978 to develop the China business. He is the Director of Hong Kong Knitters Limited.

Leung Ming Wai, Alan

Aged 61, Mr. Leung is the General Manager of Sales Department and obtained the diploma in Management Studies at Hong Kong Polytechnic University and Master Degree in Business Administration at University of Macau. He joined the Company as Sales Manager in 1986.

Yung Chor Yin, Margaret

Aged 55, is the General Manager of Sales Department and received a Bachelor's degree from RMIT University and a Master's degree in Business Administration from Hong Kong Polytechnic University. She joined the Company in 1985.

Yip Chung On

Aged 56, Mr. Yip is the General Manager of Sales Department. Mr. Yip joined the Company in 1982, and was promoted to Sales Manager in 1989. With wide range of both woven and knit experience in garment sourcing and merchandizing, he was appointed as General Manager in 2005.

Hui Sau Ling

Aged 53, is the Financial Controller and Company Secretary of the Group. She joined the Group in 2000 and has extensive experience in auditing, accounting, treasury and company secretarial work. She is a fellow member of the Association of Chartered Certified Accountants and a member of Hong Kong Institute of Certified Public Accountants.

董事與其他董事、本公司高級管理人員或主要或控股股東之關係

陳永奎先生、陳永榮先生及周陳淑玲女士為兄弟姐妹。

陳永棋先生、陳永滔先生及劉陳淑文女士為兄弟姐妹，而彼等亦為陳永奎先生、陳永榮先生及周陳淑玲女士之堂兄弟姐妹。劉陳淑文女士為劉盛材先生之妻子。

除本文所披露者外，董事概無與其他董事、本公司高級管理人員或主要或控股股東有任何關係。

管理人員

劉盛材

七十一歲，劉先生於一九六九年獲得香港中文大學學士學位，及於一九七八年獲得美國Case Western Reserve University 哲學博士學位。劉先生於一九七八年加入本集團，負責開拓中國業務。彼亦為香港織造有限公司之董事。

梁銘惠

六十一歲，梁先生現任營業總經理。彼獲得香港理工大學管理學文憑，及澳門大學工商管理碩士學位。梁先生於一九八六年加入本集團任職營業部經理。

容楚彥

五十五歲，容小姐現任營業總經理，彼獲得皇家墨爾本理工大學學士學位及香港理工大學工商管理碩士學位。容小姐於一九八五年加入本公司。

葉仲安

五十六歲，葉先生現任營業總經理。葉先生於一九八二年加入本公司，及於一九八九年升任營業部經理。葉先生於梭織及針織成衣採購及銷售均有廣泛之經驗，他於二零零五年獲委任總經理。

許秀玲

五十三歲，為本集團之財務總監及公司秘書。她於二零零零年加入本集團並對審計、會計、財務及公司秘書等工作擁有豐富經驗。許小姐為英國特許公認會計師公會資深會員及香港會計師公會會員。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF YANGTZEKIANG GARMENT LIMITED**
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of YangtzeKiang Garment Limited ("the Company") and its subsidiaries ("the Group") set out on pages 38 to 125, which comprise the consolidated statement of financial position as at 31 March 2019, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 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 Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

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.

獨立核數師報告
致長江製衣有限公司成員
(於香港註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第38頁至125頁的長江製衣有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一九年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而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》妥為擬備。

意見的基礎

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

關鍵審計事項

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

ASSESSING IMPAIRMENT OF OTHER PROPERTY, PLANT AND EQUIPMENT 評估其他物業、廠房及設備的減值	
Refer to note 11(e) to the consolidated financial statements and the accounting policies in note 1(m). 請參閱綜合財務報表附註11(e)及會計政策1(m)。	
THE KEY AUDIT MATTER 關鍵審計事項	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT 我們的審計如何處理該事項
<p>In view of the loss sustained by certain business units of the Group during the current year, management considered that indicators of impairment of other property, plant and equipment existed as at 31 March 2019.</p> <p>鑑於 貴集團若干業務單位於本年度內錄得虧損，截至二零一九年三月三十一日，管理層認為其他物業、廠房及設備可能出現減值跡象。</p> <p>In assessing whether impairment existed at the reporting date, management determined the recoverable amount of the smallest cash generating unit ("CGU") to which these assets were allocated. The recoverable amount of a CGU is the greater of its value in use and the fair value less costs of disposal of the related assets.</p> <p>在評估減值是否存在於結算日時，管理層確認該等資產分配所屬的最小現金產生單位之可收回金額。資產的可收回金額以其使用價值和公平價值減處置成本兩者中的較高數額為準。</p> <p>In order to determine the recoverable amount of each of the CGUs for which indicators of impairment were identified, management prepared a value in use calculation using a discounted cash flow forecast and assessed the fair values of the properties by reference to a valuation performed by an independent external valuer or an estimate made by management. Based on the assessment, the Group recognised impairment losses of HK\$5.17 million for the year ended 31 March 2019.</p> <p>當發現減值跡象時，管理層以每個現金產生單位之已貼現現金流預測計算其使用價值，並參考獨立估值師評估物業的公平值或管理層作出的估計，從而確認可收回金額。根據評估，貴集團於截至二零一九年三月三十一日止年度確認減值虧損 5,170,000 港元。</p>	<p>Our audit procedures to assess the impairment of other property, plant and equipment included the following:</p> <p>我們在評估其他物業、廠房及設備的減值時，採用了以下審計程序：</p> <ul style="list-style-type: none"> challenging the Group's impairment assessment model, which included assessing the impairment indicators identified by management, the identification of CGUs and the allocation of assets to each of the CGUs and assessing the impairment assessment models with reference to the requirements of the prevailing accounting standards; <p>就 貴集團的減值評估模型提出質詢，當中包括評估管理層計列的減值跡象、現金產生單位之確認及其各自所屬資產的分配，以及參考現行會計準則之要求評估 貴集團之減值評估模型；</p> <ul style="list-style-type: none"> for the property valuation performed by independent external valuer engaged by the Group, inspecting the valuation report and assessing the independent external valuer's qualifications, experience and expertise in the assets being valued and considering its objectivity and independence; discussing with the independent external valuer and challenging its valuation methodology and the key estimates and assumptions adopted in its valuation, which included property specific adjustment factors and the choice of market comparable transactions, taking into consideration of comparability and other market factors; <p>就 貴集團聘請的獨立外部估值師進行的物業估值，檢查估值報告及評估獨立外部估值師對所估值物業的資格，經驗及專業知識，並考慮其客觀性及獨立性；與獨立外部估值師討論並質詢其估值方法及其估值所採用的主要估計及假設，包括物業特定調整因素及市場可比較交易的選擇，並考慮可比性及其他市場因素；</p>

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

ASSESSING IMPAIRMENT OF OTHER PROPERTY, PLANT AND EQUIPMENT (continued) 評估其他物業、廠房及設備的減值(續)	
Refer to note 11(e) to the consolidated financial statements and the accounting policies in note 1(m). 請參閱綜合財務報表附註11(e)及會計政策1(m)。	
THE KEY AUDIT MATTER 關鍵審計事項	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT 我們的審計如何處理該事項
<p>The discounted cash flow forecasts used to assess impairment were based on a number of assumptions which required the exercise of significant management judgement, in particular in estimating future revenue and cost of direct materials, staff costs and fixed costs and the discount rate applied.</p> <p>用作評估減值的已貼現現金流預測是根據某些特定的假設，管理層必須為此作出重大判斷，尤其對於未來銷售及直接材料成本、員工成本與固定成本以及應用之貼現率。</p> <p>The assessment of the properties' fair values also involve significant judgement, particularly in respect of property-specific adjustment factors and the choice of market comparable transactions.</p> <p>對物業公平價值的評估也涉及重大判斷，特別是在特定物業調整因素和市場可比較交易的選擇方面。</p>	<ul style="list-style-type: none"> for the property's fair value assessed by management based on benchmarking to recent market transactions, challenging the choice of the market comparable transactions taking into consideration their comparability and other market factors; <p>就管理層根據近期市場交易的基準評估物業的公平價值，質詢其市場可比較交易的選擇，同時考慮其可比性和其他市場因素；</p> <ul style="list-style-type: none"> challenging the key assumptions adopted by management in the preparation of the discounted cash flow forecasts by comparing the most significant inputs in the discounted cash flow forecast, including future revenue and cost of direct materials, staff costs and fixed costs, with the historical performance and the most recent financial budget approved by the board of directors, industry reports and other available third party information; <p>對管理層就編製已貼現現金流預測而作出之關鍵假設提出質詢，並將已貼現現金流預測中最重要的數據，包括未來銷售及直接材料成本、員工成本與固定成本、與歷史表現及最近期被董事會批准的財務預算、工業報告及其他第三方可用資訊互相比較；</p> <ul style="list-style-type: none"> comparing the key assumptions included in the discounted cash flow forecasts prepared by management in the prior year with the current year's performance to assess the accuracy of the prior year's forecasts and making enquiries of management as to the reasons for any significant variations identified and whether these had been considered in the current discounted cash flow forecasts; <p>將以往年度管理層就編製已貼現現金流預測而作出之關鍵假設，與本年度的表現互相比較以評估往年度的預測是否準確，並查詢管理層任何重大差異的原因以及本年度之已貼現現金流預測是否已考慮該等因素；</p>

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

ASSESSING IMPAIRMENT OF OTHER PROPERTY, PLANT AND EQUIPMENT (continued) 評估其他物業、廠房及設備的減值(續)	
Refer to note 11(e) to the consolidated financial statements and the accounting policies in note 1(m). 請參閱綜合財務報表附註11(e)及會計政策1(m)。	
THE KEY AUDIT MATTER 關鍵審計事項	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT 我們的審計如何處理該事項
<p>We identified assessing impairment of other property, plant and equipment as a key audit matter because of the potential significance of any impairment charge to the results of the Group for the year and because forecasting future cash flows and valuing the Group's properties can be inherently subjective and require significant management judgement and estimation which increase the risk of error or potential management bias.</p> <p>我們把評估其他物業、廠房及設備的減值列為關鍵審計事項，因為任何減值對貴集團本年度的業績具有潛在的重大影響，加上未來現金流的預測及估值，貴集團物業可能存在因有主觀因素，須要作出重大判斷及估計，增加錯誤或潛在管理層偏向的風險。</p>	<ul style="list-style-type: none"> assessing the discount rate applied in the discounted cash flow forecasts by referencing to available financial information of other listed companies in the same industry and considering region and CGU specific risk premiums; <p>參考相同行業的其他上市公司可用財務資訊，評估應用在已貼現現金流預測的貼現率，並考慮地區以及現金產生單位的具體風險溢價；</p> <ul style="list-style-type: none"> performing a sensitivity analysis of the discount rate, revenue, cost of direct materials and staff costs growth rates in the discounted cash flow forecasts and considering the resulting impact on the impairment charge for the year and whether there were any indicators of management bias; and <p>對貼現現金流預測中的貼現率、收入、直接材料成本及員工成本增長率進行敏感度分析，並考慮所得結論對本年度減值撥備所帶來的影響，以及是否有任何跡象顯示管理層偏頗；及</p> <ul style="list-style-type: none"> assessing the disclosures in the consolidated financial statements in respect of the assessment of impairment of other property, plant and equipment with reference to the requirements of the prevailing accounting standards. <p>參考現行會計準則之要求，評估綜合財務報表中有關評估其他物業、廠房及設備減值的披露。</p>

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors 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 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 directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外的信息

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

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

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

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

董事就綜合財務報表須承擔的責任

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》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，董事須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。

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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.
- 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.

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。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴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中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- 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 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 Cheng Mei Yan Hilary.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 June 2019

- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

出具本獨立核數師報告的審計項目合夥人是鄭美恩。

畢馬威會計師事務所

執業會計師

香港中環
遮打道十號
太子大廈八樓

二零一九年六月二十四日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)

截至二零一九年三月三十一日止年度 (以港元計)

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Revenue	收入	2 & 10	717,614	749,280
Cost of sales	銷售成本		(585,030)	(611,731)
Gross profit	毛利		132,584	137,549
Other income	其他收益	3	8,733	10,866
Selling and distribution expenses	銷售及分銷費用		(49,777)	(53,596)
Administrative expenses	行政費用		(61,168)	(62,373)
Other operating expenses	其他經營費用		(14,113)	(15,350)
Profit from operations	經營溢利		16,259	17,096
Finance costs	融資成本	4(a)	(3,506)	(2,553)
Share of profits of joint ventures	應佔合營企業溢利		12,007	14,967
Impairment loss on plant and equipment	廠房及設備減值虧損	11(e)	(5,170)	(4,758)
Net valuation gains on investment properties	投資物業估值收益淨額	11(a)	3,361	17,545
Profit before taxation	除稅前溢利	4	22,951	42,297
Income tax	所得稅	5(a)	(2,650)	(7,254)
Profit for the year	本年度溢利		20,301	35,043
Attributable to:	應撥歸於:			
Equity shareholders of the Company	本公司股權持有人		22,062	36,558
Non-controlling interests	非控股股東權益		(1,761)	(1,515)
Profit for the year	本年度溢利		20,301	35,043
Earnings per share	每股盈利			
Basic and diluted	基本及攤薄	9	\$0.11	\$0.18

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).

附註：本集團已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。參閱附註1(c)。

Details of dividends payable to equity shareholders of the Company attributable to the year are set out in note 25(b)(i). The notes on pages 44 to 125 form part of these financial statements.

應付本公司股權持有人本年度股息的詳情載於附註25(b)(i)。第44頁至125頁的附註屬本財務報表之一部份。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

	Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 (Note (i)) (附註(i)) \$'000 千元
Profit for the year		20,301	35,043
Other comprehensive income for the year (after tax and reclassification adjustments)			
	8		
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Equity investments at FVOCI: net movement in the investment revaluation reserve (non-recycling)	將不會被重新分類至損益的項目： 透過其他全面收益按公平價值入賬的證券投資： 投資重估儲備變動淨額 (不可轉回)	1,037	–
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of: – financial statements of subsidiaries outside Hong Kong – share of joint ventures' net assets	重新分類/其後可重新分類至損益的項目： 匯兌差額： – 換算香港境外附屬公司財務報表 – 換算應佔合營企業資產淨值	(6,884) (36,896)	10,154 55,618
Release of exchange reserve upon disposal of interest in an associate	出售一聯營公司權益時撥回累計匯兌儲備	(43,780) (55)	65,772 –
Available-for-sale securities: net movement in the investment revaluation reserve (recycling) (Note (ii))	可供出售證券：投資重估儲備變動淨額 (可轉回) (附註(ii))	–	(1,370)
Cash flow hedges: net movement in the hedging reserve	現金流量對沖：對沖儲備變動淨額	2,255	(2,255)
Other comprehensive income for the year	本年度其他全面收益	(40,543)	62,147
Total comprehensive income for the year	本年度全面收益總額	(20,242)	97,190
Attributable to:	應撥歸於：		
Equity shareholders of the Company	本公司股權持有人	(18,438)	98,823
Non-controlling interests	非控股股東權益	(1,804)	(1,633)
Total comprehensive income for the year	本年度全面收益總額	(20,242)	97,190

Notes:

- (i) The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).
- (ii) This amount arose under the accounting policies applicable prior to 1 April 2018. As part of the opening balance adjustments as at 1 April 2018, the balance of this reserve has been reclassified to the investment revaluation reserve (non-recycling) and will not be reclassified to profit or loss in any future periods. See note 1(c)(a).

附註：

- (i) 本集團已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。請參閱附註1(c)。
- (ii) 此為根據二零一八年四月一日前適用的會計政策產生的金額。作為於二零一八年四月一日之期初結餘調整，該儲備的結餘已重新分類至投資重估儲備 (不可轉回) 且於日後期間將不會重新分類至損益。參閱附註1(c)(a)。

The notes on pages 44 to 125 form part of these financial statements.

第44頁至125頁的附註屬本財務報表之一部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 (Expressed in Hong Kong dollars)

於二零一九年三月三十一日 (以港元計)

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Non-current assets	非流動資產			
Investment properties	投資物業	11	242,239	240,556
Other property, plant and equipment	其他物業、廠房及設備	11	54,761	58,223
Interest in leasehold land held for own use under operating leases	持作經營租賃之自用 租賃土地的權益	11	1,292	1,438
			298,292	300,217
Intangible assets	無形資產	12	2,985	3,080
Interests in joint ventures	合營企業權益	15	546,154	571,043
Other financial assets	其他金融資產	16	20,011	4,611
Deferred tax assets	遞延稅項資產	23(b)(ii)	-	271
			867,442	879,222
Current assets	流動資產			
Inventories	存貨	17	69,177	68,686
Trade and other receivables	應收賬款及其他應收款	18	98,375	120,000
Current tax recoverable	可收回本期稅項	23(a)	347	131
Cash at bank and in hand	銀行存款及現金	19(a)	323,769	323,112
			491,668	511,929
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	20	84,690	86,407
Contract liabilities	合約負債	21	4,952	-
Current tax payable	應付本期稅項	23(a)	14,709	16,036
			104,351	102,443
Net current assets	流動資產淨值		387,317	409,486
Total assets less current liabilities	資產總額減流動負債		1,254,759	1,288,708

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 (Expressed in Hong Kong dollars)

於二零一九年三月三十一日 (以港元計)

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Non-current liabilities	非流動負債			
Provision for long service payments	長期服務金撥備	24	23,498	22,728
Deferred tax liabilities	遞延稅項負債	23(b)(ii)	16,516	17,013
			40,014	39,741
NET ASSETS	資產淨值		1,214,745	1,248,967
CAPITAL AND RESERVES	資本及儲備			
Share Capital	股本	25(c)	208,418	208,418
Reserves	儲備		1,008,228	1,039,310
Total equity attributable to equity shareholders of the Company	應撥歸於本公司股權持有人權益總額		1,216,646	1,247,728
Non-controlling interests	非控股股東權益		(1,901)	1,239
TOTAL EQUITY	權益總額		1,214,745	1,248,967

Approved and authorised for issue by the board of directors on 24 June 2019.

董事會已於二零一九年六月二十四日核准及授權發佈上列賬目。

Chan Wing Fui, Peter
Chairman

Chan Wing Kee
Managing Director

陳永奎
主席

陳永棋
董事總經理

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).

附註：本集團已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。參閱附註1(c)。

The notes on pages 44 to 125 form part of these financial statements.

第44頁至125頁的附註屬本財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)

截至二零一九年三月三十一日止年度(以港元計)

	Share capital	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve (recycling)	Investment revaluation reserve (non-recycling)	Land and buildings revaluation reserve	Hedging reserve	Other reserve	Retained profits	Total	Non-controlling interests	Total equity
	股本	匯兌儲備	綜合賬目所產生之商譽	重估儲備(可轉回)	重估儲備(不可轉回)	土地及樓宇重估儲備	對沖儲備	其他儲備	保留溢利	合計	非控股股東權益	權益總額
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Note	(note)	(note)	(note)	(note)	(note)	(note)	(note)	(note)	(note)	(note)	(note)	(note)
附註	25(c)	25(d)(i)		25(d)(ii)	25(d)(iii)	25(d)(iv)	25(d)(v)	25(d)(vi)	25(d)(vii)			
附註	25(c)	25(d)(i)		25(d)(ii)	25(d)(iii)	25(d)(iv)	25(d)(v)	25(d)(vi)	25(d)(vii)			
Balance at 1 April 2017	208,418	68,544	(42,174)	306	-	31,870	-	7,236	895,380	1,169,580	2,872	1,172,452
Changes in equity for the year:												
Profit for the year	-	-	-	-	-	-	-	-	36,558	36,558	(1,515)	35,043
Other comprehensive income	8	65,890	-	(1,370)	-	-	(2,255)	-	-	62,265	(118)	62,147
Total comprehensive income	-	65,890	-	(1,370)	-	-	(2,255)	-	36,558	98,823	(1,633)	97,190
Dividends approved in respect of the previous year	25(b)(ii)	-	-	-	-	-	-	-	(20,675)	(20,675)	-	(20,675)
Balance at 31 March 2018 (note)	208,418	134,434	(42,174)	(1,064)	-	31,870	(2,255)	7,236	911,263	1,247,728	1,239	1,248,967
Impact on initial applicable of HKFRS 9	-	-	-	1,064	13,429	-	-	-	-	14,493	-	14,493
Adjusted balance on 1 April 2018	208,418	134,434	(42,174)	-	13,429	31,870	(2,255)	7,236	911,263	1,262,221	1,239	1,263,460
Changes in equity for the year:												
Profit for the year	-	-	-	-	-	-	-	-	22,062	22,062	(1,761)	20,301
Other comprehensive income	8	(43,792)	-	-	1,037	-	2,255	-	-	(40,500)	(43)	(40,543)
Total comprehensive income	-	(43,792)	-	-	1,037	-	2,255	-	22,062	(18,438)	(1,804)	(20,242)
Acquisition of non-controlling interest of a subsidiary	-	(440)	-	-	-	-	-	-	(1,887)	(2,327)	(1,336)	(3,663)
Dividends approved in respect of the previous year	25(b)(ii)	-	-	-	-	-	-	-	(24,810)	(24,810)	-	(24,810)
Balance at 31 March 2019	208,418	90,202	(42,174)	-	14,466	31,870	-	7,236	906,628	1,216,646	(1,901)	1,214,745

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).

附註：本集團已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。參閱附註1(c)。

The notes on pages 44 to 125 form part of these financial statements.

第44頁至125頁的附註屬本財務報表之一部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Operating activities	經營活動			
Cash generated from operations	經營業務所得現金	19(b)	41,460	19,533
Tax paid	已付稅項		(3,824)	(7,166)
Net cash generated from operating activities	經營活動所得現金淨額		37,636	12,367
Investing activities	投資活動			
Payment for the purchase of other property, plant and equipment	購買其他物業、廠房及設備付款		(7,098)	(2,005)
Proceeds from disposals of other property, plant and equipment	出售其他物業、廠房及設備所得款項		224	4,990
Interest received	已收利息		2,731	1,091
Payment for acquisition of non-controlling interest of a subsidiary	收購一附屬公司非控股權益付款	13(b)	(3,663)	-
Dividends received from a joint venture	已收一合營企業之股息		-	12,926
Dividends received from equity securities	已收股權證券之股息		776	517
Decrease/(increase) in restricted bank deposits	受限制銀行存款減少/(增加)		4,248	(4,360)
Net cash (used in)/generated from investing activities	投資活動(所用)/所得現金淨額		(2,782)	13,159
Financing activities	融資活動			
Interest paid	已付利息		(3,158)	(2,410)
Dividends paid to equity shareholders of the Company	已付本公司股權持有人股息		(24,810)	(20,675)
Net cash used in financing activities	融資活動所用現金淨額		(27,968)	(23,085)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		6,886	2,441
Cash and cash equivalents at the beginning of the year	於年初之現金及現金等價物		318,752	313,489
Effect of foreign exchange rate changes	外幣兌換率變動之影響		(1,981)	2,822
Cash and cash equivalents at the end of the year	於年終之現金及現金等價物	19(a)	323,657	318,752

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).

附註：本集團已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。參閱附註1(c)。

The notes on pages 44 to 125 form part of these financial statements.

第44頁至125頁的附註屬本財務報表之一部份。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2019 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment properties (see note 1(i));
- other investments in equity securities (see note 1(f)); and
- derivative financial instruments (see note 1(g)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1. 主要會計政策

(a) 遵例聲明

本財務報表乃按照香港會計師公會頒佈所有適用之《香港財務報告準則》(「香港財務報告準則」)，包括所有適用的個別香港財務報告準則、《香港會計準則》(「香港會計準則」)與詮釋，香港公認之會計原則及香港公司條例之規定而編製。本財務報表亦符合香港聯合交易所有限公司《證券上市規則》(「上市規則」)之通用披露規定。本集團採用之主要會計政策概要如下。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，並於本集團之本會計期間首次生效或可供提早採納。本集團現行及過往會計期間因初次應用此等新發展所造成之任何會計政策變動而反映於該等財務報表之資料，載列於附註1(c)。

(b) 財務報表的編製基準

截至二零一九年三月三十一日止年度的綜合財務報表，包括本公司及其附屬公司(統稱為「本集團」)及本集團於合營企業權益。

本財務報表是根據歷史成本基準編製，惟下列資產及負債以其公平價值按下文所述之會計政策入賬者則除外：

- 投資物業(參閱附註1(i))；
- 其他股權證券投資(參閱附註1(f))；及
- 衍生金融工具(參閱附註1(g))。

按照香港財務報告準則編製的財務資料需要管理層為有關財務資料作出判斷、估計及假設，該等判斷、估計及假設影響會計政策的應用，以及所呈報之資產、負債、收益及支出的金額。資產及負債的賬面值如果未能明顯地從其他來源取得，其金額將根據歷史經驗和在相關情況下認為合理的其他因素作出評估。實際結果可能與估計出現差異。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 29.

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 9, *Financial instruments*
- HKFRS 15, *Revenue from contracts with customers*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(a) HKFRS 9, *Financial instruments*

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 April 2018. Therefore, comparative information continues to be reported under HKAS 39.

(i) Classification of financial assets and financial liabilities

HKFRS 9 categories financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

1. 主要會計政策 (續)

(b) 財務報表的編製基準 (續)

該等估計及相關假設會持續被評估。會計估計的改變如果只影響當期，則有關的影響在估計變更的當期確認。如果該項會計估計的更改影響當期和以後的期間，則有關的影響在當期和以後期間確認。

有關管理層於應用香港財務報告準則時所作出而將會對財務報表有重大影響的判斷，以及估計不確定因素之主要來源之討論內容，載列於附註29。

(c) 會計政策變動

香港會計師公會已頒佈若干項於本集團本會計期間首次生效之新訂及經修訂香港財務報告準則。當中，與本集團財務報表有關之發展載列如下：

- 香港財務報告準則第9號，*金融工具*
- 香港財務報告準則第15號，*客戶合約收入*

本集團並無採用任何在當前會計期間尚未生效之新訂準則或詮釋。

(a) 香港財務報告準則第9號，*金融工具*

香港財務報告準則第9號取代香港會計準則第39號，*金融工具：確認及計量*。此準則規定了確認和計量金融資產、金融負債及一些買賣非金融項目的若干合約的要求。

本集團根據過渡規定將香港財務報告準則第9號追溯應用至於二零一八年四月一日時已存在的項目。本集團將首次應用的累計影響確認為於二零一八年四月一日的期初權益調整。因此，比較資料繼續按香港會計準則第39號予以呈報。

(i) 金融資產和金融負債的分類

香港財務報告準則第9號將金融資產分類為三個主要類別：按攤銷成本計量、透過其他全面收益按公平價值入賬及透過損益按公平價值入賬。這取代了香港會計準則第39號的金融資產類別，即：持有至到期投資、貸款及應收賬款、可供出售金融資產及透過損益按公平價值入賬的金融資產。香港財務報告準則第9號之金融資產的分類乃根據管理金融資產的業務模式及其合約現金流特徵釐定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(a) HKFRS 9, Financial instruments (continued)

(i) Classification of financial assets and financial liabilities (continued)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 impacted by the new standard and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9.

		HKAS 39 carrying amount at 31 March 2018 香港會計 準則第39號 於二零一八年 三月三十一日 之賬面值 \$'000 千元	Reclassification	Remeasurement	HKFRS 9 carrying amount at 1 April 2018 香港財務報告 準則第9號 於二零一八年 四月一日 之賬面值 \$'000 千元
Financial assets measured at FVOCI (non-recycling)	透過其他全面收益按公平價值入帳的 金融資產(不可轉回)				
Equity securities (note)	股權證券(附註)	-	4,611	14,493	19,104
Financial assets classified as available-for-sale under HKAS 39 (note)	根據香港會計準則第39號分類 為可供出售金融資產(附註)				
- unlisted equity securities	- 非上市股權證券	855	(855)	-	-
- equity securities listed outside Hong Kong	- 香港境外上市股權證券	3,756	(3,756)	-	-
		4,611	(4,611)	-	-

Note: Certain equity investments held by the Group for long-term strategic purposes have been designated under HKFRS 9 at FVOCI (non-recycling) (see note 16). Before the adoption of HKFRS 9, those unlisted equity securities were measured at cost because their fair values were not considered to be reliably measureable. HKFRS 9 has removed this cost exception.

附註：本集團持有若干作長期策略性持有的股權證券投資已根據香港財務報告準則第9號指定為透過其他全面收益按公平價值入帳(不可轉回)(參閱附註16)。在未採納香港財務報告準則第9號之前，該等證券以成本入帳，因為不能可靠地計量其公平價值。香港財務報告準則第9號已把此成本例外情況移除。

1. 主要會計政策(續)

(c) 會計政策變動(續)

(a) 香港財務報告準則第9號，金融工具(續)

(i) 金融資產和金融負債的分類(續)

下表載列本集團受新準則影響金融資產按香港會計準則第39號的原定計量分類及該等金融資產根據香港會計準則第39號及香港財務報告準則第9號所釐定的賬面值進行對賬。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(a) HKFRS 9, Financial instruments (continued)

(i) Classification of financial assets and financial liabilities (continued)

For an explanation of how the Group classifies and measures financial assets and recognises related gains and losses under HKFRS 9, see respective accounting policy notes in notes 1(f), (g), (h), (m)(i), (o) and (s).

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

(ii) Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and lease receivables).

For further details on the Group’s accounting policy for credit losses, see note 1(m).

The adoption of HKFRS 9 does not have any material impact on the financial position and the financial result of the Group.

1. 主要會計政策 (續)

(c) 會計政策變動 (續)

(a) 香港財務報告準則第9號，金融工具 (續)

(i) 金融資產和金融負債的分類 (續)

有關本集團如何根據香港財務報告準則第9號分類及計量金融資產及確認相關收益及虧損之解釋，請分別參閱會計政策附註1(f)、(g)、(h)、(m)(i)、(o)及(s)。

所有金融負債之計量類別仍維持不變。所有金融負債於二零一八年四月一日之賬面值並無受到首次應用香港財務報告準則第9號之影響。

(ii) 信貸虧損

香港財務報告準則第9號以「預期信貸虧損」模式取代香港會計準則第39號「已產生虧損」模式。預期信貸虧損模式要求持續計量金融資產相關的信貸風險，因此確認預期信貸虧損的時間較香港會計準則第39號「已產生虧損」之會計模式為早。

本集團將新預期信貸虧損模式應用於按攤銷成本計量的金融資產 (包括現金及現金等價物，應收賬款及其他應收款及應收租賃款項)。

有關本集團信貸虧損會計政策之進一步詳情，請參閱附註1(m)。

採用香港財務報告準則第9號對本集團的財務狀況及財務業績並無任何重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(b) HKFRS 15, Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 April 2018.

Further details of the nature and effect of the changes on previous accounting policies are set out below:

(i) Timing of revenue recognition

Previously, revenue from sale of goods and provision of services was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers and the service were rendered.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

1. 主要會計政策 (續)

(c) 會計政策變動 (續)

(b) 香港財務報告準則第15號，客戶合約收入

香港財務報告準則第15號建立一個全面框架，用於確認與客戶簽訂合約收入及若干成本。香港財務報告準則第15號取代香港會計準則第18號，*收入*（涵蓋銷售商品及提供服務所產生之收入）及香港會計準則第11號，*建造合約*（訂明建造合約收入之會計處理方法）。

香港財務報告準則第15號亦引入額外的定性及定量披露規定，旨在讓財務報表使用者了解客戶合約所產生的收入及現金流量的性質、數額、時間及不確定性。

本集團選擇使用累計影響過渡方法，並將首次應用的累計影響確認為二零一八年四月一日權益期初餘額的一項調整。因此，比較信息不予重列並繼續按香港會計準則第18號呈報。如香港財務報告準則第15號所允許，本集團將新要求只應用於二零一八年四月一日之前尚未完成的合約。

有關過往會計政策變動性質及影響之進一步詳情載列如下：

(i) 收入確認時間

過往年度，銷售貨品和提供服務產生的收入通常於貨品所有權風險及回報轉移予客戶及提供服務時確認。

根據香港財務報告準則第15號，收入於客戶取得合約中所承諾貨物或服務之控制權時予以確認。此可能是單一時間點或一段時間。香港財務報告準則第15號確定了以下對承諾貨品或服務之控制權被視為隨時間轉移之三種情況：

- A. 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；
- B. 當實體履約創造或增強一項於資產被創造或增強時由客戶控制之資產（如在建工程）時；
- C. 當實體履約並無創造對實體具替代用途之資產，且實體對迄今已完成履約之付款具有可強制執行權利時。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies (continued)

(b) HKFRS 15, Revenue from contracts with customers (continued)

(i) Timing of revenue recognition (continued)

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have any material impact on the timing of revenue recognition for both sales of goods and provision of services of the Group.

(ii) Presentation of contract liabilities

Under HKFRS 15, a contract liability is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. Such balances are recognised as contract liabilities rather than payables.

Previously, amounts received before the goods delivered were presented as advances received under "trade and other payables".

To reflect these changes in presentation, at 1 April 2018, as a result of the adoption of HKFRS 15, advances received from customers included under "trade and other payables" of \$3,524,000 is now reclassified as "contract liabilities" (note 21).

1. 主要會計政策 (續)

(c) 會計政策變動 (續)

(b) 香港財務報告準則第15號，客戶合約收入 (續)

(i) 收入確認時間 (續)

倘合約條款及實體活動並不屬於任何該三種情況，則根據香港財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)就銷售貨品或服務確認收入。所有權風險及回報之轉移僅為釐定控制權發生轉移的其中一項考慮指標。

採納香港財務報告準則第15號對本集團銷售貨品及提供服務的收入確認時間並無任何重大影響。

(ii) 合約負債呈列方式

根據香港財務報告準則第15號，當一客戶付出交易金額或在合約下須要支付交易金額及該金額已經到期時，本集團應在未確認有關收入前先確認合約負債。此等結餘該確認為合約負債，並非為應付賬款。

過往年度，於交付貨品前已收之款項呈列為「應付賬款及其他應付款」項下之已收預付款項。

為反映該等呈列變動，於二零一八年四月一日，由於採納香港財務報告準則第15號，計入「應付賬款及其他應付款」之已收客戶預付款3,524,000元現已重新分類為「合約負債」(附註21)。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(f)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 1(e)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(m)).

1. 主要會計政策(續)

(d) 附屬公司及非控股股東權益

附屬公司為本集團所控制之實體。當本集團可通過參與實體之業務從而承擔或享有變動之回報及有能力運用其控制權以影響回報金額，則本集團控制該實體。當評定本集團是否有該等權利時，僅考慮(本集團和其他方所持有的)實質權利。

於附屬公司投資，其賬項是由受控制日起直至控制終止日歸納入綜合財務報表內。集團內部往來間之結餘、交易及現金流量，以及其產生的未變現溢利，均在編製綜合財務資料時全數抵銷。集團內部交易所產生的未變現虧損的抵銷方法與未變現收益相同，但抵銷額只限於沒有證據顯示減值出現的部分。

非控股股東權益，即非本公司直接或間接應佔一附屬公司的權益及有關權益本集團並未與該等權益的持有者同意任何額外條款而令本集團整體對該等權益有推定責任並而符合金融負債的定義。在每一次業務合併，集團可選擇以公平價值或應佔附屬公司可區別淨資產作為計量任何非控股股東權益。

非控股股東權益在綜合財務狀況表的權益內，與應撥歸本公司股權持有人權益分開呈列。非控股股東權益所佔本集團業績呈列在綜合損益表及綜合損益及其他全面收益表內，所呈列的年內損溢總額及全面收益總額，均被分配為非控股股東權益及本公司股權持有人權益。

當本集團於一附屬公司權益出現變動，但並無失去控制權，須以權益交易入賬，而在綜合權益內以調整控股股東及非控股股東權益的金額去反映有關權益變動，但沒有收益或虧損被確認。

當本集團失去一附屬公司的控制權，須以出售全部於該附屬公司權益入賬，並於損益內確認最終收益或虧損。於失去控制該前附屬公司控制權當日而保留的任何權益則以公平價值確認，而該金額被視為首次以公平價值確認的金融資產(參閱附註1(f))或，如適當，被視為首次確認投資於一聯營公司或合營企業的成本(參閱附註1(e))。

在本公司的財務狀況表中，附屬公司投資是以成本減除減值虧損(參閱附註1(m))列賬。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Associates and joint ventures

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 1(m)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associate and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(f)).

1. 主要會計政策 (續)

(e) 聯營公司及合營企業

聯營公司是指本集團可以對其管理層發揮重大影響的實體，包括參與其財務及經營決策，但不是控制或聯合控制其管理層。

合營企業乃本集團及其他人士就共同控制安排而同意作出的合約性安排，而彼等就安排的淨資產享有權利。

於聯營公司或合營企業之投資在綜合財務報表是按權益會計法入賬，最初先以成本入賬，及就集團應佔在收購日被收購者可區別淨資產公平價值超逾其投資成本 (如有) 作出調整。隨後就本集團應佔被投資者淨資產在收購後的變動及有關該投資的減值虧損作出調整 (參閱附註1(m))。任何在收購日比對成本的超越值、年內本集團應佔被投資者的收購後及除稅後業績以及任何減值虧損乃於綜合損益表內確認，而本集團應佔被投資者其他全面收益的收購後及除稅後項目乃於綜合損益及其他全面收益表內確認。

當本集團應佔聯營公司或合營企業之虧損超逾其所佔權益時，本集團之權益將減少至零，並且終止確認進一步虧損；惟倘本集團須履行法律或推定責任，或代被投資者付款則除外。就此而言，本集團之權益是以按照權益法計算投資之賬面值，連同實質上構成本集團在聯營公司或合營企業投資淨額一部分的長期權益為準。

本集團與其聯營公司及合營企業之間交易所產生的未變現溢利及虧損，均以本集團於被投資者所佔之權益比率抵銷；但假如未變現虧損顯示已轉讓資產出現減值，則這些未變現虧損會於損益內即時確認。

倘一項於聯營公司的投資成為於合營企業的投資 (反之亦然)，保留權益不會予以重新計量。相對地，該項投資會繼續按權益法入賬。

在其他情況下，當本集團不再對聯營公司有重大影響力或不再共同控制合營企業時，按出售有關被投資者的全部權益列賬，由此產生的收益或虧損於損益內確認。在喪失重大影響力或共同控制權當日所保留有關前被投資者的權益按公平價值確認及此筆金額在初始確認金融資產 (參閱附註1(f)) 時當作公平價值。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Associates and joint ventures (continued)

In the Company's statement of financial position, investments in an associate and joint ventures are stated at cost less impairment losses (see note 1(m)).

(f) Other investments in equity securities

The Group's policies for investments in equity securities, other than investments in subsidiaries, an associate and joint ventures, are as follows:

Investments in equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 26(e). These investments are subsequently accounted for as follows, depending on their classification.

(A) Policy applicable from 1 April 2018

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the investment revaluation reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the investment revaluation reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 1(w)(iv).

1. 主要會計政策 (續)

(e) 聯營公司及合營企業 (續)

本公司財務狀況表所示於一聯營公司及合營企業的投資，是按成本減去減值虧損 (參閱附註1(m)) 列賬。

(f) 其他股權證券投資

本集團於股權證券之投資 (於附屬公司、一聯營公司及合營企業之投資除外) 政策如下：

在本集團於承諾購入／出售股權證券投資當日，有關投資會被確認／終止確認。該等投資初步按公平價值加上直接應佔交易成本 (惟按公平價值計入損益計量且交易成本直接於損益內確認之該等投資除外) 列賬。有關本集團如何釐定金融工具之公平價值之說明，參閱附註26(e)。該等投資其後視乎彼等之分類列賬如下。

(A) 自二零一八年四月一日起適用之政策

股權證券投資均會被分類為透過損益按公平價值入賬，除非該股權證券投資不是持作買賣，並在初始確認投資時本集團選擇透過其他全面收益按公平價值入賬 (不可轉回)，以致後續公平價值變動在其他全面收益中確認。這種選擇是以逐項投資的基礎上進行，但只有當投資符合發行人角度下的股本定義時方可進行。若作出此選擇，在該投資被出售前，其他全面收益中累計的金額仍保留在投資重估儲備 (不可轉回) 中。在出售時，於投資重估儲備 (不可轉回) 中累計的金額會轉入保留溢利，且不會轉入損益。來自股權證券投資的股息，不論是否分類為透過損益按公平價值入賬或透過其他全面收益按公平價值入賬，均根據附註1(w)(iv)所載政策在損益中確認為其他收益。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in equity securities (continued)

(B) Policy applicable prior to 1 April 2018

Investments in equity securities were initially stated at fair value, which was their transaction price unless it was determined that the fair value at initial recognition differs from the transaction price and that fair value was evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs. These investments were classified as available-for-sale securities. At the end of each reporting period the fair value was remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the investment revaluation reserve (recycling). As an exception to this, investment in equity securities that did not have a quoted price in an active market for an identical instrument and whose fair value could not otherwise be reliably measured were recognised in the consolidated statement of financial position at cost less impairment losses. Dividend income from equity investments was recognised in profit or loss in accordance with the policies set out in note 1(w)(iv). When the investments were derecognised or impaired (see note 1(m)(i) – policy applicable prior to 1 April 2018), the cumulative gain or loss recognised in equity was reclassified to profit or loss.

(g) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note 1(h)).

(h) Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates (cash flow hedges). The hedge accounting policy applied from 1 April 2018 is similar to that applicable prior to 1 April 2018. However, under the new hedge accounting policy, depending on the complexity of the hedge, the Group applies a more qualitative approach to assessing hedge effectiveness, and the assessment is always forward-looking.

Where a derivative financial instrument is designated as a hedging instrument in a cash flow hedge, the effective portion of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

1. 主要會計政策 (續)

(f) 其他股權證券投資 (續)

(B) 二零一八年四月一日前適用之政策

股權證券投資初步按公平價值列賬，亦即其交易價格，除非交易價格與初步確認的公平價值不同，而該公平價值乃按活躍市場的相同資產或負債的報列市價作實或運用僅以可觀察市場數據作估值方法。成本包括應佔交易成本。該等投資分類為可供出售證券。而公平價值會於每一結算日作重新計量，所產生的任何收益或虧損於其他全面收益內被確認及獨立累計於權益內的投資重估儲備（可轉回）。惟當股權證券的投資無法在活躍市場取得相同工具的報列市價以及其公平價值不能可靠地被計量，則按成本減去減值虧損的方式於綜合財務狀況表確認。股權證券投資股息收益會按附註1(w)(iv)所載的會計政策於損益內確認。倘該等投資被終止確認或出現減值時（參閱附註(m)(i) – 於二零一八年四月一日前適用之政策）時，於權益確認的累計收益或虧損將重新分類至損益內。

(g) 衍生金融工具

衍生金融工具於初始時以公平價值確認。於每一結算日，其公平價值被重新計量。因重新計量公平價值而產生之收益或虧損即時於損益內確認，除非該衍生金融工具符合現金流量對沖會計，在此情況下，確認任何因此產生的收益或損失將取決於對沖項目之性質（參閱附註1(h)）。

(h) 現金流量對沖

本集團將若干項衍生工具指定為對沖工具，以對沖極有機會預測交易中因匯率變動（現金流量對沖）而產生的相關現金流變動。自二零一八年四月一日起適用的對沖會計政策與二零一八年四月一日之前適用的類似。但根據新的對沖會計政策，取決於對沖的複雜程度，集團採用更加定性的方法評估對沖的有效性，並且是前瞻性的評估。

如果某項衍生金融工具已指定用作現金流對沖工具，按公平價值重新計量衍生金融工具時產生的任何收益或虧損的有效部分會於其他全面收益確認及獨立累計於權益內的對沖儲備。當中任何收益或虧損的無效部分則即時在損益內確認。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Cash flow hedges (continued)

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset such as inventory, the associated gain or loss is reclassified from equity to be included in the initial cost of the non-financial asset.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified from equity to profit or loss in the same period or periods during which the hedged cash flows affect profit or loss (such as when a forecast sale occurs or interest expense is recognised).

If a hedge no longer meets the criteria for hedge accounting (including when the hedging instrument expires or is sold, terminated or exercised), then hedge accounting is discontinued prospectively. When hedge accounting is discontinued, but the hedged forecast transaction is still expected to occur, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the amount that has been accumulated in the hedging reserve is reclassified from equity to profit or loss immediately.

(i) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(l)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment properties.

Investment properties are stated at fair values, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(w)(iii).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases.

1. 主要會計政策 (續)

(h) 現金流量對沖 (續)

如果預期交易的對沖其後引致需確認非金融資產 (如存貨)，相關的收益或虧損便會從權益中重新分類，然後計入非金融資產的初始成本內。

對於所有其他對沖預測交易，對沖儲備中累計的數額在對沖現金流影響損益 (例如預測銷售發生時或確認利息支出時) 的同一期間內從權益重新分類至損益。

倘對沖不再符合對沖會計標準 (包括對沖工具到期或被出售、終止或行使時)，則對沖會計處理將可能被中止。當對沖會計處理中止，但預測的對沖交易仍然預期發生，對沖儲備中累計的數額仍為權益，直至交易發生，並根據上述政策確認。倘預期不再進行對沖交易，則對沖儲備中累計的數額將立即從權益重新分類至損益。

(i) 投資物業

投資物業乃為賺取租金收益及／或資本增值而以租賃權益擁有或持有之土地及／或樓宇 (參閱附註1(l))，包括尚未決定日後用途之土地及興建中或已發展作未來投資物業用途之物業。

投資物業乃按公平價值列賬，除非該物業於結算日仍在興建中或發展中、且當時未能有效計量其市場價值。公平價值變動或報廢或出售投資物業所產生之任何收益或虧損乃於損益內確認。投資物業的租金收益按附註1(w)(iii)所述基準入賬。

本集團以經營租賃方式持有用作租金收益及／或資本增值的物業權益是按個別物業作投資物業分類。此等被分類為投資物業之物業權益是假定以融資租賃方式持有入賬，與應用在其他以融資租賃方式持有的投資物業權益之會計政策相同。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Other property, plant and equipment

Other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(m)).

When an owner-occupied property becomes an investment property carried at fair value, the property is revalued at the date of transfer. Any resulting decrease in the carrying amount of the property is recognised in profit or loss and any resulting increase in carrying amount is recognised in other comprehensive income and increase in the land and buildings revaluation reserve.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the land and buildings revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Leasehold land is depreciated on a straight-line basis over the remaining term of the lease;
- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 60 years after the date of completion;
- Plant and machinery between 4 to 10 years; and
- Other assets between 3 to 5 years.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

1. 主要會計政策 (續)

(j) 其他物業、廠房及設備

其他各項物業、廠房及設備乃按原值扣除累計折舊及減值虧損列賬 (參閱附註1(m))。

當自用物業成為一按公平價值列賬的投資物業，該物業會於轉變當日重估。該物業因此改變而產生的任何賬面值減少於損益內確認，而任何賬面值增加則於其他全面收益內確認並增加土地及樓宇重估儲備。

報廢或出售物業、廠房及設備所產生的收益或虧損以出售所得淨額與該項目的賬面值之間的差額釐定，並於報廢或出售當日於損益內確認。任何相關重估盈餘會由土地及樓宇重估儲備轉至保留溢利，並不會於損益內確認。

物業、廠房及設備的折舊是按下列預計可用年限，在扣除估計剩餘值後，以直線法撇銷其成本計算：

- 租賃土地按租賃尚餘年期以直線法計算折舊；
- 存在於租賃土地的樓宇以租約年期與估計可用年限較短者計算折舊，但不多於樓宇完成後六十年；
- 廠房及機器按可用年期 (四年至十年) 計算折舊；及
- 其他資產按可用年期 (三年至五年) 計算折舊。

當一項物業、廠房及設備的各部份有不同的可使用年期，這項目各部份的成本將按合理基礎分配，而每部份將作個別折舊。剩餘價值 (如適用)、可使用年期和折舊方法於每年進行檢討。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(m)). Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. Both the period and method of amortisation are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

(l) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 1(i)); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

1. 主要會計政策 (續)

(k) 無形資產

由本集團購入的無形資產按成本減去累計攤銷 (如估計可使用年期為有限) 及減值虧損 (參閱附註1(m)) 後列賬。有限使用年期的無形資產攤銷乃按資產的估計可用年期以直線法於損益內確認。攤銷之期間及方法乃每年予以檢討。

被評估為具有不確定使用年期的無形資產不作攤銷。不確定使用年期之無形資產的任何結論須每年檢討，以確定該資產的情況及形勢會否繼續評估為不確定使用年期，否則，若可使用年期的評估從不確定轉變為確定，須按照上文所載有確定使用年期的無形資產的攤銷政策自轉變當日開始入賬。

(l) 租賃資產

如果集團認定一安排乃轉移權力去使用某特定資產而在一同意時期去換取單一或一連串費用作回報，該安排 (包括一次交易或一連串交易的安排) 乃租賃合約或包括一租賃合約。該決定應基於該安排的實則評估而不會考慮該安排在法律上是否為一租賃合約。

(i) 租賃予本集團的資產分類

本集團根據租約持有之資產，而其中有關擁有權之絕大部份風險及回報均轉移至本集團之租賃乃分類為融資租賃。不會轉移有關擁有權絕大部份風險及回報則分類為經營租賃，惟以下例外：

- 倘根據經營租賃持有之物業可另行符合投資物業之定義，則按個別物業之基準分類為投資物業，而倘分類為投資物業，則猶如列作根據融資租賃持有 (參閱附註1(i))；及
- 若根據經營租賃持有的自用土地的公平價值無法於租賃開始時與位於其上的樓宇的公平價值分開計算，將視作根據融資租賃持有，除非該樓宇明確根據經營租賃持有。就此而言，租賃開始日期指本集團首次訂立租約時，或承接先前承租人租約之日。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leased assets (continued)

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see note 1(i)).

(m) Credit losses and impairment of assets

(i) Credit losses from financial instruments and lease receivables

(A) Policy applicable from 1 April 2018

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- lease receivables.

Financial assets measured at fair value, including equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

1. 主要會計政策 (續)

(i) 租賃資產 (續)

(ii) 經營租賃支出

如屬本集團透過經營租賃使用資產的情況，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額方式於損益內扣除；但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。經營租賃協議所涉及的激勵措施於損益內確認為租賃淨付款總額的組成部份。

根據經營租賃所持有土地之收購成本乃於租賃期內以直線法攤銷，惟該物業分類為投資物業則例外 (參閱附註1(i))。

(m) 信貸虧損及資產減值

(i) 金融工具和應收租賃款項之信貸虧損

(A) 自二零一八年四月一日起適用之政策

本集團在下列項目上因預期信貸虧損而確認虧損準備：

- 按攤銷成本計量的金融資產 (包括現金及現金等價物、應收賬款及其他應收款)；及
- 應收租賃款項。

按公平價值計量的金融資產，包括指定透過其他全面收益按公平價值入帳的股權證券 (不可轉回) 和衍生金融資產，均無須作預期信貸虧損評估。

預期信貸虧損將採用以下基準計量：

- 十二個月預期信貸虧損：指報告日期後十二個月內可能發生的違約事件而導致的預期虧損；及
- 整個存續期的預期信貸虧損：指預期信貸虧損模型適用項目之預期年期內所有可能違約事件而導致的預期虧損。

應收賬款及應收租賃款項之虧損撥備一般按等同於整個存續期的預期信貸虧損的金額計量。於報告日期，該等金融資產的預期信貸虧損乃根據本集團的歷史信貸虧損經驗使用提列矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and lease receivables (continued)

(A) Policy applicable from 1 April 2018 (continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in the profit or loss. The Group recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of the financial instruments through a loss allowance account.

The gross carrying amount of a financial asset or lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect 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 write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(B) Policy applicable prior to 1 April 2018

Prior to 1 April 2018, an "incurred loss" model was used to measure impairment losses on financial assets not classified as at FVPL (e.g. trade and other receivables and available-for-sale investments). Under the "incurred loss" model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

1. 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具和應收租賃款項之信貸虧損 (續)

(A) 自二零一八年四月一日起適用之政策 (續)

至於所有其他金融工具，本集團會以相等於十二個月的預期信貸虧損金額確認虧損撥備，除非自初始確認後該金融工具的信貸風險大幅上升，在此情況下，虧損撥備會以整個存續期的預期信貸虧損金額計量。

預期信貸虧損於每一結算日重新計量，任何變動在損益內確認為減值收益或虧損。本集團確認減值收益或虧損並以虧損準備相應調整金融工具之賬面值。

某一金融資產或應收租賃款項之總賬面值撇除 (部分或全部) 沒有實際可行機會收回的部分。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流之收入來源來償還金額時撇除。

而其後收回在以前已撇除的資產，於收回發生之期內在損益內確認為減值撥回。

(B) 二零一八年四月一日前適用之政策

在二零一八年四月一日前，是以「已產生虧損」模式去計量非透過損益按公平價值分類之金融資產 (例如應收賬款及其他應收款及可供出售投資) 之減值虧損。在「已產生虧損」模式下，只有在減值的客觀證據出現時才確認減值虧損。減值的客觀證據包括：

- 債務人重大的財務困難；
- 違反合約，例如拖欠或逾期償還利息或本金；
- 債務人很可能將會申請破產或進行其他財務重組；
- 科技、市場、經濟或法律環境的重大改變為債務人帶來負面影響；及
- 股權工具投資的公平價值出現重大或持續下降至低於成本。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and lease receivables (continued)

(B) Policy applicable prior to 1 April 2018 (continued)

If any such evidence existed, an impairment loss was determined and recognised as follows:

- For trade and other current receivables and other financial assets carried at amortised cost, impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreased and the decrease could be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss was reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

When the recovery of a trade debtor or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

1. 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具和應收租賃款項之信貸虧損 (續)

(B) 二零一八年四月一日前適用之政策 (續)

倘存在任何該項憑證，則按以下方式計算及確認任何減值虧損：

- 就經攤銷成本列賬之應收賬款及其他流動應收款以及金融資產，減值虧損乃按金融資產之賬面值與估計未來現金流量現值之差額並按金融資產之原先實際利率貼現計算 (按初步確認該等資產計算之實際利率)，若貼現的影響重大。該等金融資產若擁有類似風險性質 (相近的逾期未付情況) 並無被獨立評估減值，均按整體評估。該等被評估減值的金融資產的未來現金流量乃根據該等信貸風險性質相似的資產的過往虧損經驗釐定。

倘減值虧損金額於隨後期間減少，而有關減少可客觀地連繫至於確認減值虧損後之事件，則減值虧損乃於損益內撥回。撥回減值虧損不會令資產賬面值超越假如過往年度未有確認減值虧損之時的賬面值才獲確認。

當以攤銷成本列賬的應收賬款或其他金融資產的可收回情況被認為不確定而非渺茫，相關之呆賬減值虧損則以一減值準備入賬。如本集團認為收回機會渺茫，則認定不能收回額直接在此資產之總賬面值內撇除。以前計入減值撥備而其後收回之數額，在減值準備撥回。其他在減值撥備內的變動及以前已直接撇除而其後收回數額則在損益內確認。

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截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and lease receivables (continued)

(B) Policy applicable prior to 1 April 2018 (continued)

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.
- For available-for-sale investments, the cumulative loss that had been recognised in investment revaluation reserve (recycling) was reclassified to profit or loss. The amount of the cumulative loss that was recognised in profit or loss was the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities were not reversed through profit or loss. Any subsequent increase in the fair value of such assets was recognised in other comprehensive income.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- other property, plant and equipment;
- pre-paid interests in leasehold land classified as being held for own use under an operating lease;
- intangible assets; and
- investments in subsidiaries, an associate and joint ventures in the Company's statement of financial position.

1. 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具和應收租賃款項之信貸虧損 (續)

(B) 二零一八年四月一日前適用之政策 (續)

- 就按成本列賬之非上市股權證券而言，減值虧損乃按金融資產之賬面值與估計未來現金流量之差額，並按類似金融資產之目前市場回報率貼現計算（倘貼現產生重大影響）。按成本列賬之股權證券減值虧損將不會撥回。
- 就可供出售股權證券，先前已確認在投資重估儲備內的累積虧損將於損益內確認。須於損益內確認累積虧損之金額，是購入價（減除任何本金償還及攤銷）與現時公平價值兩者之差額，再減除往年已於損益內確認的減值虧損。

有關已確認於損益內之可供出售股權證券的減值虧損是不能撥回損益內。其後該資產之公平價值增加須在其他全面收益內確認。

(ii) 其他資產減值

於每一結算日審閱內部和外來的信息，以確定下列資產有否出現減值跡象，或是以往確認的減值虧損不復存在或已經減少：

- 其他物業、廠房及設備；
- 預付租賃土地權益分類為持作經營租賃之自用租賃土地；
- 無形資產；及
- 本公司財務狀況表呈列於附屬公司、一聯營公司及合營企業的投資。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Credit losses and impairment of assets (continued)

(ii) Impairment of other assets (continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

1. 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(ii) 其他資產減值 (續)

如果出現減值跡象，便會估計該資產的可收回金額。除此之外，對於不確定使用年期的無形資產，其可收回金額則按年作出估計，不論有否減值跡象。

- 計算可收回金額

資產的可收回金額以其公平價值減處置成本和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前貼現率將估計未來現金流量貼現至現值。該貼現率應是反映市場當時所評估的金錢時間價值和該資產的獨有風險。如果資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別 (即現金產生單位) 來釐定可收回金額。

- 確認減值虧損

倘資產或其所屬之現金產生單位之賬面值超過其可收回金額，則於損益內確認減值虧損。就現金產生單位確認之減值虧損，以按比例基準作為減少單位 (或單位類別) 之其他資產之賬面值，惟資產之賬面價值將不會減少至低於其個別公平價值減處置成本 (倘能計量) 或使用價值 (倘能確定)。

- 減值虧損撥回

倘若用以釐定可收回金額的估計發生有利的變化，便會將資產減值虧損撥回。

所撥回的減值虧損以假設沒有在往年確認減值虧損而應釐定的資產賬面值為限。所撥回的減值虧損在確認撥回的年度計入損益內。

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財務報表附註

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截至二零一九年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(o) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive the consideration, the account is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(m)(i)).

(p) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(q) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

1. 主要會計政策 (續)

(n) 存貨

存貨乃以成本及可變現淨值兩者中的較低數額入賬。

成本以加權平均成本法計算，其中包括所有採購成本、加工成本以及令存貨變成現狀和運輸之成本。

可變現淨值是以日常業務過程中的估計售價減去完成生產及銷售所需的估計成本後所得之數。

所有出售存貨的賬面值在相關收入確認的期間內確認為支出。存貨金額撇減至可變現淨值及存貨的所有虧損均在出現減值或虧損的期間內確認為支出。存貨的任何減值撥回的金額，均在出現撥回的期間內減少確認為已列作支出的存貨金額。

(o) 應收賬款及其他應收款

應收賬款於本集團擁有無條件權利可收取代價時予以確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。倘於本集團擁有無條件權利可收取代價之前已確認收益，該等金額作為合約資產呈列。

應收賬款乃以實際利率法按攤銷成本減信貸虧損撥備列賬 (參閱附註1(m)(i))。

(p) 帶息借款

帶息借款首次確認時以公平價值減有關交易成本入賬。首次確認後，帶息借款按攤銷成本列示。首次確認的金額與贖回價值的差異，連同任何應付利息及應付費用按實際利率法在有關期間於損益內確認。

(q) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平價值入賬，其後以攤銷成本列賬，惟貼現之影響屬輕微則除外，於該情況下則按成本列賬。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 1(w)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(o)).

Policy prior to 1 April 2018

In the comparative period, amounts received, before the goods were delivered, were presented as advances received under "trade and other payables". These balances have been reclassified on 1 April 2018 (see note 1(c)(b)).

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in note 1(m)(i).

(t) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Long service payments

The Group's net obligations in respect of long service payments are the amounts of future benefits that employees have earned in return for their services in the current and prior periods, calculated in accordance with the relevant laws.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of these benefits and when it recognises restructuring costs involving the payment of termination benefits.

1. 主要會計政策 (續)

(r) 合約負債

在本集團確認相關收入前 (參閱附註 1(w))，客戶已支付不可退還的代價，則應確認合約負債。若本集團在確認收入前，有權無條件收取代價，亦需確認合約負債。在此情況下，應確認相對的應收款 (參閱附註 1(o))。

於二零一八年四月一日前的政策

於比較期間，在貨物交付之前收到的金額，已納入「應付賬款及其他應付款」內的「預收賬款」。該等餘額已於二零一八年四月一日重新分類 (參閱附註 1(c)(b))。

(s) 現金及現金等價物

現金及現金等價物包含銀行存款及現金、存放於銀行和其他金融機構的活期存款，以及短期和流動性極高的投資項目。這些項目可以容易地換算為已知金額的現金、所須承受的價值變動風險甚小，並在購入後三個月內到期。現金及現金等價物按附註 1(m)(i) 所示的政策來評估預計信貸虧損。

(t) 僱員福利

(i) 短期僱員福利及既定供款退休計劃供款

薪金、年終獎金、有薪年假、既定供款退休計劃供款及各項非金錢福利的成本，均在僱員提供相關服務的年度內累計。倘遞延支付或結算款項，且影響重大，則按現值將該等款項入賬。

(ii) 長期服務金

本集團的長期服務金責任淨額是根據相關法例僱員於本期間及過往期間提供服務所賺取之未來福利金額。

(iii) 終止受僱福利

終止受僱福利的確認為當本集團無法撤銷這些福利的提議或當它確認重組成本包括支付終止補償 (以較早者為準)。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

1. 主要會計政策(續)

(u) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產和負債的變動。本期稅項及遞延稅項資產和負債的變動於損益內確認，惟與於其他全面收益或直接於權益內確認之項目相關者除外，在此情況下，相關稅額分別於其他全面收益或直接於權益內確認。

本期稅項是按本年度應稅收益按於結算日已執行或實質上已執行稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產和負債分別由可抵扣和應稅暫時差異產生。暫時差異是指資產和負債在財務報告上的賬面值與這些資產和負債的計稅基礎的差異。遞延稅項資產也可以由未利用可抵扣虧損和未利用稅款抵減產生。

除了某些有限的例外情況外，所有遞延稅項負債和遞延稅項資產(只限於很可能獲得能利用該遞延稅項資產來抵扣的未來應稅溢利)都會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產的未來應稅溢利包括因撥回目前存在的應稅暫時差異而產生的數額；但這些撥回的差異必須與同一稅務機關及同一應稅實體有關，並預期在可抵扣暫時差異預計撥回的同一年或遞延稅項資產所產生可抵扣虧損可向後期結轉的期間內撥回。在決定目前存在的應稅暫時差異是否足以支持確認由未利用可抵扣虧損及抵減所產生的遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應稅實體有關，並是否預期在能使用未利用可抵扣虧損或抵減撥回的同一年內撥回。

不確認為遞延稅項資產和負債的暫時差異是產生自以下有限的例外情況：不影響會計或應稅溢利的資產或負債的初始確認(如屬業務合併的一部分則除外)；以及在附屬公司之投資(如屬應稅差異，只限於本集團可以控制撥回的時間，而且在可預見的將來不大可能撥回的暫時差異；或如屬可抵扣差異，則只限於很可能在將來撥回的差異)。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Income tax (continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 1(i), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

1. 主要會計政策 (續)

(u) 所得稅 (續)

當投資物業按附註1(i)所載的會計政策以其公平價值列賬，遞延稅項金額是以於結算日按賬面價值出售該等資產所適用的稅率計算，但如果該物業應予折舊及以一商業模式持有，並按旨在於一段時間內耗用而非透過出售以獲取該物業內含絕大部份經濟效益，則作別論。在所有其他情況下，遞延稅項金額是按照資產與負債賬面值的預期實現或結算方式，根據已生效或於結算日實質上已生效的稅率計算。遞延稅項資產和負債均不貼現計算。

本集團會於每一結算日審閱遞延稅項資產的賬面值。如果本集團預期不再可能獲得足夠的應稅溢利以抵扣相關的稅務利益，該遞延稅項資產的賬面值便會調低；但是如果日後又可能獲得足夠的應稅溢利，有關減額便會撥回。

因分派股息而額外產生的所得稅是在支付相關股息的責任確立時確認。

本期和遞延稅項結餘及其變動額會分開列示，並且不予抵銷。本期和遞延稅項資產只會在本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件的情況下，才可以分別抵銷本期和遞延稅項負債：

- 本期稅項資產和負債：本集團計劃按淨額基準結算，或同時變現該資產和償還該負債；或
- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的稅項有關：
 - 同一應稅實體；或
 - 不同的應稅實體。這些實體計劃在日後每個預計有大額遞延稅項負債需要償還或大額遞延稅項資產可以收回的期間，按淨額基準實現本期稅項資產和償還本期稅項負債，或同時變現該資產和償還該負債。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(w) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises or when goods are shipped on board, depending on the terms agreed with customers, which is taken to be the point in time when the customer has accepted the goods and obtained the control of the goods.

Revenue from sales of goods was recognised on a similar basis in the comparative period under HKAS 18.

(ii) Processing service income, management fee income and commission income

Processing service income, management fee income and commission income are recognised when the relevant services are rendered.

Revenue from processing service income, management fee income and commission income was recognised as a similar basis in the comparative period under HKAS 18.

1. 主要會計政策 (續)

(v) 撥備及或有負債

倘若本集團須就已發生的事件承擔法律或推定義務，而履行該義務預期會導致含有經濟效益的資源外流，並可作出可靠的估計，便會就該時間或金額不定的其他負債計提撥備。如果金錢時間價值的影響重大，撥備的金額是履行義務預期所需支出的現值。

倘若含有經濟效益的資源外流的可能性較低，或是無法對有關金額作出可靠的估計，便會將該義務披露為或有負債，除非資源外流的可能性極低。須視乎某宗或多宗未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或有負債，除非資源外流的可能性極低。

(w) 收入及其他收入

當銷售貨品、提供服務或在本集團正常業務中提供本集團資產以租賃予其他人使用時，收益可列為本集團收入。

當貨品或服務之控制權轉移至客戶時，或承租人有權利使用資產時，收入的確認以本集團預期能獲得的承諾交易金額，且不包括代表第三方收取的有關金額。收入並不包括增值稅或其他銷售稅，並已扣除任何貿易折扣。

(i) 貨品銷售

收入在貨品送達客戶場地或貨品已被裝船 (視乎與客戶確認之條款)，而且客戶已接收貨品並已獲取貨品的控制權時確認。

貨品銷售收入根據香港會計準則第18號相類似之基準於比較期內被確認。

(ii) 加工服務收益、管理費收益及佣金收益

加工服務收益、管理費收益及佣金收益在提供相關服務後確認為收益。

加工服務收益、管理費收益及佣金收益根據香港會計準則第18號相類似之基準於比較期內被確認。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Revenue and other income (continued)

(iii) Property rental income

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iv) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(v) Interest income

Interest income is recognised as it accrues using the effective interest method.

(vi) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(x) Translation of foreign currencies

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

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

1. 主要會計政策 (續)

(w) 收入及其他收入 (續)

(iii) 物業租金收益

經營租賃之應收租金收益在租賃期所涵蓋的期間內，以等額於損益內確認；但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。經營租賃協議所涉及的激勵措施於損益內確認應收租賃淨付款總額的組成部份。或有租金在其產生的會計期間內確認為收益租金在其產生的會計期間內確認為收益。

(iv) 股息

非上市投資之股息收益在股東收取股息之權利被確認時入賬確認。

(v) 利息收益

利息收益是按實際利息法在產生時確認。

(vi) 政府補助

當可以合理確定本集團將會收到政府補助並會履行該補助的附帶條件時，便會初次在財務狀況表將政府補助確認。用於彌補本集團已產生支出的補助，會在支出產生的期間有系統地於損益內確認為收益。

(x) 外幣換算

本集團附屬公司各自之財務報表所包括之項目均使用該實體營運之主要經濟環境之貨幣計量（「功能貨幣」）。綜合財務報表以港幣列賬，港幣為本公司之功能貨幣及呈列貨幣。

相關年度內的外幣交易按於交易日之外幣兌換率換算。以外幣計值的貨幣資產及負債均按於結算日的外幣兌換率換算。匯兌盈虧於損益內確認。

以歷史成本計量的外幣非貨幣資產與負債按該交易日的匯率換算。以公平價值計量的外幣非貨幣資產及負債，則以釐定其公平價值當日的匯率換算。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Translation of foreign currencies (continued)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(y) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

(z) Related parties

(1) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(2) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).

1. 主要會計政策 (續)

(x) 外幣換算 (續)

海外業務之業績是按照貼近交易日的匯率折算為港幣。財務狀況表項目以於結算日的匯率折算。匯兌差異則分別確認於其他全面收益及獨立累計於權益內之滙兌儲備。

出售海外業務時，當出售收益或虧損被確認，有關海外業務的匯兌差異之累計金額會從權益被重新分類至損益內。

(y) 借貸成本

借貸成本均在發生的期間內列支。

(z) 關連人士

(1) 個別人士，或其直系親屬的成員會被認為是本集團之關連人士，倘若該個別人士：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司主要管理人員成員之一。

(2) 一個實體如符合任何下列條件，則被認為是本集團之關連人士：

- (i) 該實體和本集團是同一集團的成員（指每間母公司，附屬公司及同系附屬公司是有關連的）。
- (ii) 一個實體是另一實體的聯營公司或合營企業（或一個實體為某一集團成員的聯營公司或合營企業，而另一實體為同一集團之成員）。
- (iii) 兩個實體同為第三方的合營企業。
- (iv) 一個實體是第三個實體的合營企業，而另一個實體為該第三個實體的聯營公司。
- (v) 該實體乃指提供予本集團或與本集團有關連的實體的僱員離職後福利計劃。
- (vi) 該實體受上文(1)所指的人士控制或共同控制。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Related parties (continued)

- (2) An entity is related to the Group if any of the following conditions applies: (continued)
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

2. REVENUE

The principal activities of the Group are the manufacture and sale of garments and textiles, provision of processing services and rental of properties.

Revenue represents the invoiced value of goods supplied to customers, processing service income and rental income. Disaggregation of revenue by category is analysed as follows:

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Under the scope of HKFRS 15, Revenue from contracts with customers:		
根據香港財務報告準則第15號， 來自客戶合約之收入的範圍內：		
– Manufacture and sale of garments	663,951	695,042
– Manufacture and sale of textiles	22,285	20,905
– Processing service income	25,262	25,292
	711,498	741,239
Under the scope of HKAS 17, Leases:		
根據香港會計準則第17號， 租賃的範圍內：		
– Gross rentals from investments properties	6,116	8,041
	717,614	749,280

1. 主要會計政策 (續)

(z) 關連人士 (續)

- (2) 一個實體如符合任何下列條件，則被認為是本集團之關連人士：(續)
- (vii) 上文(1)(i)所指的個別人士對該實體有重大影響力或為該實體 (或該實體母公司) 主要管理人員成員之一。
- (viii) 向本集團或本集團母公司提供主要管理成員服務之實體或其所屬集團之任何成員公司。

個別人士的直系親屬成員乃指該親屬成員在與實體交易時可能影響或被影響的親屬成員。

(aa) 分部報告

經營分部及於財務報表所呈報的各分部項目金額已於定期向本集團最高行政管理人員提供以供分配資源至本集團各類業務及地區分部以及評估彼等的表現的財務資料中分辨。

2. 收入

本集團之主要業務是製造及銷售成衣及紡織品、提供加工服務和物業租賃。

收入為供應給客戶貨品的銷售價值、加工服務收益及租金收益。按類別劃分之收入分析如下：

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2. REVENUE (continued)

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 10(c).

The Group's customer base is diversified. For the year ended 31 March 2019, revenues of approximately \$124,337,000 and \$76,273,000 are derived from two external customers with whom transactions have exceeded 10% of the Group's revenue. For the year ended 31 March 2018, revenue of approximately \$124,476,000 was derived from a single external customer with whom transactions had exceeded 10% of the Group's revenue. These revenues are attributable to the sales of garments. Details of the concentrations of credit risk arising from the customers are set out in note 26(a).

The Group applies the practical expedient in paragraph 121 of HKFRS 15 and does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations arising from contracts with customers in existence at the reporting date that had an original expected duration of one year or less.

3. OTHER INCOME

2. 收入(續)

按地區市場劃分之客戶合約收入分析披露於附註10(c)。

本集團之客戶基礎是多元的。截至二零一九年三月三十一日止年度，約124,337,000元及76,273,000元的收入乃源自兩名外部客戶，而該等客戶的銷售額均超過本集團收入之10%。截至二零一八年三月三十一日止年度，約124,476,000元的收入乃源自單一外部客戶，而該客戶的銷售額超過本集團收入之10%。此等收入源於成衣銷售。由該等客戶而引起之信貸風險的集中情況詳細列明在附註26(a)。

本集團已應用香港財務報告準則第15號第121段之可行權宜方法，並未披露本集團在履行與報告日存在的客戶合約產生的剩餘履約義務時本集團有權獲得的收入之資料，該合約的原始預定期限為一年或更短。

3. 其他收益

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Interest income	利息收益	2,731	1,091
Scrap income	廢料收益	2,131	1,906
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	946	(1,018)
Management fee income	管理費用收益	804	804
Dividend income from equity securities	股權證券之股息收益	776	517
Government grants	政府補助	757	119
Net gain on disposals of other property, plant and equipment	出售其他物業、廠房及設備收益淨額	181	4,610
Net gain on other forward foreign exchange contracts	其他遠期外匯合約收益淨額	130	-
Recovery of receivables written-off in prior years	收回以往年度撇銷之應收款	4	130
Write-off of aged payables	撇銷應付款項	1	90
Net claim (expenses)/income	賠償(支出)/收益淨額	(1,572)	233
Commission income	佣金收益	-	71
Sundry income	其他收益	1,844	2,313
		8,733	10,866

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4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

4. 除稅前溢利

除稅前溢利已扣除／(計入)：

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
(a) Finance costs		
Interest on bank advances (including bank charges)	3,158	2,410
Cash flow hedges: reclassified from equity (note 8(b))	348	143
	3,506	2,553
(b) Staff costs[#]		
Salaries, wages and other benefits	155,490	156,083
Contributions to defined contribution retirement schemes	11,235	10,232
Provision for long service payments, net (note 24)	2,293	1,251
	169,018	167,566
(c) Other items		
Cost of inventories [#]	585,030	611,731
Amortisation of pre-paid interests in leasehold land [#]	56	57
Amortisation of intangible assets (note 12)	95	95
Depreciation [#]	4,437	5,005
Net loss on cash flow hedging instruments reclassified from equity (note 8(b))	1,389	2,317
Impairment losses on trade receivables (note 26(a))	-	279
Auditors' remuneration		
– audit services	1,832	1,657
– other services	473	481
Operating lease charges:		
minimum lease payments		
– property rentals [#]	6,088	6,342
Rentals receivable from investment properties less direct outgoings of \$1,441,000 (2018: \$1,328,000)	(4,675)	(6,713)

[#] Cost of inventories includes \$91,741,000 (2018: \$88,419,000) relating to staff costs, depreciation and operating lease charges, which amount is also included in the respective total amounts disclosed separately above for each of these types of expenses.

[#] 存貨成本包括員工成本、折舊及經營租賃費用，有關款項共91,741,000元(二零一八年：88,419,000元)。有關金額亦已計入在上文分開所披露之各項有關費用的總額中。

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5. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Income tax in the consolidated statement of profit or loss represents:

5. 綜合損益表所示的所得稅

(a) 綜合損益表所示的所得稅為：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Current tax – Hong Kong Profits Tax	本年稅項 – 香港利得稅		
Provision for the year	本年稅項撥備	5,079	3,885
Under-provision in respect of prior years	以往年度撥備不足	26	–
		5,105	3,885
Current tax – Overseas	本年稅項 – 境外		
Credit for the year	本年稅項撥回	(1,858)	(847)
Land Appreciation Tax	土地增值稅	–	486
		(1,858)	(361)
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差異的產生及撥回	(597)	3,730
		2,650	7,254

The provision for Hong Kong Profits Tax for 2019 is calculated at 16.5% (2018: 16.5%) of the estimated assessable profits for the year.

Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

二零一九年度香港利得稅撥備是按本年度之估計應評稅溢利以16.5% (二零一八年：16.5%) 的稅率計算。

香港境外附屬公司之稅項則以相關國家適用之現行稅率計算。

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5. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Profit before taxation	除稅前溢利	22,951	42,297
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	按相關國家適用之溢利稅率計算除稅前溢利的名義稅項	5,040	9,456
Tax effect of share of profits of joint ventures	應佔合營企業溢利的稅項影響	(3,002)	(3,742)
Tax effect of non-deductible expenses	不可扣減支出的稅項影響	5,671	10,110
Tax effect of non-taxable income	毋須計稅收入的稅項影響	(6,806)	(8,035)
Tax effect of unrecognised tax losses utilised	使用未確認稅務虧損的稅項影響	-	(4,420)
Tax effect of previously unrecognised temporary differences utilised this year	本年度使用年前未確認暫時差異的稅項影響	(373)	-
Tax effect of deductible temporary differences not recognised	未確認可抵扣暫時差異的稅項影響	-	447
Tax effect of unused tax losses not recognised	未確認未動用稅務虧損的稅項影響	2,130	171
Tax effect of undistributed profits of joint ventures	合營企業未分配溢利的稅項影響	15	1,221
Under-provision in respect of prior years	以往年度撥備不足	26	-
Others	其他	(51)	2,046
Actual tax expense	實際稅項支出	2,650	7,254

5. 綜合損益表所示的所得稅 (續)

(b) 稅項支出和會計溢利按適用稅率計算的對賬：

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6. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Directors' fees		Salaries, allowances and benefits in kind		Discretionary bonuses		Retirement scheme contributions		Total	
	董事袍金		薪金、津貼及其他福利		酌情花紅		退休計劃供款		合計	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Executive directors	執行董事									
Mr. Chan Sui Kau [®]	-	60	-	2,205	-	-	-	-	-	2,265
Mr. Chan Wing Fui, Peter	60	60	1,911	1,911	500	-	-	-	2,471	1,971
Mr. Chan Wing Kee	60	60	1,911	1,911	500	-	-	-	2,471	1,971
Mr. Chan Wing To	60	60	-	-	-	-	-	-	60	60
Ms. Chan Suk Man	60	60	1,165	1,165	300	-	-	-	1,525	1,225
Mr. Chan Wing Sun, Samuel	60	60	-	-	-	-	-	-	60	60
Ms. Chan Suk Ling, Shirley	60	60	-	-	-	-	-	-	60	60
Mr. So Ying Woon, Alan	60	60	1,472	1,472	500	200	-	-	2,032	1,732
Independent non-executive directors	獨立非執行董事									
Mr. Lin Keping	150	110	-	-	-	-	-	-	150	110
Mr. Sze Cho Cheung, Michael [*]	-	150	-	-	-	-	-	-	-	150
Mr. Choi Ting Ki	150	150	-	-	-	-	-	-	150	150
Mr. So Stephen Hon Cheung	150	150	-	-	-	-	-	-	150	150
Mr. Li Guangming [#]	110	-	-	-	-	-	-	-	110	-
	980	1,040	6,459	8,664	1,800	200	-	-	9,239	9,904

[®] Mr. Chan Sui Kau was deceased on 27 March 2018.

^{*} Mr. Sze Cho Cheung, Michael has resigned as independent non-executive director of the Company on 2 January 2018. No directors' fee was paid from the Company during the year.

[#] Mr. Li Guangming was appointed as independent non-executive director of the Company on 2 January 2018. No directors' fee was paid from the Company during the year ended 31 March 2018.

6. 董事酬金

根據香港公司條例第383(1)條及《公司(披露董事利益資料)規例》第2部之規定而披露之董事酬金如下：

[®] 陳瑞球先生於二零一八年三月二十七日辭世。

^{*} 施祖祥先生於二零一八年一月二日辭任本公司獨立非執行董事。本公司年內並無支付董事袍金予施先生。

[#] 李光明先生於二零一八年一月二日獲委任為本公司獨立非執行董事。本公司於截至二零一八年三月三十一日止年度內並無支付董事袍金予李先生。

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7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2018: three) are directors whose emoluments are disclosed in note 6. The emoluments of the two individuals (2018: two individuals) for the year ended 31 March 2019 are as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Salaries and other emoluments	薪金及其他酬金	2,481	2,481
Discretionary bonuses	酌情花紅	1,100	1,000
Retirement scheme contributions	退休計劃供款	112	112
		3,693	3,593

The emoluments of the two individuals (2018: two individuals) with the highest emoluments are within the following band:

		2019 二零一九年	2018 二零一八年
\$1,500,001 to \$2,000,000	1,500,001元至2,000,000元	2	2

7. 最高酬金人士

在五位酬金最高之人士中，三位(二零一八年：三位)為董事，有關酬金詳情於附註6披露。截至二零一九年三月三十一日止年度兩位人士(二零一八年：兩位人士)之酬金如下：

兩位最高酬金人士(二零一八年：兩位人士)的酬金介乎下列區間：

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8. OTHER COMPREHENSIVE INCOME

(a) Tax effects relating to each component of other comprehensive income

8. 其他全面收益

(a) 其他全面收益的各組成部份的稅務影響

		2019 二零一九年			2018 二零一八年		
		Before-tax amount 除稅前金額 \$'000 千元	Tax effect 稅項影響 \$'000 千元	Net-of-tax amount 除稅後金額 \$'000 千元	Before-tax amount 除稅前金額 \$'000 千元	Tax effect 稅項影響 \$'000 千元	Net-of-tax amount 除稅後金額 \$'000 千元
Exchange differences on translation of:	匯兌差額：						
- financial statements of subsidiaries outside Hong Kong	- 換算香港境外附屬公司財務報表	(6,884)	-	(6,884)	10,154	-	10,154
- share of joint ventures' net assets	- 換算應佔合營企業資產淨值	(36,896)	-	(36,896)	55,618	-	55,618
		(43,780)	-	(43,780)	65,772	-	65,772
Release of exchange reserve to profit or loss upon disposal of interest in an associate (note 14)	出售一聯營公司權益時撥回累計匯兌儲備至損益 (附註14)	(55)	-	(55)	-	-	-
Equity investments at FVOCI: net movement in the investment revaluation reserve (non-recycling)	透過其他全面收益按公平價值入賬的股權證券投資：於投資重估儲備 (不可轉回) 變動淨額	1,037	-	1,037	-	-	-
Available-for-sale securities: change in fair value recognised in the investment revaluation reserve during the year	可供出售證券：年內確認投資重估儲備的公平價值變動	-	-	-	(1,370)	-	(1,370)
Net movement in the hedging reserve	對沖儲備變動淨額	2,701	(446)	2,255	(2,701)	446	(2,255)
Other comprehensive income	其他全面收益	(40,097)	(446)	(40,543)	61,701	446	62,147

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8. OTHER COMPREHENSIVE INCOME (continued)

(b) Components of other comprehensive income, including reclassification adjustments

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments recognised during the year	964	(5,161)
Reclassification adjustments for amounts transferred to profit or loss:		
– revenue	1,389	2,317
– finance costs	348	143
Net deferred tax (charged)/credited to other comprehensive income	(446)	446
Net movement in the hedging reserve during the year recognised in other comprehensive income	2,255	(2,255)
Equity investments measured at FVOCI:		
Changes in fair value recognised during the year	1,037	–
Net movement in the investment revaluation reserve (non-recycling) during the year recognised in other comprehensive income	1,037	–
Available-for-sale securities:		
Changes in fair value recognised during the year	–	(1,370)
Net movement in the investment revaluation reserve (recycling) during the year recognised in other comprehensive income	–	(1,370)

9. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$22,062,000 (2018: \$36,558,000) and the weighted average number of 206,748,000 (2018: 206,748,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the years ended 31 March 2019 and 2018.

8. 其他全面收益 (續)

(b) 其他全面收益的組成部份 (包括重新分類調整)

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
現金流量對沖：		
年內確認對沖工具之有效部分的公平價值變動	964	(5,161)
重新分類調整		
轉入損益之金額：		
– 收入	1,389	2,317
– 融資成本	348	143
遞延稅項淨額於其他全面收益內 (扣除) / 計入	(446)	446
年內於其他全面收益內確認的對沖儲備變動淨額	2,255	(2,255)
以透過其他全面收益按公平價值入賬計量之股權證券投資		
年內確認公平價值變動	1,037	–
年內於其他全面收益確認的投資重估儲備 (不可轉回) 變動淨額	1,037	–
可供出售證券：		
年內確認公平價值變動	–	(1,370)
年內於其他全面收益確認的投資重估儲備 (可轉回) 變動淨額	–	(1,370)

9. 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據應撥歸於本公司普通股股權持有人應佔溢利22,062,000元 (二零一八年: 36,558,000元) 及年內已發行普通股之加權平均數206,748,000股 (二零一八年: 206,748,000股) 計算。

(b) 每股攤薄盈利

截至二零一九年及二零一八年三月三十一日止年度, 本公司並無具有潛在攤薄能力之普通股; 故此每股基本盈利與每股攤薄盈利相同。

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10. SEGMENT REPORTING

The Group manages its business by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments:

- Manufacture and sale of garments and textiles: this segment covers the manufacture and sale of garment and textile products, and provision of garment processing services.
- Interests in joint ventures: the Group's joint ventures engage in the manufacture and sale of textile yarn products.
- Property leasing: this segment leases commercial and industrial premises to generate rental income.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Manufacture and sale of garments and textiles and property leasing segments

Segment assets include all assets with the exception of intangible assets, other financial assets, deferred tax assets, current tax recoverable and other corporate assets. Segment liabilities include all liabilities managed directly by the segments with the exception of current tax payable, deferred tax liabilities and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit/loss is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and finance cost and "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as net valuation gains on investment properties, auditors' remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue (including inter-segment sales), interest income and finance costs from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

10. 分部報告

本集團以分部來管理其業務。本集團以向本集團最高行政管理人員內部呈報資料(為分配資源及評估表現)一致的方式呈列以下三個須予呈報分部。本集團並無將任何經營分部合計以形成下列須予呈報分部：

- 製造及銷售成衣及紡織品：此分部包括製造及銷售成衣及紡織產品，及提供成衣加工服務。
- 合營企業權益：本集團合營企業從事生產及銷售紡織紗線產品。
- 物業租賃：此分部出租商業及工業樓宇以收取租金收益。

(a) 分部業績、資產及負債

為評估分部表現及分配分部資源，本集團高級行政管理人員按以下基準監控各須予呈報分部相關的業績、資產及負債：

製造及銷售成衣及紡織品及物業租賃分部

分部資產包括所有資產，但不包括無形資產、其他金融資產、遞延稅項資產、可收回本期稅項及其他企業資產。分部負債包括由分部直接管理的所有負債，但不包括應付本期稅項、遞延稅項負債及其他企業負債。

分配至可呈報分部的收入及支出是以這些分部所產生的收入和支出或屬於這些分部的資產折舊或攤銷所產生的支出而定。

用於呈報分部溢利／虧損之計算方法為「調整扣除利息、稅項、折舊及攤銷前的盈利」，「利息」視為包括投資收益及融資成本，而「折舊及攤銷」視為包括非流動資產的減值虧損。在計算「調整扣除利息、稅項、折舊及攤銷前的盈利」時，本集團會就並無明確歸於個別分部之項目(例如投資物業估值收益淨額、核數師酬金及其他總辦事處或企業行政成本)進一步調整盈利。

除獲得有關「調整扣除利息、稅項、折舊及攤銷前的盈利」之分部資料外，管理層亦獲得有關收入(包括分部業務間銷售)、由分部直接管理之現金結餘及借貸之利息收益及融資成本、折舊、攤銷及減值虧損及分部增置用於營運之非流動分部資產的資料。分部間銷售的定價乃參考其他外在人士之類似的訂單價格。

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10. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities (continued)

Interests in joint ventures

The Group's interests in joint ventures are accounted for in the consolidated financial statements under the equity method, and presented as a separate reportable segment. The Group's senior executive management reviews the post-tax result of the interests in joint ventures, which is defined as the reportable segment profit/loss for this particular segment. Reportable segment assets represent the Group's share of net assets of the joint ventures. Revenue of joint ventures is not presented as reportable segment revenue because it is not reviewed by the Group's senior executive management for resource allocation purposes.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2019 and 2018 is set out below:

		Manufacture and sale of garments and textiles 製造及銷售成衣及紡織品		Interests in joint ventures (note) 合營企業權益 (附註)		Property leasing 物業租賃		Total 合計	
		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Revenue from external customers	來自外界客戶的收入	711,498	741,239	-	-	6,116	8,041	717,614	749,280
Inter-segment revenue	分部業務間收入	-	-	-	-	1,316	1,316	1,316	1,316
Reportable segment revenue	須予呈報的分部收入	711,498	741,239	-	-	7,432	9,357	718,930	750,596
Reportable segment profit (adjusted EBITDA)	須予呈報的分部溢利 (調整扣除利息、稅項、折舊及攤銷前的盈利)	15,556	16,560	12,007	14,967	6,795	8,834	34,358	40,361
Interest income	利息收益	2,731	1,091	-	-	-	-	2,731	1,091
Finance costs	融資成本	(3,506)	(2,553)	-	-	-	-	(3,506)	(2,553)
Depreciation and amortisation	折舊及攤銷	(4,588)	(5,157)	-	-	-	-	(4,588)	(5,157)
Impairment loss on plant and equipment	廠房及設備減值虧損	(5,170)	(4,758)	-	-	-	-	(5,170)	(4,758)
Impairment loss on trade receivables	應收賬款減值虧損	-	(279)	-	-	-	-	-	(279)
Reportable segment assets	須予呈報的分部資產	546,456	570,519	546,154	571,043	306,867	304,193	1,399,477	1,445,755
Additions to non-current segment assets during the year	年度內增置非流動分部資產	7,098	2,005	-	-	-	-	7,098	2,005
Reportable segment liabilities	須予呈報的分部負債	108,908	105,133	-	-	-	-	108,908	105,133

Note: Other financial information regarding the interests in joint ventures is disclosed in note 15.

10. 分部報告 (續)

(a) 分部業績、資產及負債 (續)

合營企業權益

本集團之合營企業權益在綜合財務報表是按權益會計法入賬，並以一獨立須予呈報分部列示。本集團高級行政管理人員審閱合營企業權益的除稅後之業績，此特定的分部被訂定為須予呈報分部溢利／虧損。須予呈報分部資產代表集團應佔合營企業資產淨值。由於本集團高級行政管理人員沒有審閱合營企業銷售額以用作資源分配，其銷售額並未於須予呈報分部收入列示。

截至二零一九年及二零一八年三月三十一日止年度，本集團提供予本集團最高行政管理人員用作資源分配和分部表現評估的須予呈報分部資料如下：

附註：合營企業權益的其他財務資料已於附註15披露。

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10. SEGMENT REPORTING (continued)

10. 分部報告 (續)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

(b) 須予呈報的分部收入、溢利或虧損、資產及負債之對賬

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Revenue	收入		
Reportable segment revenue	須予呈報的分部收入	718,930	750,596
Elimination of inter-segment revenue	分部業務間收入相互對銷	(1,316)	(1,316)
Consolidated revenue	綜合收入	717,614	749,280
Profit	溢利		
Reportable segment profit derived from the Group's external customers (adjusted EBITDA)	來自集團外界客戶的須予呈報的分部溢利 (調整扣除利息、稅項、折舊及攤銷前的盈利)	34,358	40,361
Finance costs	融資成本	(3,506)	(2,553)
Interest income	利息收益	2,731	1,091
Depreciation and amortisation	折舊及攤銷	(4,588)	(5,157)
Impairment loss on plant and equipment	廠房及設備減值虧損	(5,170)	(4,758)
Net valuation gains on investment properties	投資物業估值收益淨額	3,361	17,545
Unallocated head office and corporate expenses	未分類總部及企業費用	(4,235)	(4,232)
Consolidated profit before taxation	綜合除稅前溢利	22,951	42,297
Assets	資產		
Reportable segment assets	須予呈報的分部資產	1,399,477	1,445,755
Elimination of inter-segment assets	分部業務間資產相互對銷	(64,628)	(63,636)
Intangible assets	無形資產	1,334,849	1,382,119
Other financial assets	其他金融資產	2,985	3,080
Current tax recoverable	可收回本期稅項	20,011	4,611
Deferred tax assets	遞延稅項資產	347	131
Unallocated head office and corporate assets	未分類總部及企業資產	-	271
Consolidated total assets	綜合資產總額	918	939
Consolidated total assets	綜合資產總額	1,359,110	1,391,151
Liabilities	負債		
Reportable segment liabilities	須予呈報的分部負債	108,908	105,133
Current tax payable	應付本期稅項	14,709	16,036
Deferred tax liabilities	遞延稅項負債	16,516	17,013
Unallocated head office and corporate liabilities	未分類總部及企業負債	4,232	4,002
Consolidated total liabilities	綜合負債總額	144,365	142,184

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10. SEGMENT REPORTING (continued)

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's investment properties, other property, plant and equipment and interest in leasehold land held for own use under operating leases, intangible assets and interests in joint ventures ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of investment properties, other property, plant and equipment and interest in leasehold land held for own use under operating leases, the location of the operation to which they are allocated, in the case of intangible assets, and the location of operations, in the case of interests in joint ventures.

		Revenue from external customers 來自外界客戶的收入		Specified non-current assets 特定非流動資產	
		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Hong Kong (place of domicile)	香港 (本集團所在地)	36,860	44,255	257,593	255,827
Europe	歐洲				
- United Kingdom	- 英國	77,665	111,321	-	-
- Italy	- 意大利	141,038	137,493	-	-
- Spain	- 西班牙	58,342	71,593	-	-
- Germany	- 德國	112,434	89,293	-	-
- Other European countries	- 其他歐洲國家	29,090	32,002	-	-
Mainland China	中國大陸	36,510	36,631	584,898	613,219
North America	北美洲				
- United States	- 美國	135,645	115,173	-	-
- Canada	- 加拿大	7,658	9,749	-	-
Others	其他	82,372	101,770	4,940	5,294
		680,754	705,025	589,838	618,513
		717,614	749,280	847,431	874,340

10. 分部報告 (續)

(c) 地區分部資料

下表載列有關(i)本集團來自外界客戶的收入；及(ii)本集團投資物業、其他物業、廠房及設備及持作經營租賃之自用租賃土地的權益、無形資產及合營企業權益(「特定非流動資產」)的地區分部資料。客戶所在地按提供服務或送貨地點而定。特定非流動資產中的投資物業、其他物業、廠房及設備及持作經營租賃之自用租賃土地的權益所在地是根據資產的實際位置而定；無形資產按所獲分配的營運地點而定；而合營企業權益所在地則按其營運地點而定。

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11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT AND LEASEHOLD LAND

11. 投資物業、其他物業、廠房及設備及租賃土地

(a) Reconciliation of carrying amount

(a) 賬面值對賬

		Land and buildings held for own use 持作自用的土地及樓宇 \$'000 千元	Plant and machinery 廠房及機器 \$'000 千元	Other assets 其他資產 \$'000 千元	Sub-total 小計 \$'000 千元	Investment properties 投資物業 \$'000 千元	Interest in leasehold land held for own use under operating leases 持作經營租賃之自用租賃土地的權益 \$'000 千元	Total 合計 \$'000 千元
Cost or valuation:	成本或估值:							
At 1 April 2017	於二零一七年四月一日	101,102	94,261	88,962	284,325	220,579	2,687	507,591
Exchange adjustments	匯兌調整	3,464	6,213	3,896	13,573	2,432	287	16,292
Additions	增置	-	1,073	932	2,005	-	-	2,005
Disposals	出售	(1,491)	(27,839)	(2,227)	(31,557)	-	-	(31,557)
Fair value adjustment	公平價值調整	-	-	-	-	17,545	-	17,545
At 31 March 2018	於二零一八年三月三十一日	103,075	73,708	91,563	268,346	240,556	2,974	511,876
Representing:	代表:							
Cost	成本	79,309	73,708	91,563	244,580	-	2,974	247,554
Valuation - 1988	估值 - 一九八八年	23,766	-	-	23,766	-	-	23,766
Valuation - 2018	估值 - 二零一八年	-	-	-	-	240,556	-	240,556
		103,075	73,708	91,563	268,346	240,556	2,974	511,876
Cost or valuation:	成本或估值:							
At 1 April 2018	於二零一八年四月一日	103,075	73,708	91,563	268,346	240,556	2,974	511,876
Exchange adjustments	匯兌調整	(2,213)	(3,239)	(2,704)	(8,246)	(1,678)	(187)	(10,111)
Additions	增置	-	3,712	3,386	7,098	-	-	7,098
Disposals	出售	-	(1,166)	(1,947)	(3,113)	-	-	(3,113)
Fair value adjustment	公平價值調整	-	-	-	-	3,361	-	3,361
At 31 March 2019	於二零一九年三月三十一日	100,862	72,925	90,298	264,085	242,239	2,787	509,111
Representing:	代表:							
Cost	成本	77,096	72,925	90,298	240,319	-	2,787	243,106
Valuation - 1988	估值 - 一九八八年	23,766	-	-	23,766	-	-	23,766
Valuation - 2019	估值 - 二零一九年	-	-	-	-	242,239	-	242,239
		100,862	72,925	90,298	264,085	242,239	2,787	509,111

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11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT AND LEASEHOLD LAND (continued)

11. 投資物業、其他物業、廠房及設備及租賃土地 (續)

(a) Reconciliation of carrying amount (continued)

(a) 賬面值對賬 (續)

		Land and buildings held for own use 持作自用的土地及樓宇 \$'000 千元	Plant and machinery 廠房及機器 \$'000 千元	Other assets 其他資產 \$'000 千元	Sub-total 小計 \$'000 千元	Investment properties 投資物業 \$'000 千元	Interest in leasehold land held for own use under operating leases 持作經營租賃之自用租賃土地的權益 \$'000 千元	Total 合計 \$'000 千元
Accumulated amortisation, depreciation and impairment:	累計攤銷、折舊及減值：							
At 1 April 2017	於二零一七年四月一日	47,800	91,616	79,763	219,179	-	1,334	220,513
Exchange adjustments	匯兌調整	2,250	6,262	3,846	12,358	-	145	12,503
Charge for the year	本年度攤銷及折舊	2,634	642	1,729	5,005	-	57	5,062
Written back on disposals	出售時撥回	(1,342)	(27,639)	(2,196)	(31,177)	-	-	(31,177)
Impairment loss	減值虧損	-	-	4,758	4,758	-	-	4,758
At 31 March 2018	於二零一八年三月三十一日	51,342	70,881	87,900	210,123	-	1,536	211,659
At 1 April 2018	於二零一八年四月一日	51,342	70,881	87,900	210,123	-	1,536	211,659
Exchange adjustments	匯兌調整	(1,446)	(3,240)	(2,650)	(7,336)	-	(97)	(7,433)
Charge for the year	本年度攤銷及折舊	2,582	656	1,199	4,437	-	56	4,493
Written back on disposals	出售時撥回	-	(1,166)	(1,904)	(3,070)	-	-	(3,070)
Impairment loss	減值虧損	-	3,992	1,178	5,170	-	-	5,170
At 31 March 2019	於二零一九年三月三十一日	52,478	71,123	85,723	209,324	-	1,495	210,819
Net book value:	賬面淨值：							
At 31 March 2019	於二零一九年三月三十一日	48,384	1,802	4,575	54,761	242,239	1,292	298,292
At 31 March 2018	於二零一八年三月三十一日	51,733	2,827	3,663	58,223	240,556	1,438	300,217

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11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT AND LEASEHOLD LAND (continued)

(b) Fair value measurement of properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

	Fair value at 31 March 2019 於二零一九年 三月三十一日 之公平價值	Fair value measurements as at 31 March 2019 categorised into		
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Recurring fair value measurements	經常性公平價值計量			
Investment properties:	投資物業：			
- Mainland China	- 中國大陸	24,667	-	24,667
- Hong Kong	- 香港	217,572	-	217,572

	Fair value at 31 March 2018 於二零一八年 三月三十一日 之公平價值	Fair value measurements as at 31 March 2018 categorised into		
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Recurring fair value measurements	經常性公平價值計量			
Investment properties:	投資物業：			
- Mainland China	- 中國大陸	26,648	-	26,648
- Hong Kong	- 香港	213,908	-	213,908

11. 投資物業、其他物業、廠房及設備及租賃土地 (續)

(b) 物業的公平價值計量

(i) 公平價值層級

下表列載本集團經常性地於結算日按公平價值計量的物業，並根據《香港財務報告準則》第13號「公平價值計量」所界定的公平價值層級分類為三個級別。公平價值計量級別之分類乃按估值方法中所用數據之可觀察性及重要性所釐定：

- 第一級別估值：僅採用第一級別數據，即相同資產或負債於計量日於活躍市場上的報價 (不作調整) 來計算公平價值
- 第二級別估值：採用第二級別數據，即未能符合第一級別的可觀察數據，且不採用重大不可觀察數據來計算公平價值。不可觀察數據為無法獲得市場資料的數據
- 第三級別估值：採用重大不可觀察數據來計量公平價值

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11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT AND LEASEHOLD LAND (continued)

(b) Fair value measurement of properties (continued)

(i) Fair value hierarchy (continued)

During the year ended 31 March 2019, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2018: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All of the Group's investment properties were revalued as at 31 March 2019. The valuations of investment properties located in Hong Kong and Mainland China were carried out by independent firms of surveyors, Knight Frank Petty Limited and RHL Appraisal Limited respectively, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The Group's management have discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at the end of the reporting period.

(ii) Information about Level 3 fair value measurements

		Valuation techniques 估值方法	Unobservable inputs 不可觀察的數據	Range 範圍	Weighted average 加權平均數
Investment properties – Mainland China	投資物業 – 中國大陸	Market comparison approach 市場比較法	Adjusted price per sq. m. 每平方米之調整價格	RMB27,735 to RMB29,611 (2018: RMB26,656 to RMB31,843)	RMB28,709 (2018: RMB29,067)
– Hong Kong	– 香港	Market comparison approach 市場比較法	Adjusted price per sq. ft. 每平方呎之調整價格	\$2,790 to \$9,290 (2018: \$2,740 to \$9,180)	\$2,871 (2018: \$2,820)
		Income capitalisation approach 收益資本化計算法	Average market rent per sq. ft. 平均每月每平方呎市值租金	\$9.3 (2018: \$9.1)	\$9.3 (2018: \$9.1)
			Capitalisation rate 資本化比率	4% (2018: 4%)	4% (2018: 4%)

11. 投資物業、其他物業、廠房及設備及租賃土地 (續)

(b) 物業的公平價值計量 (續)

(i) 公平價值層級 (續)

截至二零一九年三月三十一日止年度，第一與第二級別之間並無轉撥，而第三級別亦無轉入或轉出 (二零一八年：無)。本集團的政策為於結算日確認所發生的公平價值層級間之轉移。

本集團所有投資物業於二零一九年三月三十一日進行重估。位於香港及中國大陸之投資物業分別由獨立測量師行卓德萊坊測計師行有限公司及永利行評值顧問有限公司作出估值，該等測量師行之職員為香港測量師學會資深會員，對近期所估值物業之地點及類別具備豐富經驗。於結算日進行估值時，集團管理層已與測量師行討論估值假設及估值結果。

(ii) 有關第三級別公平價值計量的資料

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11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT AND LEASEHOLD LAND (continued)

(b) Fair value measurement of properties (continued)

(ii) Information about Level 3 fair value measurements (continued)

The fair value of investment properties located in Mainland China and certain investment properties located in Hong Kong is determined using market comparison approach by reference to recent actual sales and/or asking price of comparable properties on a price per square meter and square feet basis respectively, adjusted for quality and location of the buildings and income potential. Higher the value of adjusted price will result in a higher fair value measurement.

The fair value of certain investment properties located in Hong Kong is determined using income capitalisation approach by capitalizing the rent derived from the existing tenancies with reference to market rent and the provision for any reversionary income potential. The capitalisation rate used in income capitalisation approach has been adjusted for the expected market rental growth, occupancy rate and quality and location of the buildings. The fair value measurement is positively correlated to the market rent and negatively correlated to the risk-adjusted capitalisation rate.

Fair value adjustment of investment properties is recognised in the line item "net valuation gains on investment properties" on the face of the consolidated statement of profit or loss.

Exchange adjustment of investment properties is recognised in other comprehensive income in "exchange reserve".

All the gains recognised in profit or loss for the year arise from the properties held at the end of the reporting period.

(c) The analysis of net book value of properties is as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
In Hong Kong – medium term leases	香港 – 中期租約	255,336	253,661
Outside Hong Kong – medium term leases	香港境外 – 中期租約	36,579	40,066
		291,915	293,727
<i>Representing:</i>	<i>代表:</i>		
Land and buildings held for own use	持作自用的土地及樓宇	48,384	51,733
Investment properties	投資物業	242,239	240,556
Interest in leasehold land held for own use under operating leases	持作經營租賃之自用租賃土地的權益	1,292	1,438
		291,915	293,727

11. 投資物業、其他物業、廠房及設備及租賃土地 (續)

(b) 物業的公平價值計量 (續)

(ii) 有關第三級別公平價值計量的資料 (續)

位於中國大陸的投資物業及若干位於香港的投資物業的公平價值乃採用市場比較法釐定，並分別參考可供比較物業近期按每平方米及每平方呎之實際銷售及／或叫價，及就樓宇的質量及地點，以及租金收益潛力作出調整。較高價值的調整價格將導致較高的公平價值計量。

若干位於香港的投資物業的公平價值乃採用收益資本化計算法釐定。該方法將來自現有租約的租金收益資本化，並參照市值租金，以及計入該物業租約期滿後可能調整租金之影響。在收益資本化計算法中所用的資本化比率已根據該樓宇的市場預期租金增長，佔有率和樓宇的質量和地點等因素作出調整。公平價值計量與市值租金呈正比關係，且與風險調整後的資本化比率呈反比關係。

投資物業的公平價值調整確認於綜合損益表上的「投資物業估值收益淨額」。

投資物業的匯兌調整確認於其他全面收益內之「匯兌儲備」。

本年度於損益內確認的所有收益均來自於結算日持有的物業。

(c) 物業賬面淨值分析如下：

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11. INVESTMENT PROPERTIES, OTHER PROPERTY, PLANT AND EQUIPMENT AND LEASEHOLD LAND (continued)

(d) Assets leased out under operating leases

The Group leases out investment properties under operating leases. The leases typically run for an initial period of one to three years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals. All properties held under operating leases that would otherwise meet the definition of an investment property are classified as investment properties.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within 1 year	一年以內	4,944	4,944
After 1 year but within 5 years	一年後但五年以內	-	4,944
		4,944	9,888

(e) Impairment losses

A subsidiary of the Company engaged in garment manufacturing in Bangladesh which constituted a single cash generating unit ("CGU") of the Group.

During the year ended 31 March 2018, this subsidiary recorded operating losses which indicated the plant and equipment belong to this subsidiary might have been impaired. As such, the Group assessed the recoverable amounts of the plant and equipment of the subsidiary as at 31 March 2018. As a result, the carrying amounts of the plant and equipment of the subsidiary was written down to its recoverable amount of \$5,130,000. During the year ended 31 March 2019, the performance of the CGU further deteriorated and based on the impairment assessment performed by the management, the recoverable amount reduced to zero as at 31 March 2019. Accordingly, an impairment loss of \$5,170,000 (2018: \$4,758,000) was recognised in profit or loss for the year ended 31 March 2019. The estimates of recoverable amount were based on value-in-use calculations which adopted a discount rate of 16.9% (2018: 24.5%). The discount rate used was pre-tax and reflect specific risks relating to the subsidiary.

Impairment loss on plant and equipment is recognised in the line item "impairment loss on plant and equipment" on the face of the consolidated statement of profit or loss.

11. 投資物業、其他物業、廠房及設備及租賃土地 (續)

(d) 以經營租賃合約出租的資產

本集團以經營租賃合約出租投資物業。租賃合約年期初期一般為一年至三年，並且有權選擇在約滿後續約，屆時所有租約條款均重新協議。所有租賃合約並不包括或有租金。所有符合投資物業定義以經營租賃持有的物業均分類為投資物業。

本集團根據不可解除的經營租賃合約在日後應收的最低租賃付款總額如下：

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within 1 year	4,944	4,944
After 1 year but within 5 years	-	4,944
	4,944	9,888

(e) 減值虧損

本公司一附屬公司於孟加拉從事成衣製造並構成本集團一現金產生單位（「現金產生單位」）。

截至二零一八年三月三十一日止年度內，該附屬公司錄得經營虧損，反映其所擁有的廠房及設備可能已存在減值。本集團於二零一八年三月三十一日評估該附屬公司廠房及設備之可收回金額，最終撇減其賬面值至可收回金額5,130,000元。截至二零一九年三月三十一日止年度，現金產生單位的表現進一步惡化，並根據管理層進行的減值評估，於二零一九年三月三十一日將可收回金額減至零。因此，於截至二零一九年三月三十一日止年度損益內確認減值虧損5,170,000元（二零一八年：4,758,000元）。可收回金額之估計乃根據使用價值計算法釐定，並採用貼現率16.9%（二零一八年：24.5%）進行貼現。使用之貼現率為稅前及反映該附屬公司獨有的風險。

廠房及設備減值虧損已確認於綜合損益表上的「廠房及設備減值虧損」。

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12. INTANGIBLE ASSETS

12. 無形資產

		Club debentures 會藉 \$'000 千元
Cost:	成本：	
At 1 April 2017, 31 March 2018, 1 April 2018 and 31 March 2019	於二零一七年四月一日、二零一八年三月 三十一日、二零一八年四月一日及二零一九 年三月三十一日	3,309
Accumulated amortisation:	累計攤銷：	
At 1 April 2017	於二零一七年四月一日	134
Charge for the year	本年度攤銷	95
At 31 March 2018	於二零一八年三月三十一日	229
At 1 April 2018	於二零一八年四月一日	229
Charge for the year	本年度攤銷	95
At 31 March 2019	於二零一九年三月三十一日	324
Net book value:	賬面淨值：	
At 31 March 2019	於二零一九年三月三十一日	2,985
At 31 March 2018	於二零一八年三月三十一日	3,080

The amortisation charge for the year is included in "other operating expenses" in the consolidated statement of profit or loss.

本年度攤銷費用已計入綜合損益表的「其他經營費用」內。

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13. PRINCIPAL SUBSIDIARIES

(a) The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group at 31 March 2019. The class of shares held is ordinary unless otherwise stated.

Name of company 公司名稱	Place of incorporation/ establishment and business 註冊/成立 及經營地點	Particulars of issued and paid up capital 已發行及 繳足股本	Group's effective interest 本集團 實際權益	Principal activities 主要業務
Hong Kong Knitters Limited 香港織造有限公司	Hong Kong 香港	3,000,000 shares 3,000,000 股	100%	Garment manufacturing and investment holding 成衣製造及 投資控股
Exquisite Knitters (Guangzhou) Limited 卓越織造(廣州)有限公司#	The People's Republic of China ("the PRC") 中國	HK\$75,600,000	100%	Knitting and dyeing of fabrics and manufacturing of garments 布料織造、印染 及成衣製造
Whampoa Garment Manufacturing (Guigang) Co., Ltd 黃浦江製衣(貴港)有限公司#	The PRC 中國	HK\$18,000,000	100%	Garment manufacturing 成衣製造
Whampoa Garment Manufacturing (Guangxi) Co., Ltd 黃浦江製衣(廣西)有限公司#	The PRC 中國	HK\$4,000,000	100%	Ceased operation during the year 於本年度內停止營運
Lavender Garment Limited	Bangladesh 孟加拉	Taka35,511,050	100%	Garment manufacturing 成衣製造
Vestis Limited	United Kingdom 英國	GBP2	100%	Garment wholesaling 成衣批發
Dagon Talent Garment Limited	Myanmar 緬甸	USD1,000,000	75%	Garment manufacturing 成衣製造

The English translation of the names is for reference only. The official names of these entities are in Chinese. These are also wholly-owned foreign investment enterprises registered in the PRC.

The subsidiaries of the Group do not have material non-controlling interests.

13. 主要附屬公司

(a) 下表載列於二零一九年三月三十一日，對本集團業績、資產或負債有重大影響之主要附屬公司之詳情。除另有註明外，所持有之股份均為普通股。

該等企業均以中文名稱註冊，英文翻譯的名字僅供參考。該等公司為於中國註冊成立之全資擁有外商投資企業。

本集團的附屬公司並沒有重大的非控股股東權益。

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13. PRINCIPAL SUBSIDIARIES (continued)

- (b) On 20 September 2018, the Company, through a wholly-owned subsidiary of the Group, entered into equity transfer agreements to acquire 31% equity interests in Lavender Garment Limited ("Lavender") from the non-controlling equity holders of Lavender at a consideration of USD467,000 (equivalent to \$3,663,000). Upon completion of the above acquisition, Lavender became a wholly-owned subsidiary of the Group.

14. INTEREST IN AN ASSOCIATE

Share of net assets	應佔資產淨值
Less: Impairment loss	減：減值虧損

During the year ended 31 March 2019, the Group disposed of its entire 20% equity interest in the associate, Guangdong Xi Mu Industrial Company Limited, to the other existing shareholder at nil consideration. Upon disposal, a non-cash gain of \$55,000 arising from the release of exchange reserve was credited to profit or loss.

15. INTERESTS IN JOINT VENTURES

Share of net assets	應佔資產淨值
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13. 主要附屬公司 (續)

- (b) 於二零一八年九月二十日，本公司透過本集團一全資擁有附屬公司訂立股權轉讓協議，以代價467,000美元（相當於3,663,000元）向Lavender Garment Limited（「Lavender」）非控股權益持有人收購Lavender的31%股份權益。完成上述收購後，Lavender成為本集團的全資擁有附屬公司。

14. 一聯營公司權益

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
	-	1,220
	-	(1,220)
	-	-

截至二零一九年三月三十一日止年度，本集團以零代價將其於聯營公司廣東西姆實業有限公司的全部20%股份權益出售予另一現有股東。出售權益時，撥回累計匯兌儲備而產生的55,000元非現金收益已計入損益。

15. 合營企業權益

	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
	546,154	571,043

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15. INTERESTS IN JOINT VENTURES (continued)

Details of the Group's interests in joint ventures, which is accounted for using the equity method in the consolidated financial statements, are as follows:

Name of joint venture 合營企業名稱	Place of establishment and business 成立及經營地點	Group's effective interest 本集團實際權益	Principal activities 主要業務
Wuxi No. 1 Cotton Investment Co., Ltd. (note) 無錫一棉投資有限公司# (附註)	The PRC 中國	49%	Investment holding 投資控股
Taizhou Changxin Textile (Xinghua) Co., Ltd. 泰州長新紡織(興化)有限公司#	The PRC 中國	49%	Manufacturing of textile products 紡織品製造
Allied Textiles Co., Ltd. 新聯興紡織有限公司#	The PRC 中國	49%	Inactive 暫無營業
Wuxi YGM Textile Co., Ltd. 無錫長江精密紡織有限公司#	The PRC 中國	49%	Manufacture and sale of textiles 製造及銷售紡織品
Dongtai NAA Textiles Co., Ltd. 東台新澳紡織有限公司#	The PRC 中國	49%	Inactive 暫無營業
GYT (HK) International Development Limited*	Hong Kong 香港	49%	Investment holding 投資控股
GYTA (Cayman) Investment Co., Ltd*	Cayman Islands 開曼群島	49%	Investment holding 投資控股
GYTB (BVI) Investment Co., Ltd*	British Virgin Island ("BVI") 英屬處女群島	49%	Investment holding 投資控股
GYTC (BVI) Development Co., Ltd*	BVI 英屬處女群島	49%	Inactive 暫無營業
Wuxi Number One Cotton Ethiopia Textile PLC*	Ethiopia 埃塞俄比亞	49%	Integrated manufacturing of yarn, fabric and garment 紗線、布料和成衣製造

* Wholly owned subsidiaries of Wuxi No. 1 Cotton Investment Co., Ltd.

These joint ventures are sino-foreign equity joint ventures established in the PRC. The English translation of the names of the joint ventures is for reference only. The official names of these entities are in Chinese.

Note: Wuxi No. 1 Cotton Investment Co., Ltd. is established by the Group and other joint venture partners in Wuxi. It holds the above mentioned subsidiaries which are mainly engaged in the production of medium range to high graded compact yarn, special textile products and garment products.

15. 合營企業權益 (續)

本集團以權益法於綜合財務報表列賬之合營企業權益之詳情如下：

* 無錫一棉投資有限公司之全資擁有附屬公司

該等合營企業均為於中國成立之中外合資經營企業。該等企業均以中文名稱註冊，英文翻譯的名字僅供參考。

附註：無錫一棉投資有限公司為本集團與其他合營夥伴於無錫成立之企業。其擁有上文所述之附屬公司，主要從事生產中檔至優質精密紡紗、特別紡織產品和成衣產品。

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15. INTERESTS IN JOINT VENTURES (continued)

All the joint ventures in which the Group participates are unlisted corporate entities whose quoted market prices are not available.

Summarised financial information of Wuxi No.1 Cotton Investment Co., Ltd. and its subsidiaries, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

15. 合營企業權益 (續)

本集團參與的所有合營企業，均為無市場報價的非上市公司。

無錫一棉投資有限公司及其附屬公司財務資料概要，及與綜合財務報表中賬面值之對賬披露如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Gross amounts of joint ventures'	合營企業總額		
Non-current assets	非流動資產	1,081,007	977,261
Current assets	流動資產	845,479	817,107
Non-current liabilities	非流動負債	(54,707)	(5,110)
Current liabilities	流動負債	(757,178)	(623,864)
Equity	權益	(1,114,601)	(1,165,394)
Included in the above assets and liabilities:	包括在上述的資產及負債：		
Cash and cash equivalents	現金及現金等價物	159,062	167,442
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款及撥備)	(471,433)	(286,534)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款及撥備)	(41,269)	-
Revenue	收入	1,347,940	1,421,957
Adjusted EBITDA	調整扣除利息、稅項、折舊及攤銷前的盈利	97,884	101,751
Profit from continuing operations	持續經營業務溢利	24,505	30,545
Other comprehensive income	其他全面收益	(801)	-
Dividends received	已收股息	-	(12,926)
Included in the above profit:	包括在上述的溢利：		
Depreciation and amortisation	折舊及攤銷	(55,192)	(63,196)
Interest income	利息收益	1,165	1,923
Interest expense	利息支出	(12,629)	(8,536)
Income tax expenses	所得稅支出	(6,723)	(1,397)
Reconciled to the Group's interests in the joint ventures	本集團合營企業權益之對賬		
Gross amounts of net assets of the joint ventures	合營企業資產淨值總額	1,114,601	1,165,394
Group's effective interest	本集團實際權益	49%	49%
Carrying amount in the consolidated financial statements	於綜合財務報表賬面值	546,154	571,043

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16. OTHER FINANCIAL ASSETS

16. 其他金融資產

		31 March 2019 二零一九年 三月三十一日 \$'000 千元	1 April 2018 二零一八年 四月一日 \$'000 千元	31 March 2018 二零一八年 三月三十一日 \$'000 千元
Equity securities designated at FVOCI (non-recycling)	指定透過其他全面收益按公平價值入賬的股權證券(不可轉回)			
– Unlisted equity securities	– 非上市股權證券	16,906	15,348	–
– Equity securities listed outside Hong Kong	– 香港境外上市股權證券	3,105	3,756	–
		20,011	19,104	–
Available-for-sale financial assets:	可供出售金融資產:			
– Unlisted equity securities	– 非上市股權證券	–	–	855
– Equity securities listed outside Hong Kong	– 香港境外上市股權證券	–	–	3,756
		–	–	4,611

Notes:

附註:

- (i) The Group designated the following investments in equity securities at FVOCI (non-recycling) as the investments are held for strategic purposes:
- (a) Companhia de Electricidade de Macau (C.E.M.) SARL, a company incorporated in Macau and engaged in transmitting, distributing and selling of electricity in Macau. The fair value of the investment is \$10,403,000 as at 31 March 2019. Dividends of \$533,000 were received on this investment during the year (2018: \$517,000);
- (b) World Trade Centre Macau Co. Limited, a company incorporated in Macau and engaged in development and promotion of international trade. The fair value of the investment is \$6,503,000 as at 31 March 2019. Dividends of \$243,000 were received on this investment during the year (2018: \$nil);
- (c) Toyota Tsusho Corporation, a company incorporated and listed in Japan and engaged in general trading and manufacturing. The fair value of the investment is \$689,000 as at 31 March 2019 (2018: \$714,000). No dividends were received on this investment during the year (2018: \$nil);
- (d) Travelite Holdings Limited, a company incorporated and listed in Singapore and engaged in investment holding and provision of management services. The fair value of the investment is \$2,416,000 as at 31 March 2019 (2018: \$3,042,000). No dividends were received on this investment during the year (2018: \$nil).
- (ii) Available-for-sale financial assets were reclassified to equity securities designated at FVOCI (non-recycling) upon the initial application of HKFRS 9 at 1 April 2018 (see note 1(c)(a)).

- (i) 本集團持有以下指定透過其他全面收益按公平價值入賬的股權證券(不可轉回)作策略性目的投資:
- (a) 澳門電力股份有限公司是一間於澳門註冊成立的公司並在澳門從事傳輸、分配和銷售電力。截止二零一九年三月三十一日止,該投資的公平價值為10,403,000元。本年度內就此項投資已收取533,000元股息(二零一八年:517,000元);
- (b) 澳門世界貿易中心股份有限公司是一間於澳門註冊成立的公司並從事發展和促進國際貿易。截止二零一九年三月三十一日止,該投資的公平價值為6,503,000元。本年度內就此項投資已收取243,000元股息(二零一八年:無);
- (c) 豐田通商株式會社是一間於日本註冊成立及上市的公司並從事一般貿易及製造業務。截止二零一九年三月三十一日止,該投資的公平價值為689,000元。本年度內並無就此項投資收取股息(二零一八年:無);
- (d) Travelite Holdings Limited是一間於新加坡註冊成立及上市的公司並從事投資控股及提供管理服務。截止二零一九年三月三十一日止,該投資的公平價值為2,416,000元。本年度內並無就此項投資收取股息(二零一八年:無)。
- (ii) 於二零一八年四月一日首次應用香港財務報告準則第9號後,可供出售金融資產乃重新分類為指定透過其他全面收益按公平價值入賬的股權證券(不可轉回)(參閱附註1(c)(a))。

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17. INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Raw materials	原材料	15,439	10,319
Work in progress	在製品	48,940	47,557
Finished goods	製成品	4,798	10,810
		69,177	68,686

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Carrying amount of inventories sold	存貨銷售賬面值	584,877	612,236
Write-down of inventories	存貨撇減	578	1,230
Reversal of write-down of inventories	存貨撇減撥回	(425)	(1,735)
		585,030	611,731

The reversal of write-down of inventories made in prior years arose due to an increase in the net realisable value of garment products by reference to the sales made during the year and subsequent to the year end.

過往年度之存貨撇減撥回乃根據成衣產品於年內及於年度結束後的銷售，而導致該等產品可變現淨值的估計增加所致。

18. TRADE AND OTHER RECEIVABLES

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Trade debtors	應收賬款	55,984	74,888
Bills receivable	應收票據	28,606	30,744
Less: loss allowance (note 26(a))	減：虧損撥備 (附註26(a))	(3,546)	(3,546)
		81,044	102,086
Deposits, prepayments and other debtors	訂金、預付款及其他應收款	15,284	17,100
Amounts due from related companies (note 28(c))	應收關連公司款項 (附註28(c))	1,991	814
Derivative financial instruments	衍生金融工具	56	-
		98,375	120,000

18. 應收賬款及其他應收款

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Trade debtors	應收賬款	55,984	74,888
Bills receivable	應收票據	28,606	30,744
Less: loss allowance (note 26(a))	減：虧損撥備 (附註26(a))	(3,546)	(3,546)
		81,044	102,086
Deposits, prepayments and other debtors	訂金、預付款及其他應收款	15,284	17,100
Amounts due from related companies (note 28(c))	應收關連公司款項 (附註28(c))	1,991	814
Derivative financial instruments	衍生金融工具	56	-
		98,375	120,000

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18. TRADE AND OTHER RECEIVABLES (continued)

Substantially all of the Group's trade and other receivables are expected to be recovered or recognised as an expense within one year.

The amounts due from related companies are unsecured, interest-free and recoverable on demand except for those trade related items under normal trade terms.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within 1 month	一個月以內	38,472	41,916
Over 1 month but within 2 months	一個月以上但兩個月以內	18,669	29,245
Over 2 months but within 3 months	兩個月以上但三個月以內	7,142	16,756
Over 3 months but within 4 months	三個月以上但四個月以內	8,801	7,753
Over 4 months	四個月以上	7,960	6,416
		81,044	102,086

Trade debtors and bills receivable are due between 0 to 120 days from the date of billing. Further details on the Group's credit policy are set out in note 26(a).

18. 應收賬款及其他應收款 (續)

本集團之絕大部份應收賬款及其他應收款均預期於一年內收回或確認為支出。

除了在正常貿易條款下所進行之交易，應收關連公司款項是沒有抵押、不帶利息，並需按通知即時收回。

賬齡分析

於結算日，根據發票日期及扣除虧損撥備後的應收賬款及應收票據 (已計入應收賬款及其他應收款) 的賬齡分析如下：

應收賬款及應收票據在發單日期後0至120日內到期。有關本集團的信貸政策的詳情載於附註26(a)。

19. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Cash at bank and in hand	銀行存款及現金	323,769	323,112
Less: Restricted bank deposits	減：受限制銀行存款	(112)	(4,360)
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量表的現金及現金等價物	323,657	318,752

Restricted bank deposits represent guarantee deposit placed at bank for importing raw materials into Mainland China for custom purpose.

19. 現金及現金等價物及其他現金流量資料

(a) 現金及現金等價物包括：

受限制銀行存款指存於銀行作進口原材料到中國大陸的海關保證金。

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19. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(b) Reconciliation of profit before taxation to cash generated from operations:

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Profit before taxation	除稅前溢利		22,951	42,297
Adjustments for:	調整：			
Dividend income from equity securities	股權證券之股息收益	3	(776)	(517)
Interest income	利息收益	3	(2,731)	(1,091)
Gain on disposal of interest in an associate	出售一聯營公司權益收益	14	(55)	-
Net gain on disposals of other property, plant and equipment	出售其他物業、廠房及設備收益淨額	3	(181)	(4,610)
Finance costs	融資成本	4(a)	3,506	2,553
Amortisation of pre-paid interests in leasehold land	預付租賃土地款項的攤銷	4(c)	56	57
Amortisation of intangible assets	無形資產攤銷	4(c)	95	95
Depreciation	折舊	4(c)	4,437	5,005
Impairment loss on plant and equipment	廠房及設備減值虧損	11(e)	5,170	4,758
Share of profits of joint ventures	應佔合營企業溢利		(12,007)	(14,967)
Net valuation gains on investment properties	投資物業估值收益淨額	11(a)	(3,361)	(17,545)
Provision for long service payments	長期服務金撥備	24	2,293	1,251
Foreign exchange (gain)/loss	匯兌(收益)/虧損		(4,469)	6,389
Changes in working capital:	營運資金變動：			
Increase in inventories	存貨增加		(491)	(518)
Decrease in trade and other receivables	應收賬款及其他應收款減少		21,681	18,745
Increase/(decrease) in trade and other payables	應付賬款及其他應付款增加/(減少)		636	(21,466)
Increase in contract liabilities	合約負債增加		4,952	-
Payment of long service payments	長期服務金支出		(246)	(903)
Cash generated from operations	經營業務所得現金		41,460	19,533

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).

19. 現金及現金等價物及其他現金流量資料(續)

(b) 除稅前溢利與經營業務所得現金之對賬：

附註：本集團已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。參閱附註1(c)。

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20. TRADE AND OTHER PAYABLES

20. 應付賬款及其他應付款

		31 March 2019 二零一九年 三月三十一日 \$'000 千元	1 April 2018 二零一八年 四月一日 \$'000 千元	31 March 2018 二零一八年 三月三十一日 \$'000 千元
Trade creditors	應付賬款	43,776	46,717	46,717
Bills payable	應付票據	1,127	-	-
		44,903	46,717	46,717
Accrued charges and other creditors (note)	應計費用及其他應付款 (附註)	38,941	33,445	36,969
Amounts due to related companies (note 28(c))	應付關連公司款項 (附註28(c))	198	355	355
Amounts due to joint ventures (note 28(c))	應付合營企業款項 (附註28(c))	648	13	13
Derivative financial instruments	衍生金融工具	-	2,353	2,353
		84,690	82,883	86,407

Note: As a result of the adoption of HKFRS 15, receipts in advance from customers are included in contract liabilities and disclose in note 21 (see note 1(c)(b)).

附註：由於採納香港財務報告準則第15號，客戶預付賬款已包括在合約負債內及載列於附註21內(參閱附註1(c)(b))。

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

所有應付賬款及其他應付款預期將於一年內償還或確認為收入或需按通知即時償還。

The amounts due to related companies and joint ventures are unsecured, interest-free and repayable on demand except for those trade related items under normal trade terms.

除了在正常貿易條款下所進行之交易，應付關連公司及合營企業款項是沒有抵押、不帶利息，並需按通知即時償還。

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

於結算日，根據發票日期的應付賬款及應付票據(已計入應付賬款及其他應付款)的賬齡分析如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within 1 month	一個月以內	21,396	22,660
Over 1 month but within 2 months	一個月以上但兩個月以內	10,268	15,656
Over 2 months but within 3 months	兩個月以上但三個月以內	9,491	5,417
Over 3 months	三個月以上	3,748	2,984
		44,903	46,717

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21. CONTRACT LIABILITIES

21. 合約負債

		31 March 2019 二零一九年 三月三十一日	1 April 2018 二零一八年 四月一日	31 March 2018 二零一八年 三月三十一日
	Notes 附註	\$'000 千元	\$'000 千元	\$'000 千元
Receipts in advance from customers	(i), (ii)	4,952	3,524	-

Notes:

- (i) The Group has initially applied HKFRS 15 using the cumulative effect method and adjusted the opening balance at 1 April 2018. Comparative information has not been restated.
- (ii) Upon the adoption of HKFRS 15, these amounts were reclassified from "Trade and other payables" (note 20) to contract liabilities (see note 1(c)(b)).

附註：

- (i) 本集團已於二零一八年四月一日首次採用香港財務報告準則第15號。根據所選擇的過渡方法，比較資料不予重列。
- (ii) 於採納香港財務報告準則第15號後，該等款項自應付賬款及其他應付款(附註(20))分類至合約負債(參閱附註1(c)(b))。

The Group receives advances from customers before the delivery of goods, this will give rise to contract liabilities upon receipt of payment. Revenue recognised when the related goods are sold to the customers. The payment arrangement is negotiated on a case by case basis with customers.

當本集團於交付貨物前收到客戶預付賬款，在收取預付賬款後將產生合約負債。收入於相關貨品出售予客戶時確認。付款安排乃根據具體情況與客戶協商而定。

Movements in contract liabilities

合約負債變動

		\$'000 千元
Balance at 1 April 2018	於二零一八年四月一日之結餘	3,524
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	合約負債因年內確認於年初計入合約負債之收入而減少	(2,130)
Increase in contract liabilities as a result of receipts in advance of performance	合約負債因履約前收款而增加	3,558
Balance at 31 March 2019	於二零一九年三月三十一日之結餘	4,952

The amount of receipts in advance of performance expected to be recognised as income after more than one year is \$1,394,000 (2018: \$1,394,000).

預期在超過一年後確認為收入的履約前收款金額為1,394,000元(二零一八年：1,394,000元)。

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22. EMPLOYEE RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of \$30,000. The employer’s contributions to the MPF scheme vest immediately.

The Group also operates a Mandatory Provident Fund Exempted ORSO Scheme in Hong Kong for those employees who were eligible to participate in the scheme. This scheme is operated in a way similar to the MPF scheme, except that when an employee leaves the scheme prior to his/her interest in the Group’s employee contributions vesting fully, the ongoing contributions payable by the Group are reduced by the relevant amount of forfeited employer’s contributions or refunded to the employer.

The employees of subsidiaries of the Group established in the PRC are members of a state-sponsored retirement scheme organised by the local government in the PRC. The subsidiaries are required to contribute, based on a certain percentage of payroll, to the retirement scheme to fund the benefits. The only obligation of the Group with respect to these retirement schemes is to make the required contributions under the terms of the scheme.

23. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Current tax recoverable	可收回本期稅項	(347)	(131)
Current tax payable	應付本期稅項	14,709	16,036
		14,362	15,905

22. 僱員退休福利

本集團已按照強制性公積金計劃條例為根據香港《僱傭條例》聘用之僱員設有強制性公積金計劃（「強積金計劃」）。強積金計劃為既定供款退休計劃，由獨立信託人管理。根據強積金計劃，僱主及其僱員均須對該計劃按僱員有關之收入之5%作出供款。惟每月有關收入之上限為30,000元。僱主向強積金計劃作出之供款即時歸屬僱員。

於香港，本集團亦為合資格參與獲強制性公積金豁免的職業退休計劃之僱員設立該計劃。該計劃以類似強積金計劃之方式經營，惟當僱員於符合資格全數享有本集團僱員供款前離職，被沒收之僱主供款將用作減低集團日後之供款或退還僱主。

本集團於中國成立之附屬公司之僱員乃中國當地政府組織之職工社會養老保險計劃之成員。該等附屬公司須按僱員工資之若干百分比作出退休計劃供款。本集團就退休計劃所承擔之唯一責任是支付該計劃規定之供款。

23. 綜合財務狀況表所示的所得稅

(a) 綜合財務狀況表所示的本期稅項為：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Current tax recoverable	可收回本期稅項	(347)	(131)
Current tax payable	應付本期稅項	14,709	16,036
		14,362	15,905

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23. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(b) Deferred tax (assets)/liabilities recognised:

(i) The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Revaluation of investment properties	Depreciation allowances in excess of the related depreciation	Provision for inventories	Provision for long service payments	Undistributed profits of joint ventures	Cash flow hedge	Total
		投資物業重估	超過有關折舊之折舊免稅額	存貨撥備	長期服務金撥備	合營企業未分配溢利	現金流量對沖	合計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
Deferred tax arising from:	遞延稅項來自:							
At 1 April 2017	於二零一七年四月一日	3,267	6,773	(312)	(3,092)	6,819	-	13,455
Exchange adjustments	匯兌調整	465	(101)	(26)	(335)	-	-	3
Charged/(credited) to profit or loss	於損益內扣除/(計入)	2,240	233	146	(110)	1,221	-	3,730
Charged to reserves	在儲備扣除	-	-	-	-	-	(446)	(446)
At 31 March 2018	於二零一八年三月三十一日	5,972	6,905	(192)	(3,537)	8,040	(446)	16,742
At 1 April 2018	於二零一八年四月一日	5,972	6,905	(192)	(3,537)	8,040	(446)	16,742
Exchange adjustments	匯兌調整	(376)	67	12	222	-	-	(75)
Charged/(credited) to profit or loss	於損益內扣除/(計入)	(123)	(190)	(81)	(218)	15	-	(597)
Charged to reserves	在儲備扣除	-	-	-	-	-	446	446
At 31 March 2019	於二零一九年三月三十一日	5,473	6,782	(261)	(3,533)	8,055	-	16,516

(ii) Reconciliation to the consolidated statement of financial position

23. 綜合財務狀況表所示的所得稅 (續)

(b) 已確認遞延稅項(資產)/負債:

(i) 已在綜合財務狀況表確認的遞延稅項(資產)/負債的組成部份和本年度的變動如下:

(ii) 綜合財務狀況表對賬

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Net deferred tax assets recognised in the consolidated statement of financial position	在綜合財務狀況表確認的遞延稅項資產淨值	-	(271)
Net deferred tax liabilities recognised in the consolidated statement of financial position	在綜合財務狀況表確認的遞延稅項負債淨值	16,516	17,013
		16,516	16,742

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23. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(c) Deferred tax assets not recognised:

In accordance with the accounting policy set out in note 1(u), the Group has not recognised deferred tax assets in respect of cumulative tax losses of \$15,531,000 (2018: \$10,179,000) and other deductible temporary differences of \$14,448,000 (2018: \$16,660,000) as it is not probable that future taxable profits against which the temporary differences can be utilised will be available in the relevant tax jurisdiction of the entities. Tax losses amounting to \$5,316,000 (2018: \$5,135,000) do not expire under the relevant current tax legislation, while the remaining tax losses amounting to \$10,215,000 (2018: \$4,864,000) incurred by the PRC subsidiaries will expire before 2024, in five years after they are incurred.

23. 綜合財務狀況表所示的所得稅 (續)

(c) 未確認的遞延稅項資產：

根據載於附註1(u)的會計政策，本集團尚未就若干附屬公司的可抵扣虧損確認有關的遞延稅項資產為數15,531,000元(二零一八年：10,179,000元)及其他可抵扣暫時差異14,448,000元(二零一八年：16,660,000元)，由於在相關實體之稅務司法權區而言，有可供動用之暫時差異以抵銷未來應課稅溢利之可能性很低。根據有關現行稅務法例，未到期的稅務虧損合共5,316,000元(二零一八年：5,135,000元)，而剩餘的由中國附屬公司產生的稅務虧損合共10,215,000元(二零一八年：4,864,000元)將於該虧損產生期後五年，於二零二四年前到期。

24. PROVISION FOR LONG SERVICE PAYMENTS

24. 長期服務金撥備

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
At the beginning of the year	於年初	22,728	20,407
Exchange adjustments	匯兌調整	(1,277)	1,973
Provision made (note 4(b))	年內撥備 (附註4(b))	2,293	1,251
Payments during the year	年內付款	(246)	(903)
At the end of the year	於年終	23,498	22,728

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the retirement schemes of the Group that are attributable to contributions made by the Group.

Under the PRC Labour Contract Law, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to employees. The amount payable is dependent on the employees' final salary and years of service.

The Group does not set aside any assets to fund the above remaining obligations.

根據香港《僱傭條例》，本集團有責任向服務年資達五年或以上而在若干情況下停止受僱的僱員付出一筆過的金額。所支付的金額乃根據僱員的最終薪金及服務年數而釐定，並扣除僱員在本集團退休計劃下應計權益中本集團所供之款項。

根據《中國勞動合同法》，本集團有責任向在若干情況下停止受僱的僱員付出一筆過的金額。所支付的金額乃根據僱員的最終薪金及服務年數而釐定。

本集團並無撥出任何資產以應付上述剩餘的責任。

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25. CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		Share capital	Investment revaluation reserve (recycling) 投資重估儲備 (可轉回)	Investment revaluation reserve (non-recycling) 投資重估儲備 (不可轉回)	Land and buildings revaluation reserve 土地及樓宇重估儲備	Hedging reserve 對沖儲備	Retained profits 保留溢利	Total 合計
	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Balance at 1 April 2017	於二零一七年四月一日之結餘	208,418	306	-	41,762	(61)	728,919	979,344
Changes in equity for the year:	本年度權益變動:							
Profit for the year	本年度溢利	-	-	-	-	-	28,800	28,800
Other comprehensive income	其他全面收益	-	(1,370)	-	-	(945)	-	(2,315)
Total comprehensive income for the year	本年度全面收益總額	-	(1,370)	-	-	(945)	28,800	26,485
Dividends approved in respect of the previous year	本年度內批准屬於上一年度的股息	25(b)(ii)	-	-	-	-	(20,675)	(20,675)
Balance at 31 March 2018	於二零一八年三月三十一日之結餘	208,418	(1,064)	-	41,762	(1,006)	737,044	985,154
Balance at 31 March 2018	於二零一八年三月三十一日之結餘	208,418	(1,064)	-	41,762	(1,006)	737,044	985,154
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	-	1,064	13,429	-	-	-	14,493
Adjusted balance at 1 April 2018	於二零一八年四月一日經調整之結餘	208,418	-	13,429	41,762	(1,006)	737,044	999,647
Changes in equity for the year:	本年度權益變動:							
Loss for the year	本年度虧損	-	-	-	-	-	(5,250)	(5,250)
Other comprehensive income	其他全面收益	-	-	1,037	-	1,006	-	2,043
Total comprehensive income for the year	本年度全面收益總額	-	-	1,037	-	1,006	(5,250)	(3,207)
Dividends approved in respect of the previous year	本年度內批准屬於上一年度的股息	25(b)(ii)	-	-	-	-	(24,810)	(24,810)
Balance at 31 March 2019	於二零一九年三月三十一日之結餘	208,418	-	14,466	41,762	-	706,984	971,630

Note: The Group, including the Company, has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. See note 1(c).

25. 股本、儲備及股息

(a) 權益組成部份之變動

本集團綜合權益各組成部份的期初與期末結餘對賬載於綜合權益變動表。本公司權益個別組成部份於年初及年終之變動詳情如下：

附註：本集團，包括本公司，已於二零一八年四月一日首次採用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，比較資料不予重列。參閱附註1(c)。

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25. CAPITAL, RESERVES AND DIVIDENDS (continued)

(b) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the year

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Final dividend proposed after the end of the reporting period of \$0.12 (2018: \$0.12) per ordinary share	於結算日後建議派發末期股息每股普通股0.12元 (二零一八年：0.12元)	24,810	24,810

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於結算日後建議派發的末期股息尚未於結算日確認為負債。

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Final dividend in respect of the previous financial year, approved and paid during the year of \$0.12 (2018: \$0.10) per ordinary share	屬於上一財政年度，並於本年度核准及支付末期股息每股普通股0.12元 (二零一八年：0.10元)	24,810	20,675

(ii) 應付本公司股權持有人屬於上一財政年度，並於本年度核准及支付的股息

(c) Issued share capital

(c) 已發行股本

		2019 二零一九年		2018 二零一八年	
		Number of shares 股份數目 '000 千股	Amount 金額 \$'000 千元	Number of shares 股份數目 '000 千股	Amount 金額 \$'000 千元
Ordinary shares, issued and fully paid:	已發行及已繳足普通股:				
At the beginning and the end of the year	於年初及年終	206,748	208,418	206,748	208,418

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

根據香港公司條例第135條，本公司的普通股並沒有票面值。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有者有權收取不時宣派的股息，並且有權在本公司股東大會上按照每股一票的比例參與投票。所有普通股在本公司剩餘資產上均享有同等權利。

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25. CAPITAL, RESERVES AND DIVIDENDS (continued)

(d) Nature and purpose of reserves

(i) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong. The reserve is dealt with in accordance with the accounting policy set out in note 1(x).

(ii) Investment revaluation reserve (recycling)

Prior to 1 April 2018, this reserve included the cumulative net change in the fair value of available-for-sale financial assets held at the end of the reporting period in accordance with HKAS 39. This amount has been reclassified to investment revaluation reserve (non-recycling) upon the initial adoption of HKFRS 9 at 1 April 2018 (see note 1(c)(a)).

(iii) Investment revaluation reserve (non-recycling)

The investment revaluation reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 1(f)).

The investment revaluation reserve is not available for distribution to equity shareholders of the Company.

(iv) Land and buildings revaluation reserve

The land and buildings revaluation reserve has been set up and is dealt with in accordance with the accounting policy adopted for land and buildings set out in note 1(j).

The land and buildings revaluation reserve is not available for distribution to equity shareholders of the Company.

(v) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy adopted for cash flow hedges in note 1(h).

(vi) Other reserve

Other reserve represents a statutory reserve fund. According to the articles of association of the subsidiaries of the Group in the PRC, the subsidiaries are required to transfer at least 10% of their net profit, as determined in accordance with the PRC accounting rules and regulations applicable to enterprises with foreign investment, to the statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend.

25. 股本、儲備及股息 (續)

(d) 儲備的性質及用途

(i) 匯兌儲備

匯兌儲備包括因換算香港境外業務之財務報表而產生之所有匯兌差額。該儲備乃根據附註1(x)所載之會計政策處理。

(ii) 投資重估儲備 (可轉回)

在二零一八年四月一日前，根據香港會計準則第39號，此儲備包括於報告日期持有的可供出售金融資產的公平價值累計變動淨額。該款項已於二零一八年四月一日首次應用香港財務報告準則第9號時重新分類至投資重估儲備 (不可轉回) (參閱附註1(c)(a))。

(iii) 投資重估儲備 (不可轉回)

根據香港財務報告準則第9號，投資重估儲備 (不可轉回) 包括於報告日期持有的指定透過其他全面收益按公平價值入賬的股權證券投資的累計變動淨額 (參閱附註1(f))。

投資重估儲備不可供分派予本公司股權持有人。

(iv) 土地及樓宇重估儲備

本公司已設立土地及樓宇重估儲備，並乃根據土地及樓宇所採用載於附註1(j)的會計政策處理。

土地及樓宇重估儲備不可供分派予本公司股權持有人。

(v) 對沖儲備

對沖儲備包含應用於現金流量對沖的對沖工具之有效部分的公平價值累計淨變動，而該現金流量對沖有待稍後根據載於附註1(h)現金流量對沖的會計政策而確認。

(vi) 其他儲備

其他儲備為法定儲備基金。根據本集團於中國之附屬公司之組織章程細則，附屬公司須可撥回其根據適用於外資企業之中國會計規則及規例釐定之純利之至少10%至法定儲備基金，直至儲備結餘達到註冊資本之50%為止。向該儲備所作可撥回必須在分配股息前作出。

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25. CAPITAL, RESERVES AND DIVIDENDS (continued)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-adjusted-capital ratio. For this purpose the Group defines net debt as total debt (which includes interest-bearing loans and borrowings) plus unaccrued proposed dividends less cash and cash equivalents (which excluded pledged deposits). Adjusted capital comprises all components of equity, less unaccrued proposed dividends.

During the current financial year, the Group's strategy, which was unchanged from the previous financial year, was to maintain the net debt-to-adjusted-capital ratio at a reasonable level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

As at 31 March 2019 and 2018, neither the Company nor any of its subsidiaries had outstanding interest-bearing loans and borrowings.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

25. 股本、儲備及股息 (續)

(e) 資本管理

本集團管理資本的主要目的為確保集團能夠持續經營，透過釐定與風險水平相稱的貨品及服務價格及以合理的成本融資，從而能持續向股東提供回報及向其他相關人士提供利益。

本集團積極及定期檢討及管理其資本架構，務求維持借貸水平及資本狀況的平衡。較高借貸水平可能獲得較高股東回報而雄厚的資本狀況則穩健有利。本集團根據經濟情況的變動而對資本架構作出調整。

本集團按照債務淨額對經調整資本比率的基準監察資本架構。就此而言，本集團把債務淨額界定為債務總額 (包括帶息貸款及借款)，加上非累計擬派股息減現金及現金等價物 (不包括抵押存款)，經調整資本包括權益的所有組成部份減非累計擬派股息。

於本財政年度，本集團秉承過往財政年度之策略，維持債務淨額對經調整資本比率於一個合理水平。為維持或調整比率，本集團可能會對派付予股東的股息金額作出調整、發行新股份、向股東返還資本、籌措新的債務融資或出售資產以減債。

於二零一九年及二零一八年三月三十一日，本公司及其任何附屬公司均沒有帶息貸款及借款。

本公司及其任何附屬公司均不受任何外部的資本規定所限制。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and bank balances and derivative financial assets is limited because the counterparties are banks and financial institutions with sound credit ratings and the Group does not expect any significant credit risk. The Group does not provide any other guarantees which would expose the Group to credit risk.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 25.0% (2018: 21.5%) and 48.9% (2018: 42.1%) of the total trade debtors and bills receivable was due from the Group's largest customer and the five largest customers respectively within the manufacture and sale of garments and textiles segment.

Individual credit evaluations are performed on all customers requiring credit over a certain amount and for all new customers. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due between 0 to 120 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

26. 財務風險管理及金融工具之公平價值

本集團會在正常業務過程中出現信貸、流動資金和外幣風險。本集團亦承受來自其他實體證券投資的股價風險，本集團面對之有關風險及本集團用於管理有關風險之財務風險管理政策與慣例載述如下。

(a) 信貸風險

信貸風險指對手方將違反合約義務而導致本集團產生財務虧損。本集團的信貸風險主要歸因於應收賬款。本集團面臨的現金及銀行結餘及衍生金融資產引致的信貸風險有限，乃由於對手均為信用評級良好的銀行及金融機構，且本集團不預期存在任何重大信貸風險。本集團並無提供任何其他將會導致本集團承受信貸風險之擔保。

應收賬款

本集團須承受的信貸風險主要受各個客戶的個別特質所影響，而並非來自客戶所經營的行業或所在的國家，因此當本集團承受個別客戶的重大風險時，將產生高度集中的信貸風險。於結算日，應收賬款及應收票據總額中，25.0% (二零一八年：21.5%) 及48.9% (二零一八年：42.1%) 分別來自其於製造及銷售成衣及紡織品業務中的最大客戶和五家最大客戶。

本集團對所有要求超過一定信貸金額的客戶及所有新客戶進行個別信貸評估。該等評估集中於客戶過往於賬項到期時的還款記錄及目前的還款能力，並考慮客戶的特定資料以及客戶營運所處經濟環境。應收賬款於發單日期起計0至120日內到期支付。一般而言，本集團不要求客戶提供抵押品。

本集團使用撥備矩陣計算與整個存續期預期信貸虧損的金額計量應收賬款的虧損撥備。由於本集團的歷史信貸虧損經驗並無表明不同客戶群體的虧損模式有很大差異，因此並無進一步區分本集團不同客戶群按逾期狀況的虧損撥備。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade debtors and bills receivable as at 31 March 2019:

		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 \$'000 千元	Loss allowance 虧損撥備 \$'000 千元
Current (not past due)	即期 (未逾期)	0%	66,757	–
Less than 61 days past due	逾期少於61日	0%	7,724	–
61 to 90 days past due	逾期61日至90日	0%	3,229	–
More than 90 days past due	逾期90日以上	51.5%	6,880	3,546
			84,590	3,546

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Comparative information under HKAS 39

Prior to 1 April 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 1(m)(i) – policy applicable prior to 1 April 2018). At 31 March 2018, trade debtors and bills receivable of \$3,546,000 were determined to be impaired. The aging analysis of trade debtors and bills receivable that were not considered to be impaired was as follows:

		2018 二零一八年 \$'000 千元
Neither past due nor impaired	既無逾期或減值	78,932
Less than 61 days past due	逾期少於61日	20,512
61 to 90 days past due	逾期61至90日	293
More than 90 days past due	逾期90日以上	2,349
		23,154
		102,086

26. 財務風險管理及金融工具之公平價值 (續)

(a) 信貸風險 (續)

應收賬款 (續)

下表載列有關於二零一九年三月三十一日本集團面臨有關應收賬款之信貸風險及預期信貸虧損之資料：

預期虧損率按過往5年的實際虧損經驗計算。此等比率為反映收集數據相關期間經濟狀況差異、目前狀況及本集團對應收賬款預期存續期的經濟狀況之意見，而加以調整。

香港會計準則第39號的比較資料

於二零一八年四月一日前，減值虧損僅在有客觀減值證據時確認(參閱附註1(m)(i) – 二零一八年四月一日前適用的政策)。於二零一八年三月三十一日，應收賬款3,546,000元已確認減值。未視為減值的應收賬款之賬齡分析如下：

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Comparative information under HKAS 39 (continued)

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

Movement in the loss allowance account in respect of trade debtors and bills receivable during the year is as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
As at 1 April	於四月一日	3,546	3,267
Impairment losses recognised during the year	年內確認減值虧損	-	279
As at 31 March	於三月三十一日	3,546	3,546

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management including the short term investment of cash surpluses. The Group's policy is to regularly monitor its current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's derivative financial instruments, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

26. 財務風險管理及金融工具之公平價值 (續)

(a) 信貸風險 (續)

香港會計準則第39號的比較資料 (續)

既無逾期或減值之應收賬款與眾多並無近期欠款記錄之客戶有關。

逾期但並未減值之應收賬款與多名獨立客戶有關，該等客戶於本集團的信貸記錄良好。根據過往經驗，管理層認為，該等結餘無需減值撥備，因為信貸質素並無重大變動，且結餘仍被視作可全數收回。

年內有關應收賬款及應收票據之虧損撥備之變動情況載列如下：

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
As at 1 April	於四月一日	3,546	3,267
Impairment losses recognised during the year	年內確認減值虧損	-	279
As at 31 March	於三月三十一日	3,546	3,546

(b) 流動資金風險

本集團內之個別經營實體須自行負責本身之現金管理，包括現金盈餘的短期投資。本集團之政策為定期監察目前及預期之流動資金需要，以確保其維持足夠現金儲備及可易於變現之上市證券及來自主要財務機構之充裕承諾資金限額，以應付其短期至長期流動資金需要。

下表詳列本集團的衍生金融工具於結算日的尚餘合約期限，其所依據是合約上未貼現的現金流量 (包括按合約利率計算之利息，或如屬浮息，則按於結算日當時利率計算) 及本集團最早須支付日期。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

	2019 二零一九年		2018 二零一八年	
	Contractual undiscounted cash inflow 合約上未貼現的現金流入 within 1 year or on demand 一年內或按要求 \$'000 千元	Contractual undiscounted cash outflow 合約上未貼現的現金流出 within 1 year or on demand 一年內或按要求 \$'000 千元	Contractual undiscounted cash inflow 合約上未貼現的現金流入 within 1 year or on demand 一年內或按要求 \$'000 千元	Contractual undiscounted cash outflow 合約上未貼現的現金流出 within 1 year or on demand 一年內或按要求 \$'000 千元
Derivative financial instruments 衍生金融工具	3,587	(3,531)	43,589	(45,953)

Save as the above, the Group's financial liabilities are repayable within one year or on demand and the contractual undiscounted cash outflow of these financial liabilities equals their carrying values on the consolidated statement of financial position.

(c) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily Euros, United States dollars ("USD"), Pounds Sterling, Hong Kong dollars ("HKD") and Renminbi.

As the HKD is pegged to the USD, the Group does not expect any significant movements in the USD/HKD exchange rate. However, management acknowledges that the Group is exposed to fluctuations in the exchange rates for other currencies.

The Group uses forward exchange contracts to hedge its currency risk arising from committed future sales denominated in Euro and Pounds Sterling. The Group ceased to apply hedge accounting (see note 1(h)) for the financial year 2019. At 31 March 2019, the Group had forward exchange contracts with a net fair value of \$56,000 (assets) (2018: \$2,353,000 (liabilities)), recognised as derivative financial instruments.

26. 財務風險管理及金融工具之公平價值 (續)

(b) 流動資金風險 (續)

除上文所述外，本集團之金融負債將於一年內或需按通知即時償還，及該等金融負債合約上未貼現的現金流出與綜合財務狀況表所示的賬面值相同。

(c) 貨幣風險

本集團涉及的貨幣風險主要來自有關業務所涉及功能貨幣以外的使用外幣計值的買賣交易所產生的應收賬款、應付賬款及現金結餘。引致此項風險的貨幣主要為歐羅、美元、英鎊、港元及人民幣。

由於港元與美元掛鈎，本集團預期美元／港元匯率並不會有重大波動。然而，管理層認為，本集團面對其他貨幣匯率變動的風險。

本集團利用遠期外匯合約對沖因以歐元及英鎊結算之承諾未來銷售所產生的貨幣風險。本集團於二零一九年財政年度停止應用對沖會計(見附註1(h))。於二零一九年三月三十一日，本集團之遠期外匯合約之公平價值淨額為56,000元(資產)(二零一八年：2,353,000元(負債))並已確認為衍生金融工具。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(c) Currency risk (continued)

The following table details the forward exchange contracts that had been designated as cash flow hedges of the Group's highly probable forecast transactions at 31 March 2018:

		2018 二零一八年	
		Foreign currency 外幣 \$'000 千元	Hong Kong dollar 港元 \$'000 千元
Notional amount	名義金額		
- Pounds Sterling	- 英鎊	1,000	10,223
- Euros	- 歐羅	3,629	33,366
		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Carrying amount	賬面值		
- Asset	- 資產	-	-
- Liability	- 負債	-	(2,353)

26. 財務風險管理及金融工具之公平價值 (續)

(c) 貨幣風險 (續)

下表詳述於二零一八年三月三十一日，指定為本集團極有可能發生預期交易之現金流對沖之遠期外匯合約：

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(c) Currency risk (continued)

The following table provides a reconciliation of the hedging reserve in respect of foreign currency risk and shows the effectiveness of the hedging relationships:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Balance at 1 April	於四月一日之結餘	(2,255)	-
Effective portion of the cash flow hedge recognised in other comprehensive income	於其他全面收益確認之 現金流量對沖有效部分	964	(5,161)
Amounts reclassified to profit or loss (note (i))	重新分類至損益之金額 (附註(i))	1,737	2,460
Related tax	相關稅項	(446)	446
Balance at 31 March (note (ii))	於三月三十一日之結餘 (附註(ii))	-	(2,255)
Change in fair value of the forward exchange contracts during the year and effective portion of the cash flow hedge recognised in other comprehensive income	年內遠期外匯合約的公平價值 變動以及在其他全面收益中 確認的現金流量對沖的 有效部分	964	(5,161)

Notes:

- (i) Amounts reclassified to profit or loss are recognised in the "Revenue" and "Finance cost" line item in the consolidated statement of profit or loss (see notes 4(c) and 4(a)).
- (ii) The entire balance in the hedging reserve relates to continuing hedges.

26. 財務風險管理及金融工具之公平價值 (續)

(c) 貨幣風險 (續)

下表載列外匯風險對沖儲備之對賬及對沖關係之有效性：

附註：

- (i) 重新分類至損益的金額於綜合損益表「收入」及「融資成本」項目中確認 (參閱附註4(c)及4(a))。
- (ii) 對沖儲備之全部結餘與持續對沖有關。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(c) Currency risk (continued)

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the year end date.

26. 財務風險管理及金融工具之公平價值 (續)

(c) 貨幣風險 (續)

(i) 承受之貨幣風險

下表詳列本集團於結算日所承受之貨幣風險，該等貨幣風險乃因所涉實體之已確認資產或負債以該實體功能貨幣以外之貨幣計值而產生。有關風險承擔之金額乃按於年結日之即期匯率換算為港幣作呈列之用。

Exposure to foreign currencies (expressed in Hong Kong dollars)
承受之外幣風險 (以港元計)

	2019 二零一九年					2018 二零一八年				
	Pounds Sterling 英鎊 \$'000 千元	United States Dollars 美元 \$'000 千元	Euros 歐羅 \$'000 千元	Renminbi 人民幣 \$'000 千元	Hong Kong Dollars 港元 \$'000 千元	Pounds Sterling 英鎊 \$'000 千元	United States Dollars 美元 \$'000 千元	Euros 歐羅 \$'000 千元	Renminbi 人民幣 \$'000 千元	Hong Kong Dollars 港元 \$'000 千元
Trade and other receivables 應收賬款及其他應收款	83	53,929	4,307	12,450	3	18	78,469	10,224	24	3
Cash and cash equivalents 現金及現金等價物	10	56,097	4,508	2,268	560	23	51,625	64	4,759	560
Trade and other payables 應付賬款及其他應付款	(627)	(28,086)	(904)	(410)	-	(421)	(24,213)	(1,079)	(418)	-
Amounts due from/(to) group companies 應收/(應付)集團公司款項	3,064	12,354	-	(5)	44,577	10,182	(267)	-	-	50,593
Net exposure arising from recognised assets and liabilities 來自已確認資產及 負債的風險承擔淨額	2,530	94,294	7,911	14,303	45,140	9,802	105,614	9,209	4,365	51,156

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(c) Currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HKD and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

		2019 二零一九年		2018 二零一八年	
		Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit after tax and retained profits	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit after tax and retained profits
		匯率 上升/(下跌) %	除稅後溢利 及保留溢利 增加/(減少) \$'000 千元	匯率 上升/(下跌) %	除稅後溢利 及保留溢利 增加/(減少) \$'000 千元
		百分比	千元	百分比	千元
Pounds Sterling	英鎊	10% (10)%	211 (211)	10% (10)%	818 (818)
Euros	歐羅	10% (10)%	661 (661)	10% (10)%	769 (769)
Renminbi	人民幣	8% (8)%	955 (955)	8% (8)%	292 (292)
Hong Kong Dollars	港元	8% (8)%	2,708 (2,708)	8% (8)%	3,069 (3,069)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into HKD at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2018.

26. 財務風險管理及金融工具之公平價值 (續)

(c) 貨幣風險 (續)

(ii) 敏感度分析

下表列示本集團之除稅後溢利 (及保留溢利) 因於結算日匯率之合理可能變動 (本集團須就此變動承受重大風險) 而產生之即時變動, 並已假設其他風險變數不變。就此而言, 本集團假定港元與美元之聯繫匯率不會因美元兌其他貨幣之匯率之任何變動受到重大影響。

上表所列分析之結果代表對本集團旗下各實體按各種功能貨幣計算並按於結算日之匯率換算為港元以供呈列之用的除稅後溢利及權益之即時影響總額。

敏感度分析乃假設匯率變動應用於重估本集團於結算日持有並面對外匯風險的金融工具, 包括本集團內部公司間應付款項及應收款項, 該等款項以借方或貸方的功能貨幣外的貨幣計價。該分析不包括由海外業務的財務報表換算成本集團列賬貨幣所導致的差異。該分析乃以二零一八年之相同基準進行。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(d) Equity price risk

The Group is exposed to equity price changes arising from certain equity investments held for long-term strategic purposes measured at FVOCI (see note 16).

The Group's listed equity investments have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations. They are listed on overseas stock exchanges and are valued at the quoted market prices at the end of each reporting period.

One of the Group's unlisted equity investments is measured at market comparison approach with reference to the market capitalisation of comparable listed companies. It is assessed at least bi-annually against performance of similar listed entities, based on the limited information available to the Group, together with an assessment of its relevance to the Group's long-term strategic plans.

26. 財務風險管理及金融工具之公平價值 (續)

(d) 股價風險

本集團承受若干透過其他全面收益按公平價值入賬計量之持作長期策略性持有的股權證券投資之價格變動風險 (參閱附註16)。

本集團之上市股權證券投資乃根據其長期增長潛力而被選定，並定期監察其表現相對預期的情況。它們於海外證券交易所上市，並在每個結算日按市場報價計算。

本集團之一個非上市股權證券投資之乃按市場比較法計量，並參考可比較上市公司的市值。其表現評估至少一年進行兩次，乃根據類似上市實體之表現、本集團所得其他資料及評估對本集團的長期策略性計劃的合適度。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(d) Equity price risk (continued)

At 31 March 2019, it is estimated that an increase/decrease of 10% (2018: 10%) in the relevant stock market index (for listed investments), the market capitalisation of comparable listed companies (for the unlisted equity security measured at market comparison approach), with all other variables held constant, would have increased/decreased the Group's other components of consolidated equity as follows:

		2019 二零一九年		2018 二零一八年	
		% 百分比	Increase/ (decrease) in other components of equity 權益其他 組成部分 增加/(減少) \$'000 千元	% 百分比	(Decrease)/ increase in other components of equity 權益其他 組成部分 (減少)/增加 \$'000 千元
Change in relevant equity price risk variable:	相關股本價格風險變數之變動:				
Increase	增加	10%	1,101	10%	258
Decrease	減少	(10)%	(1,101)	(10)%	(258)

The sensitivity analysis indicates the instantaneous change in other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or other relevant risk variables, and that all other variables remain constant.

26. 財務風險管理及金融工具之公平價值 (續)

(d) 股價風險 (續)

於二零一九年三月三十一日，假設其他變數維持不變，如有關股票市場（用於上市股權證券投資）指數增加／減少10%（二零一八年：10%），可比較上市公司的市值（用於按市場比較法計量的非上市股權證券），估計會增加／減少本集團的綜合權益其他組成部份如下：

敏感度分析顯示，假設股市指數之變動或其他相關風險變數之變動已於結算日產生，並已應用於重新計量本集團所持有之金融工具，而該等工具令本集團於結算日須承受股價風險，對本集團之綜合權益的其他組成部份將會造成之即時影響。亦假設本集團股權證券投資之公平價值將根據與股市指數或其他相關風險之變動之歷來相互關係而變動，且其他變數保持不變。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement

(i) Financial instruments measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*.

	Fair value at 31 March 2019 於二零一九年 三月三十一日 之公平價值	Fair value measurements as at 31 March 2019 categorised into			Fair value at 31 March 2018 於二零一八年 三月三十一日 之公平價值	Fair value measurements as at 31 March 2018 categorised into			
		於二零一九年三月三十一日 公平價值計量分類為以下級別				於二零一八年三月三十一日 公平價值計量分類為以下級別			
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別	
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元		
<i>Recurring fair value measurements</i> 經常性公平價值計量									
Assets:	資產:								
- Non-trading listed equity securities	- 非交易上市股權證券	3,105	3,105	-	-	3,756	3,756	-	-
- Unlisted equity securities	- 非上市股權證券	16,906	-	-	16,906	-	-	-	-
- Derivative financial instruments	- 衍生金融工具	56	-	56	-	-	-	-	-
Liabilities:	負債:								
- Derivative financial instruments	- 衍生金融工具	-	-	-	-	(2,353)	-	(2,353)	-

During the years ended 31 March 2019 and 2018, there were no transfers between Level 1 and Level 2 or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

26. 財務風險管理及金融工具之公平價值 (續)

(e) 公平價值計量

(i) 按公平價值計量的金融工具

公平價值層級

下表列載本集團經常性地於結算日按公平價值計量的金融工具，並根據《香港財務報告準則》第13號「公平價值計量」所界定的公平價值層級分類為三個級別。

截至二零一九年及二零一八年三月三十一日止年度內，並沒有金融工具在第一級別與第二級別之間作轉移、或於第三級別轉入或轉出。按本集團之政策，當公平價值級別發生轉撥時於結算日予以確認。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement (continued)

(i) Financial instruments measured at fair value (continued)

Valuation technique and inputs used in Level 2 fair value measurements

The fair value of forward foreign exchange contracts in Level 2 is marked to market by discounting the contractual forward price and deducting the forward rate at the end of the reporting period. The discount rate used is derived from the prevailing market interest rate at the end of the reporting period.

Information about Level 3 fair value measurements

	Valuation techniques 估值方式	Significant unobservable inputs 重大不可觀察數據	Range 範圍
Unlisted equity securities 非上市股權證券	Adjusted net asset value 經調整資產淨值	Discount for lack of marketability 缺乏市場流通性折扣率	30%
		Minority discount 少數權益折扣率	30%
	Market-comparable approach 市場比較法	Discount for lack of marketability 缺乏市場流通性折扣率	30%

The fair value of unlisted equity investments is determined using: (i) the net assets value adjusted for lack of marketability discount and minority discount; (ii) the price/earnings and enterprise value/EBITDA ratios of comparable listed companies adjusted for lack of marketability discount. The fair value is negatively correlated to the discount for lack of marketability and minority discount.

26. 財務風險管理及金融工具之公平價值 (續)

(e) 公平價值計量 (續)

(i) 按公平價值計量的金融工具 (續)

採用於第二級別公平價值計量的估值方法及所用數據

遠期外匯合約公平價值 (第二級別) 乃貼現合約遠期價格，並於結算日扣除現行的遠期匯率。貼現率乃參照於結算日現行市場利率而釐定。

第三級別公平價值計量資料

	Valuation techniques 估值方式	Significant unobservable inputs 重大不可觀察數據	Range 範圍
Unlisted equity securities 非上市股權證券	Adjusted net asset value 經調整資產淨值	Discount for lack of marketability 缺乏市場流通性折扣率	30%
		Minority discount 少數權益折扣率	30%
	Market-comparable approach 市場比較法	Discount for lack of marketability 缺乏市場流通性折扣率	30%

非上市股權證券的公平價值是以(i)經缺乏市場流通性折扣率及少數權益折扣率調整資產淨值；(ii)以可比較上市公司的價格／收益和企業價值／EBITDA比率並調整缺乏市場流通性折扣率計算。公平價值對缺乏市場流通性折扣率和少數權益折扣率成逆向相互關聯。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement (continued)

(i) Financial instruments measured at fair value (continued)

Information about Level 3 fair value measurements (continued)

As at 31 March 2019, it is estimated that an increase/decrease of 5% in each of the unobservable inputs, with all other variables held constant, would have increased/decreased the Group's other comprehensive income as follows:

		Increase/ (decrease) in unobservable inputs 不可觀察數據 增加/(減少) % 百分比	Effect on other comprehensive income 其他全面 收益影響 \$'000 千元
Discount for lack of marketability	缺乏市場流通性折扣率	5	(1,208)
		(5)	1,208
Minority discount	少數權益折扣率	5	(465)
		(5)	465

The movements during the period in the balance of these Level 3 fair value measurements are as follows:

		\$'000 千元
Unlisted equity securities:	非上市股權證券：	
At 1 April 2018	於二零一八年四月一日	855
Impact on initial application of HKFRS 9	首次採納香港財務報告準則第9號的影響	14,493
Adjusted balance at 1 April 2018	於二零一八年四月一日經調整後之結餘	15,348
Net unrealised gains recognised in other comprehensive income during the period	期內未變現收益淨額於其他全面收益中確認	1,558
At 31 March 2019	於二零一九年三月三十一日	16,906

From 1 April 2018, any gain or loss arising from the remeasurement of the Group's unlisted equity securities held for strategic purposes are recognised in the investment revaluation reserve (non-recycling) in other comprehensive income. Upon disposal of the equity securities, the amount accumulated in other comprehensive income is transferred directly to retained earnings. Prior to 1 April 2018, any gains arising from the disposal of the unlisted equity securities were presented in the "Other income" line item in the consolidated statement of profit or loss.

26. 財務風險管理及金融工具之公平價值(續)

(e) 公平價值計量(續)

(i) 按公平價值計量的金融工具(續)

第三級別公平價值計量資料(續)

於二零一九年三月三十一日，預計以下各項不可觀察數據增加/減少5%，其他變數保持不變，將對本集團其他全面收益增加/減少如下：

		Increase/ (decrease) in unobservable inputs 不可觀察數據 增加/(減少) % 百分比	Effect on other comprehensive income 其他全面 收益影響 \$'000 千元
Discount for lack of marketability	缺乏市場流通性折扣率	5	(1,208)
		(5)	1,208
Minority discount	少數權益折扣率	5	(465)
		(5)	465

第三級別公平價值計量結餘於年內變動如下：

		\$'000 千元
Unlisted equity securities:	非上市股權證券：	
At 1 April 2018	於二零一八年四月一日	855
Impact on initial application of HKFRS 9	首次採納香港財務報告準則第9號的影響	14,493
Adjusted balance at 1 April 2018	於二零一八年四月一日經調整後之結餘	15,348
Net unrealised gains recognised in other comprehensive income during the period	期內未變現收益淨額於其他全面收益中確認	1,558
At 31 March 2019	於二零一九年三月三十一日	16,906

自二零一八年四月一日起，本集團持作策略用途的非上市股權證券之重新計量產生之任何收益或虧損於其他全面收益投資重估儲備(不可轉回)中確認。待出售股權證券後，於其他全面收益之累計金額直接轉讓至保留溢利。於二零一八年四月一日前，出售非上市股權證券產生之任何收益均於綜合損益表中「其他收益」呈列。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement (continued)

(ii) Fair value of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2019 and 2018.

27. COMMITMENTS

- (a) Capital commitments outstanding at 31 March 2019 not provided for in the consolidated financial statements are as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
The Group's capital commitments:			
Contracted for	本集團的資本承擔： 已訂約	562	428
Authorised but not contracted for	已授權但未訂約	77,323	-
		77,885	428
The Group's share of the capital commitments of joint ventures:			
Contracted for	本集團應佔 合營企業的資本承擔： 已訂約	188,052	6,853

- (b) At 31 March 2019, the total future minimum lease payments in respect of properties under non-cancellable operating leases are payable as follows:

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Within 1 year	一年以內	2,344	1,693
After 1 year but within 2 years	一年後但兩年以內	56	773
After 2 years but within 5 years	兩年後但五年以內	-	63
		2,400	2,529

The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of one to ten years, with an option to renew the lease upon expiry when all terms are renegotiated. None of the leases includes contingent rentals.

26. 財務風險管理及金融工具之公平價值 (續)

(e) 公平價值計量 (續)

(ii) 以非公平價值列賬之金融工具之公平價值

本集團於二零一九年及二零一八年三月三十一日以成本或經攤銷成本列賬的金融工具之賬面值與其公平價值並無重大差異。

27. 承擔

- (a) 於二零一九年三月三十一日，仍未在綜合財務報表作出撥備之資本承擔如下：

- (b) 於二零一九年三月三十一日，根據不可解除的經營租賃合約在日後應付的最低物業租賃付款總額如下：

本集團為數項按經營租賃持有的物業的承租人。這些租賃一般初步為期一至十年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。所有租賃合約並不包括或有租金。

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28. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

(a) Transactions with YGM Trading Limited and its subsidiaries (“YGMT Group”)

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Sales of garment products	銷售成衣產品	16,241	19,757
Rental income received and receivable	已收及應收物業租金收益	6,009	7,429
Management fee received and receivable	已收及應收管理費	804	804
Building management fee received and receivable	已收及應收樓宇管理費	180	261

Note:

As certain directors and their associates are collectively the controlling shareholders (as defined in the Listing Rules) of YGMT Group and the Group, the related party transactions in respect of sales of garment products to YGMT Group and rental income received and receivable from YGMT Group above constitute the connected transactions as defined in Chapter 14A of the Listing Rules. Other transactions with YGMT Group are exempt from the disclosure requirements in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in the section “Connected transactions” in the Directors’ Report.

(b) Transactions with other related parties

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Wuxi YGM Textile Co., Ltd.	無錫長江精密紡織有限公司		
Purchases of raw materials	購買原材料	7,070	9,323

Note:

Wuxi YGM Textile Co., Ltd. is a wholly owned subsidiary of Wuxi No. 1 Cotton Investment Co., Ltd., a joint venture of the Group. The purchases of raw materials from a joint venture are not connected transactions under Chapter 14A of the Listing Rules.

28. 與關連人士之重大交易

除在本財務報表其他地方所披露之交易及結餘外，本集團訂立以下重大關連人士交易：

(a) 與YGM貿易有限公司及其附屬公司(「YGMT集團」)之交易

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Sales of garment products	銷售成衣產品	16,241	19,757
Rental income received and receivable	已收及應收物業租金收益	6,009	7,429
Management fee received and receivable	已收及應收管理費	804	804
Building management fee received and receivable	已收及應收樓宇管理費	180	261

附註：

若干董事及彼等之聯繫人士同時為YGMT集團及本集團之控股股東(定義見上市規則)，根據上市規則第14A章，以上向YGMT集團銷售成衣產品、已收及應收自YGMT集團租金收益之聯繫人士交易構成關連交易。與YGMT集團之其他交易為獲豁免不須遵照上市規則第14A章之規定予以披露。上市規則第14A章所規定的披露事項載於董事會報告「關連交易」一節。

(b) 其他關連人士之交易

		2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Wuxi YGM Textile Co., Ltd.	無錫長江精密紡織有限公司		
Purchases of raw materials	購買原材料	7,070	9,323

附註：

無錫長江精密紡織有限公司為本集團之合營企業無錫一棉投資有限公司之全資擁有附屬公司。從一合營企業購買原材料並不屬於上市規則第14A章所列之關連交易。

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28. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Balances due from/(to) related companies and joint ventures:

			2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
	Note 附註			
Amount due from YGMT Group	應收YGMT集團款項		1,991	814
Amount due to WTC07 Holdings Pte Ltd.	應付WTC07 Holdings Pte Ltd. 款項	(i)	(198)	(355)
Amount due to Allied Textiles Co., Ltd.	應付新聯興紡織有限公司款項	(ii)	(13)	(13)
Amount due to Wuxi YGM Textile Co., Ltd.	應付無錫長江精密紡織有限公司款項	(ii)	(635)	-

Notes:

- (i) WTC07 Holdings Pte Ltd. is related to the Group as it is held by a director of the Group.
- (ii) Allied Textiles Co., Ltd. and Wuxi YGM Textile Co., Ltd. are wholly owned subsidiaries of Wuxi No.1 Cotton Investment Co., Ltd., a joint venture of the Group.

(d) Transactions with key management personnel

All members of key management personnel are the directors of the Company, and their emoluments are disclosed in note 6.

29. ACCOUNTING JUDGEMENTS AND ESTIMATES

The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of the consolidated financial statements.

(a) Write-down of inventories

The Group performs regular reviews of the carrying amounts of inventories with reference to aged inventories analyses, projections of expected future saleability of goods and, management experience and judgment. Based on this review, a write-down of inventories will be made when the estimated net realisable value of inventories decline below their carrying amount. Due to changes in customers' preferences, actual saleability of goods may be different from estimations and profit or loss in future accounting periods could be affected by differences in these estimations. The write-down and reversal of write-down of inventories are disclosed in note 17.

28. 與關連人士之重大交易 (續)

(c) 應收／(應付)關連公司及合營企業款項：

			2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
	Note 附註			
Amount due from YGMT Group	應收YGMT集團款項		1,991	814
Amount due to WTC07 Holdings Pte Ltd.	應付WTC07 Holdings Pte Ltd. 款項	(i)	(198)	(355)
Amount due to Allied Textiles Co., Ltd.	應付新聯興紡織有限公司款項	(ii)	(13)	(13)
Amount due to Wuxi YGM Textile Co., Ltd.	應付無錫長江精密紡織有限公司款項	(ii)	(635)	-

附註：

- (i) WTC07 Holdings Pte Ltd. 由本集團一位董事擁有。因此，WTC07 Holdings Pte Ltd. 為本集團之關連人士。
- (ii) 新聯興紡織有限公司及無錫長江精密紡織有限公司為本集團之合營企業無錫一棉投資有限公司之全資擁有附屬公司。

(d) 主要管理人員的交易

所有主要管理人員均為本公司之董事，董事酬金已於附註6披露。

29. 會計判斷及估計

本集團相信在編製綜合財務報表時，以下所運用的主要會計政策涉及極重要的判斷和估計。

(a) 存貨撇減

本集團參考存貨賬齡分析、預期未來貨物銷售的預測及根據管理層的經驗及判斷來對存貨的賬面值作出定期審閱。倘存貨的估計可變現淨值跌至低於其賬面值，則本集團會根據審閱的結果而撇減存貨的價值。鑒於客戶的喜好可能發生變動，實際貨物銷售可能與估計的不同，因此該等估計的不同可能影響未來會計期間的損益。存貨撇減及存貨撇減撥回於附註17披露。

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29. ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(b) Impairment

The Group reviews the carrying amounts of the assets at the end of each reporting period to determine whether there is objective evidence of impairment. When indication of impairment is identified, management assesses the differences between the carrying amounts and recoverable amounts and makes provision for impairment loss. Any change in the assumptions adopted in calculating the recoverable amount would increase or decrease the provision for impairment loss and affect the Group's profit or loss in future years.

The Group estimates the loss allowances for trade debtors and bills receivable by assessing the ECLs. This requires the use of estimates and judgements. ECLs are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of reporting period. Where the estimation is different from the original estimate, such difference will affect the carrying amounts of accounts receivable and bills receivable and thus the impairment loss in the period in which such estimate is changed. The Group keeps assessing the expected credit loss of trade debtors and bills receivable during their expected lives.

(c) Valuation of investment properties

The valuation of investment properties requires various assumptions and factors relevant to the valuation. The Group engages independent professional qualified valuers to conduct an annual revaluation of the Group's investment properties based on assumptions agreed between the Group and the valuers prior to adoption. The details of valuation of investment properties are disclosed in note 11(b).

(d) Provision for long service payments

As explained in note 24, the Group makes provision for lump sum payments on cessation of employment in certain circumstances to employees in both Hong Kong and the PRC. The payments due are dependent on future events and recent payment experience may not be indicative of future payments. Any increase or decrease in the provision would affect the profit or loss in future years. The details of long service payments are disclosed in note 24.

30. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 March 2019, the directors consider the immediate and ultimate controlling party of the Group to be Chan Family Investment Corporation Ltd, which is incorporated in the Cayman Islands.

29. 會計判斷及估計 (續)

(b) 減值

本集團於每一結算日均會審閱資產之賬面值，以決定是否有客觀證據顯示資產出現減值。當減值跡象被確定時，管理層評估賬面值與可收回金額之間的差額，並計提減值虧損撥備。計算可收回金額所採用之假設如有任何變動，會增加或減少減值虧損撥備，並影響本集團未來年度之損益。

本集團使用估計和判斷，透過評估預期信貸損失估算應收賬款及應收票據之虧損撥備。預期信貸損失基於本集團之過往信貸損失經驗，並根據債務人特有之因素進行調整，以及對於報告日期之當前及預測整體經濟狀況進行評估。倘預期數額與原先估計不同，有關差異將影響應收賬款及應收票據之賬面值，從而影響該估計變動期間之減值損失。本集團於預計應收期間內持續評估應收賬款及應收票據之預期信貸損失。

(c) 投資物業估值

投資物業估值採用與估值有關的各項假設及因素。本集團聘用獨立專業合資格的估價師，於採納前依據本集團與估價師協定的該等假設，對其投資物業進行年度評估。投資物業估值詳情於附註11(b)披露。

(d) 長期服務金撥備

如附註24所述，本集團為受僱於香港及中國的僱員在若干情況下因停止受僱而需支付的一筆過付款作出撥備。長期服務金的支付乃決定於日後情況而非近期付款情況。撥備之任何增減將影響未來年度之損益。長期服務金詳情於附註24披露。

30. 直接及最終控股人士

於二零一九年三月三十一日，董事認為本集團之直接及最終控股人士為Chan Family Investment Corporation Ltd (於開曼群島註冊成立)。

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31. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

31. 公司層面之財務狀況表

	Note 附註	2019 二零一九年 \$'000 千元	2018 二零一八年 \$'000 千元
Non-current assets			
Investment properties		282,200	277,545
Other property, plant and equipment		90,288	95,640
		372,488	373,185
Intangible assets		2,985	3,080
Investments in subsidiaries		77,899	80,703
Interests in joint ventures		230,818	230,818
Other financial assets		20,011	4,611
		704,201	692,397
Current assets			
Inventories		25,875	27,207
Trade and other receivables		63,213	105,348
Current tax recoverable		347	131
Cash and cash equivalents		234,696	217,526
		324,131	350,212
Current liabilities			
Trade and other payables		37,451	39,768
Contract liabilities		1,954	-
		39,405	39,768
Net current assets		284,726	310,444
Total assets less current liabilities		988,927	1,002,841
Non-current liabilities			
Provision for long service payments		2,088	1,825
Deferred tax liabilities		15,209	15,862
		17,297	17,687
NET ASSETS		971,630	985,154
CAPITAL AND RESERVES			
Share capital	25(a)	208,418	208,418
Reserves		763,212	776,736
TOTAL EQUITY		971,630	985,154

Approved and authorised for issue by the board of directors on 24 June 2019.

Chan Wing Fui, Peter
Chairman

Chan Wing Kee
Managing Director

董事會已於二零一九年六月二十四日核准及授權發佈上列賬目。

陳永奎
主席

陳永棋
董事總經理

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)
截至二零一九年三月三十一日止年度 (以港元計)

32. COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1(c).

33. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2019 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except HKFRS 16. Further details of the expected impacts are discussed below.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is to account for all leases in a similar way to current finance lease accounting. Therefore it is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

32. 比較數字

本集團已於二零一八年四月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選用之過渡方法，比較資料不予重列。有關會計政策變動之進一步詳情於附註1(c)披露。

33. 截至二零一九年三月三十一日止年度已頒佈但尚未生效的修訂、新準則及詮釋可能構成的影響

直至本財務報表簽發之日，香港會計師公會已頒佈若干截至二零一九年三月三十一日止年度尚未生效的修訂、新準則及詮釋，而本財務報表並未有採納在內。其中適用於本集團的發展如下。

		Effective for accounting periods beginning on or after	開始於會計期間 或其後生效
HKFRS 16, <i>Leases</i>	香港財務報告準則第16號， <i>租賃</i>	1 January 2019	二零一九年一月一日
HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i>	香港 (國際財務報告詮釋委員會) 詮釋第23號， <i>稅項處理不確定性</i>	1 January 2019	二零一九年一月一日
Annual Improvements to HKFRSs 2015-2017 Cycle	香港財務報告準則二零一五年至 二零一七年週期之年度改進	1 January 2019	二零一九年一月一日
Amendments to HKAS 28, <i>Long-term interest in associates and joint ventures</i>	香港會計準則第28號 (修訂)， <i>於聯營公司及合營公司之長期權益</i>	1 January 2019	二零一九年一月一日

本集團正在評估初始應用期間該等修訂、新準則及詮釋的預期影響。現時結論為，本集團採納後，除了香港財務報告準則第16號外，對綜合財務報表並無重大影響。有關預期影響的進一步詳情於下文論述。

香港財務報告準則第16號將主要影響本集團作為租賃承租人就現時分類為經營租賃的物業、機器及設備之會計處理方法。採用新會計模式後，所有租賃的入賬將與現有融資租賃會計處理方法類似。預期應用新會計模式將導致資產及負債均有所增加，及影響租賃期間於損益表內確認開支的時間。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2019 (Expressed in Hong Kong dollars)

截至二零一九年三月三十一日止年度 (以港元計)

33. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2019 (continued)

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019. As disclosed in note 27, at 31 March 2019 the Group's future minimum lease payments under non-cancellable operating leases amount to \$2,400,000 for properties, certain of which will be renewed in the coming year. Upon the initial adoption of HKFRS 16, the opening balances of lease liabilities and the corresponding right-of-use assets will be adjusted, after taking account the effects of discounting, as at 1 April 2019. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease.

33. 截至二零一九年三月三十一日止年度已頒佈但尚未生效的修訂、新準則及詮釋可能構成的影響 (續)

本集團計劃選擇已修改之追溯方法去採納香港財務報告準則第16號，及確認首次採納的累計影響，對二零一九年四月一日期初結餘作出調整。如附註27所披露，於二零一九年三月三十一日，本集團於不可撤銷經營租賃租用物業應付的未來最低租賃付款為2,400,000元，其中若干物業將在來年續期。在首次採納香港財務報告準則第16號，將會調整於二零一九年四月一日在計入折現後之租賃負債及相應之使用權資產期初結餘。經考慮可行權宜方法的適用性及就現時與採納香港財務報告準則第16號期間已訂立或終止的任何租賃及折現影響作出調整後，本集團將須進行更為詳盡的分析以確定採納香港財務報告準則第16號時經營租賃承擔所產生的新資產及負債的金額。

預期財務報告準則第16號將不會大幅影響出租人根據租約將彼等權利及義務入賬之方式。

GROUP PROPERTIES 集團物業

Details of the major properties of the Group are as follows:

本集團主要物業資料詳列如下：

Location	地點	Existing use	用途	Term of lease	租賃年期
Major properties held for investment 持作投資用途之主要物業					
The whole building 22 – 24 Tai Yau Street San Po Kong, Kowloon Hong Kong	香港 九龍新蒲崗 大有街22 – 24號 全幢	Commercial	商業	Medium-term	中期租約
Unit 1505 – 1508 on level 15 Fudan Science Park Tower (Block 11) No. 11 Guotai Road Yangpu District, Shanghai City The People's Republic of China	中華人民共和國 上海市楊浦區 國泰路11號 復旦科技園大廈 (11幢) 單元1505 – 1508	Commercial	商業	Medium-term	中期租約

FIVE-YEAR SUMMARY

五年概要

(Expressed in Hong Kong dollars)

(以港元計)

		2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	2017 二零一七年 \$'000 千元	2018 二零一八年 \$'000 千元	2019 二零一九年 \$'000 千元
Results	業績					
Revenue	收入	1,133,864	938,434	800,343	749,280	717,614
Profit from operations	經營溢利	7,666	23,305	12,563	17,096	16,259
Finance costs	融資成本	(3,671)	(3,002)	(2,719)	(2,553)	(3,506)
Share of losses of associates	應佔聯營公司虧損	(355)	-	-	-	-
Share of (losses)/profits of joint ventures	應佔合營企業(虧損)/溢利	(20,356)	(28,391)	11,497	14,967	12,007
Gain on deregistration of a subsidiary	註銷一附屬公司收益	-	-	12,838	-	-
Impairment loss on plant and equipment	廠房及設備減值虧損	-	(4,656)	(12,304)	(4,758)	(5,170)
Net valuation gains on investment properties	投資物業估值收益淨額	6,964	20,759	12,369	17,545	3,361
(Loss)/profit before taxation	除稅前(虧損)/溢利	(9,752)	8,015	34,244	42,297	22,951
Income tax	所得稅	(13,856)	(3,658)	(6,259)	(7,254)	(2,650)
(Loss)/profit for the year	本年度(虧損)/溢利	(23,608)	4,357	27,985	35,043	20,301
Attributable to:	應撥歸於:					
Equity shareholders of the Company	本公司股權持有人	(23,241)	4,413	30,380	36,558	22,062
Non-controlling interests	非控股股東權益	(367)	(56)	(2,395)	(1,515)	(1,761)
(Loss)/profit for the year	本年度(虧損)/溢利	(23,608)	4,357	27,985	35,043	20,301
Assets and liabilities	資產及負債					
Investment properties, other property, plant and equipment and leasehold land	投資物業、其他物業、廠房及設備及租賃土地	310,387	317,370	287,078	300,217	298,292
Intangible assets	無形資產	3,117	3,270	3,175	3,080	2,985
Interests in associates	聯營公司權益	-	-	-	-	-
Interests in joint ventures	合營企業權益	600,683	541,095	513,385	571,043	546,154
Other financial assets	其他金融資產	7,052	4,250	5,731	4,611	20,011
Deferred tax assets	遞延稅項資產	1,501	1,687	1,754	271	-
Net current assets	流動資產淨額	375,093	388,952	396,945	409,486	387,317
Total assets less current liabilities	資產總額減流動負債	1,297,833	1,256,624	1,208,068	1,288,708	1,254,759
Non-current liabilities	非流動負債	(37,992)	(38,965)	(35,616)	(39,741)	(40,014)
Net assets	資產淨額	1,259,841	1,217,659	1,172,452	1,248,967	1,214,745
Share capital	股本	208,418	208,418	208,418	208,418	208,418
Reserves	儲備	1,044,243	1,002,557	961,162	1,039,310	1,008,228
Total equity attributable to equity shareholders of the Company	應撥歸於本公司股權持有人權益總額	1,252,661	1,210,975	1,169,580	1,247,728	1,216,646
Non-controlling interests	非控股股東權益	7,180	6,684	2,872	1,239	(1,901)
Total equity	權益總額	1,259,841	1,217,659	1,172,452	1,248,967	1,214,745
Per share basis	以每股計算					
Basic and diluted (loss)/earnings per share	每股基本及攤薄(虧損)/盈利	HK\$(0.11)	HK\$0.02	HK\$0.15	HK\$0.18	HK\$0.11

FIVE-YEAR SUMMARY

五年概要

(Expressed in Hong Kong dollars)

(以港元計)

Note to the five year summary:

The Group adopted HKFRS 9, *Financial instruments*, including the amendments to HKFRS 9, *Prepayment features with negative compensation*, from 1 April 2018. As a result, the Group has changed its accounting policies in relation to financial instruments. As allowed by HKFRS 9, the Group has not restated information relating to prior years. Differences in the carrying amounts of the financial assets resulting from the adoption of HKFRS 9 were recognised in retained earnings and reserves at 1 April 2018. There was no difference in the carrying amounts of the financial liabilities. Prior to 1 April 2018, figures were stated in accordance with the policies applicable in those years.

五年概要附註：

本集團自二零一八年四月一日起採用香港財務報告準則第9號，金融工具，包括香港財務報告準則第9號的修訂本，具有負補償之提前付款特徵。因此，本集團變更有關金融工具的會計政策。由於獲香港財務報告準則第9號的許可，本集團並無重列過往年度的資料。採用香港財務報告準則第9號產生的金融資產賬面值差異於二零一八年四月一日於保留盈利及儲備確認。金融負債的賬面值並無差異。二零一八年四月一日前，數據根據該等年度的適用政策呈列。



長江製衣有限公司
YANGTZEKIANG GARMENT LIMITED