



沪港联合

Hong Kong Shanghai Alliance Holdings Limited

滬港聯合控股有限公司

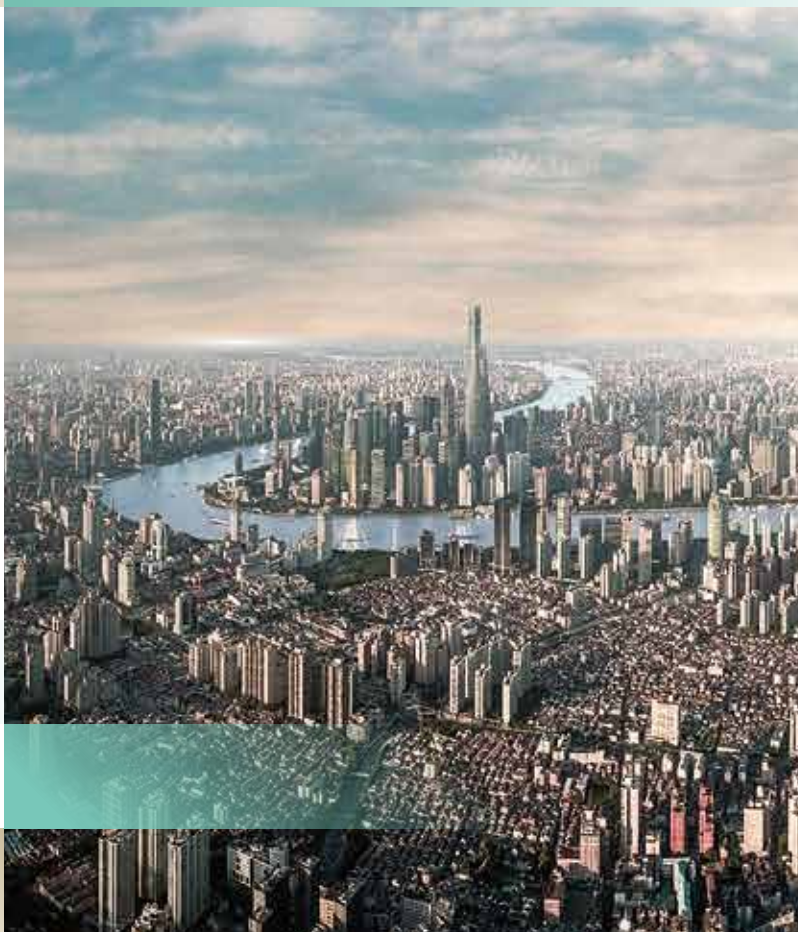
(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股票代號：1001

2020/21

ANNUAL REPORT 年報



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

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

Independent Non-executive Directors

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

EXECUTIVE COMMITTEE

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

AUTHORISED REPRESENTATIVES

Mr. Yao Cho Fai Andrew
Ms. Wong Yuen Sze

COMPANY SECRETARY

Ms. Wong Yuen Sze

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and
Registered Public Interest Entity Auditors

董事會

執行董事

姚祖輝先生
(主席兼首席執行官)
劉子超先生

獨立非執行董事

譚競正先生
徐林寶先生
楊榮樂先生
李引泉先生

執行委員會

姚祖輝先生(主席)
劉子超先生

審核委員會

譚競正先生(主席)
徐林寶先生
楊榮樂先生
李引泉先生

薪酬委員會

徐林寶先生(主席)
姚祖輝先生
譚競正先生
李引泉先生

提名委員會

姚祖輝先生(主席)
譚競正先生
徐林寶先生
楊榮樂先生

授權代表

姚祖輝先生
黃婉詩女士

公司秘書

黃婉詩女士

核數師

羅兵咸永道會計師事務所
執業會計師及
註冊公眾利益實體核數師

PRINCIPAL BANKERS

Bangkok Bank Public Company Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
China Construction Bank (Asia) Corporation Limited
China Everbright Bank Co., Ltd.
Chong Hing Bank Limited
CTBC Bank Co., Ltd.
Dah Sing Bank, Limited
Industrial and Commercial Bank of China Limited
Shanghai Commercial Bank Limited
United Overseas Bank Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

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

SHARE REGISTRARS AND TRANSFER OFFICES

Principal Registrar

MUFG Fund Services (Bermuda) Limited
4th floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

Hong Kong Branch Registrar

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

STOCK CODE

1001

主要往來銀行

盤谷銀行
中國銀行(香港)有限公司
交通銀行股份有限公司
中國建設銀行(亞洲)股份有限公司
中國光大銀行股份有限公司
創興銀行有限公司
中國信託商業銀行股份有限公司
大新銀行有限公司
中國工商銀行股份有限公司
上海商業銀行有限公司
大華銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港主要營業地點

香港灣仔
駱克道41號
東城大廈
11樓1103-05室

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

股份過戶及登記處

主要過戶處

MUFG Fund Services (Bermuda) Limited
4th floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港過戶分處

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

股票代號

1001

HIGHLIGHTS

摘要

FINANCIAL HIGHLIGHTS

For the year ended 31st March

財務摘要

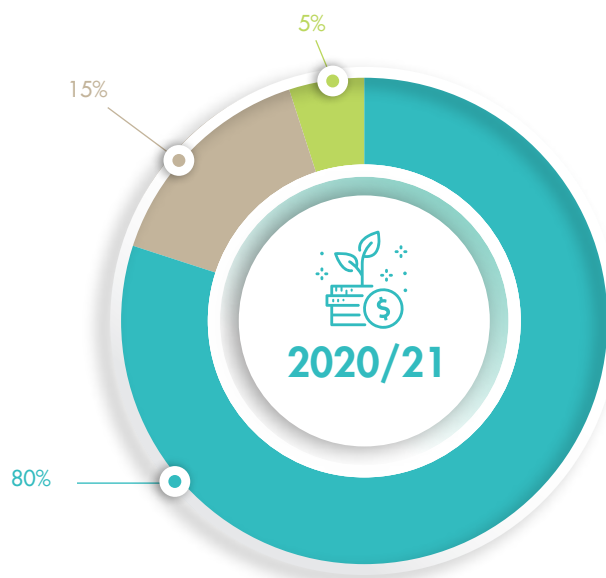
截至三月三十一日止年度

		2021 二零二一年 HK\$ million 百萬港元	2020 二零二零年 HK\$ million 百萬港元	Change 變動
Revenue	收入	2,073.6	2,325.0	-10.8%
Gross profit	毛利	253.0	241.6	+4.7%
Operating profit	經營溢利	96.0	4.8	+1,895.0%
Profit/(loss) for the year	年內溢利/(虧損)	3.8	(88.2)	N/A 不適用
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	1.7	(90.3)	N/A 不適用
Basic earnings/(loss) per ordinary share (HK cent(s))	每股普通股基本盈利/(虧損)(港仙)	0.26	(14.08)	N/A 不適用
Proposed special dividend per ordinary share (HK cent)	建議每股普通股特別股息(港仙)	1.00	—	N/A 不適用
Gross profit margin	毛利率	12.2%	10.4%	+1.8 p.p.百分點
Operating Profit margin	經營溢利率	4.6%	0.2%	+4.4 p.p.百分點
Net profit/(loss) margin	淨溢利/(虧損)率	0.2%	(3.8%)	+4.0 p.p.百分點

REVENUE BY LINES OF BUSINESS

各項業務之收入

- Construction Materials
建築材料
- Building and Design Solutions
建築產品及設計方案
- Property Investment and Project Management
房地產投資及項目管理



FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

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

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

CONSOLIDATED INCOME STATEMENT

綜合損益表

		Year ended 31st March 2021 截至 二零二一年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2020 截至 二零二零年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2019 截至 二零一九年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2018 截至 二零一八年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2017 截至 二零一七年 三月三十一日 止年度 HK\$'000 千港元
Revenue	收入	2,073,632	2,325,031	2,882,605	3,032,852	3,022,923
Operating profit/(loss)	經營溢利/(虧損)	96,000	4,812	74,268	(90,680)	400,749
Net finance costs	淨財務費用	(62,914)	(78,400)	(75,718)	(65,698)	(117,121)
Share of results of investments accounted for using equity method – net	應佔按權益法入賬之 投資之業績 —淨額	(19,724)	(12,947)	19,276	14,366	(36,511)
Profit/(loss) before income tax	除所得稅前 溢利/(虧損)	13,362	(86,535)	17,826	(142,012)	247,117
Income tax (expense)/credit	所得稅(支出)/抵免	(9,539)	(1,616)	(13,447)	1,772	(147,981)
Profit/(loss) for the year	年度溢利/(虧損)	3,823	(88,151)	4,379	(140,240)	99,136
Attributable to:	應佔：					
– Owners of the Company	– 本公司擁有人	1,673	(90,309)	13,888	(147,712)	101,776
– Non-controlling interests	– 非控制性權益	2,150	2,158	(9,509)	7,472	(2,640)
		3,823	(88,151)	4,379	(140,240)	99,136
Dividends	股息	6,412	—	12,825	10,057	30,490

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		As at 31st March 2021 於二零二一年 三月三十一日 HK\$'000 千港元	As at 31st March 2020 於二零二零年 三月三十一日 HK\$'000 千港元	As at 31st March 2019 於二零一九年 三月三十一日 HK\$'000 千港元	As at 31st March 2018 於二零一八年 三月三十一日 HK\$'000 千港元	As at 31st March 2017 於二零一七年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	1,881,726	1,792,413	1,907,672	1,604,281	1,581,056
Current assets	流動資產	1,079,044	940,636	1,088,949	1,527,607	1,802,843
Current liabilities	流動負債	(1,065,294)	(857,014)	(1,070,938)	(1,350,186)	(1,666,950)
Non-current liabilities	非流動負債	(886,968)	(959,267)	(812,247)	(694,261)	(586,051)
Net assets	資產淨額	1,008,508	916,768	1,113,436	1,087,441	1,130,898
Equity:	權益：					
Share capital	股本	64,123	64,123	64,123	64,055	64,188
Reserves	儲備	823,598	741,722	926,223	993,648	1,045,323
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備	887,721	805,845	990,346	1,057,703	1,109,511
Non-controlling interests	非控制性權益	120,787	110,923	123,090	29,738	21,387
Total equity	權益總額	1,008,508	916,768	1,113,436	1,087,441	1,130,898

CHAIRMAN'S STATEMENT 主席報告書

Dual-drives in
construction material and property
to capture rising demand
in Hong Kong and Shanghai
緊抓滬港經濟繁榮發展契機
建築材料及房地產
並駕齊驅



Yao Cho Fai Andrew

Chairman

姚祖輝

主席

Dear Shareholders,

On behalf of the board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited and its subsidiaries (collectively, the “Group”), I hereby present the audited consolidated results of the Group for the year ended 31st March 2021 (the “Year”).

各位股東：

本人謹代表滬港聯合控股有限公司及其附屬公司（統稱「本集團」）董事會（「董事會」），提呈本集團截至二零二一年三月三十一日止年度（「本年度」）之經審核綜合業績。

CHAIRMAN'S STATEMENT

主席報告書

The business environment faced unprecedented challenges in recent years. In Hong Kong, the economy was pressured by the growing trade tension between the U.S. and China, and was subsequently hit hard by the social unrest in 2019, followed by the COVID-19 pandemic, which led to significant disruptions to the local construction industry. Public construction projects were suffering from the delay of funding, whereas private construction projects also experienced delay and suspension due to the prevailing market pessimism, as well as various pandemic-containment measures. On the global arena, we also saw similar shocks by COVID-19 to the international economies. Manufacturing activities and global supply chain have essentially come to a halt at the initial stage, which in turn, brought unfavourable fluctuations in the supply and hence prices of essential raw materials. Over the last year, we observed a spike in steel price by over 40% year-on-year as a result of the disequilibrium, creating intense margin pressure to our Construction Materials Business.

Yet, facing with such strong adversities, the Group was able to swiftly react and adapt to the new normal. Diligent efforts were made to streamline the Group's organisational structure and operational cost base, with the aim of preserving working capital during the challenging times. In terms of client retention and acquisition, the Group also actively communicated with its customers and suppliers to strengthen existing working relationships and explore new opportunities. Thanks to such strategic maneuvering, we achieved an admirable turnaround to profits, supported by the strong performance and record-high order book from our Construction Materials Business. We expect the order book will remain strong, and that the value of these orders will gradually be realised in the next few years, thus laying a solid foundation for future financial performances.

On a macro view, following the establishment of the National Security Law and the ongoing refinement to Hong Kong's electoral system, we believe that the key infrastructure projects may obtain a quicker approval at the legislative council. Additionally, the subsequent political stability, together with the market stimulating initiatives implemented by the government, are expected to encourage the development of private housing and construction projects, presenting new market opportunities for the Group to capitalise on.

營商環境近年來面臨之挑戰可謂前所未有。香港之經濟發展亦面臨重重困難，先有中美貿易關係日益緊張，後有二零一九年的社會動盪，繼而再爆發2019冠狀病毒病，一連串打擊令本地建築業遭受重挫。公營建築項目出現資金延撥，由於市場悲觀情緒漫延及實施多項疫情控制措施，私營建築項目亦紛紛延期及停工。環觀全球，2019冠狀病毒病同樣對全球經濟帶來類似衝擊。疫情爆發初期，製造業活動及全球供應鏈陷入停滯，從而令基本原材料供應及價格出現不利波動。據我們觀察，鋼材價格於過去一年內因供需失衡按年大漲逾40%，令我們建築材料業務的盈利能力承受巨大壓力。

儘管面臨上述諸多艱難，本集團依然能夠迅速應付並適應新常態。為在艱難時期保持營運資金，本集團致力精簡組織架構及削減營運成本。為了保留及開拓客源，本集團亦積極與客戶及供應商相互交流，以鞏固當前合作關係並開拓新的商機。受惠於採取上述策略，我們的建築材料業務表現強勁，訂單亦創下新高，從而讓我們實現扭虧為盈。我們預計訂單將保持暢旺，價值亦將會於未來幾年內逐步呈現，從而為日後財務表現奠下堅實基礎。

宏觀而言，隨著《國家安全法》的立法及香港選舉制度的持續完善，我們相信重點基礎建設項目將會加快於立法會通過。此外，隨之而來的政治穩定局面，以及政府推行的市場刺激措施，相信亦會促進私人樓宇及建築項目發展，為本集團帶來新市場機遇。

On our Property Investment and Project Management Business in Shanghai, the local commercial property market also faced significant uncertainties during the Year. However, with effective vaccination and stimulating policies, we saw a recovery in market sentiment towards the end of 2020, with leasing price and occupancy rate both began to pick up in Central Park•Pudong and Central Park•Jing'an. Central Park•Huangpu, our recently-acquired commercial property, also provides us with another reason to be optimistic, as its revitalisation work is on track, and we saw an upswing in tenant acquisition, which will bring significant revenue contribution to the project in the coming financial year.

Looking forward, we anticipate that macro environment will continue to be unpredictable, and business visibility will continue to be low. However, there are also possible upsides that will provide support to our financial performance. In particular, the value of Renminbi showed strong rebound during the Year as the impact from the pandemic became increasingly manageable. With China flying out of the blocks in its economic recovery, it is expected that the value of Renminbi will continue to appreciate, which will benefit our Property Investment and Project Management Business, in which assets are held under Renminbi and consolidated into our financial performance under Hong Kong Dollar. That said, the Group will remain ever vigilant of the business environment, while actively seeking out suitable market opportunities.

Overall, the business is on track to bottom-out and resume growth and profitability. We will continue to strengthen our financial resilience, by maintaining a light asset business model with adequate working capital. On behalf of the Group and the Board, I would like to express our sincere gratitude to all of our staff for their dedicated efforts, as well as our shareholders for their continued support. To share the fruitful results from our operational enhancement and financial improvement, we also intend to repay our shareholders in the form of dividend, despite the challenging past year and the potentially muddy water ahead. The Group will continue to pursue excellence in our business and practice prudence in our financials, and will strive to deliver greater and sustainable returns to its shareholders and stakeholders.

Yao Cho Fai Andrew
Chairman

Hong Kong, 25th June 2021

我們在上海的房地產投資及項目管理業務方面，當地商業房地產市場於本年度亦面對巨大不明因素。然而，疫苗的有效接種以及刺激政策，臨近二零二零年年末時，可見市場情緒得已舒緩，中港匯•浦東及中港匯•靜安的租金及出租率均開始回升。我們最近收購的商業房地產項目中港匯•黃浦亦令我們期待，其優化工作進度理想，租戶數目亦逐漸上升，相信將會在下個財政年度為該項目帶來顯著收益。

展望未來，我們預計宏觀環境仍難以預測，業務前景仍不明朗。然而，我們的財務表現同時可能受到正面因素支撐。具體而言，由於疫情影響日益受控，本年度人民幣價值強勢反彈。隨著中國在經濟復甦中克服困難，預計人民幣將會持續升值，從而惠及我們的物業投資及項目管理業務，當中資產是以人民幣持有，並以港元併入我們的財務表現。即便如此，本集團將積極於市場上尋求合適機遇，同時，對營商環境時刻保持警惕。

總體而言，業務有望觸底反彈，重拾增長及盈利。我們將維持輕資產業務模式，保持充足的營運資金，繼續增強財務韌性。本人謹此代表本集團及董事會向全體員工所作出之努力表示衷心謝意，亦感謝股東給予的一貫支持。儘管過去一年充滿挑戰，前路可能並不明朗，但是我們依然有意透過派發股息回報股東，與股東分享營運改良及財務改善所帶來的豐碩成果。本集團將繼續追求業務卓越並維持財務穩健，致力為股東及持份者帶來持續並豐厚的回報。

主席
姚祖輝

香港，二零二一年六月二十五日





Central Park - Huang Pu
中央公园黄浦

Efficiency enhancement from construction materials business to drive turnaround results despite COVID-19 impact

疫情重壓下營運效率持續提升
建築材料業務引領業績扭虧為盈

OVERVIEW

FY2020/2021 (the “Year”) continued to be challenging under the sustained impact of Novel Coronavirus (“COVID-19”) pandemic, with market visibility remained low and economic activities yet to be fully recovered. Disrupted by momentary mismatch of global steel supply and demand, steel price has recorded an expanding magnitude and increasing frequency of volatility, putting pressure on the Group’s performance.

However, supported by the dedicated efforts of our teams and the close collaborations with our business partners, the Group managed to record a turnaround in financial results, from a net loss attributable to owners of the Company of approximately HK\$90.3 million last year, to a net profit attributable to owners of the Company of approximately HK\$1.7 million for the Year. Gross profit also increased from approximately HK\$241.6 million on revenue of approximately HK\$2,325.0 million, to approximately HK\$253.0 million on revenue of approximately HK\$2,073.6 million for the Year. Gross profit margin rose from approximately 10.4% last year, to approximately 12.2% for the Year.

概覽

在2019冠狀病毒病疫情的持續影響下，市況仍然低迷，加上經濟活動尚未完全恢復，本集團因此於二零二零／二零二一財政年度（「本年度」）內繼續面臨挑戰。受全球鋼材供求短暫不穩影響，鋼材價格波動亦變得頻繁，且波幅日漸擴大，這亦為本集團之財務業績帶來沉重壓力。

幸而，在我們團隊的不懈努力以及業務夥伴的傾力合作下，本集團得以扭虧為盈，從去年的本公司擁有人應佔淨虧損約90,300,000港元，觸底回升至本年度的本公司擁有人應佔淨溢利約1,700,000港元。本年度之收益為約2,073,600,000港元（二零一九／二零二零財政年度：約2,325,000,000港元），毛利亦由去年同期的約241,600,000港元，增至本年度的約253,000,000港元。毛利率則由去年的約10.4%，上升至本年度的約12.2%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



The turnaround is mainly attributable to the improvement in performance of the Construction Materials Business, with its profit before income tax grew by approximately 396.6% year-on-year (“YoY”), as a result of the increasing utilisation of the Group’s automated rebar processing and assembly plant in Hong Kong, as well as the expanding profit margin for both construction products and surface critical coil distribution in Hong Kong and China. Together with the effective cost control measures, reduction in depreciation charges and government subsidies received under the Anti-Epidemic Fund, these have also greatly reduced the Group’s overall operating expenses, facilitating the turnaround in profit attributable to owners of the Company for the Year.

On our Property Investment and Project Management Business, during the Year, the Group has completed the acquisition of Great Wall Financial Building (also known as Central Park•Huangpu) in Shanghai by partnering with a leading private equity fund. The revitalisation of Central Park•Huangpu is now in full swing, and has contributed additional fee income to the Group since the second half of the Year. However, due to the short-term suppressed rent rate of Shanghai’s office market, the Group’s investment properties recorded a fair value loss of approximately HK\$8.4 million which brought a negative impact to the Group’s performance for the Year.

Basic earnings per ordinary share was HK0.26 cent for the Year, versus a basic loss per ordinary share of HK14.08 cents last year.

業績得以扭虧為盈，主要是受惠於本年度建築材料業務業績取得大幅改善所致。隨著本集團於香港的自動化鋼筋加工及裝配廠使用率進一步提高，以及在香港及中國的建築產品與卷鋼分銷業務利潤率進一步擴大，該分部的除所得稅前溢利同比增長約396.6%。連同本集團有效的成本控制措施、折舊費用減少及收取政府防疫基金補貼，本集團的整體運營開支亦得以大幅減少，奠下本年度扭虧為盈的基礎。

就我們房地產投資及項目管理業務方面而言，本集團於本年度與一家領先私募股權基金合作，完成收購位於上海的長城金融大廈（又稱中港匯•黃浦）。本集團現正全面推行中港匯•黃浦的優化工作，而該項目自本年度的下半年開始，為本集團帶來額外的收入貢獻。然而，由於上海辦公室租金短期受壓，本集團投資物業於本年度錄得公允價值虧損約8,400,000港元，為本集團業績帶來一定負面影響。

本年度每股普通股基本溢利為0.26港仙，去年每股普通股基本虧損為14.08港仙。

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BUSINESS REVIEW

Property Investment and Project Management Business

Being a leading private equity real estate investor and investment manager with proven track record, the Group specialises in property enhancement, alterations and additions, as well as the provision of quality property management services, with a view to unlocking property values in niche markets.

業務回顧

房地產投資及項目管理業務

作為領先的私募股權房地產投資者及投資經理人，本集團擁有良好往績紀錄，專門從事房地產項目升級、改建及擴建，同時提供優質的房地產管理服務，以在細分市場上變現房地產項目的價值。

Our track record in Shanghai

我們於上海的彪炳往績



<p>1</p>  <p>辦公樓及酒店綜合體 Office & Hotel Complex</p>	<p>中港匯 • 黃浦 Central Park • Huangpu 黃浦區 Huangpu District</p>	<p>2</p>  <p>辦公樓 Office Building</p>	<p>中港匯 • 靜安 Central Park • Jing'an 靜安區 Jing'an District</p>	<p>3</p>  <p>辦公樓 Office Building</p>	<p>中港匯 • 浦東 Central Park • Pudong 浦東新區 Pudong New District</p>
<p>4</p>  <p>服務式公寓 Serviced Apartment</p>	<p>尚泰里 Park Lane 長寧區 Changning District 於二零一七年九月出售 Disposed in September 2017</p>	<p>5</p>  <p>辦公樓 Office Building</p>	<p>中港匯 • 普陀 Central Park • Putuo 普陀區 Putuo District 於二零一七年三月出售 Disposed in March 2017</p>	<p>6</p>  <p>辦公樓 Office Building</p>	<p>靜安門 The Point Jing'an 靜安區 Jing'an District 於二零一四年三月出售 Disposed in March 2014</p>

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Our Property Investment and Project Management Business comprises (i) direct acquisitions of properties for investment, such as our wholly-owned Central Park•Pudong, which generates rental and property management fee income, while providing the opportunity to realise the appreciation in fair value in the medium-to-long term; and (ii) investments in properties via partnerships or investment funds, where the Group takes an equity stake and acts as a general partner and/or investment manager to earn fee income. As of 31st March 2021, the Group has partnerships with two leading private equity funds on the development of two revitalisation projects, namely Central Park•Jing'an and Central Park•Huangpu, respectively.

Although Shanghai office leasing demand has progressively regained momentum since the third quarter of the Year, a time when the COVID-19 pandemic was largely under control in China, short-term uncertainties have suppressed market occupancy rate, rent rate and property valuation. Hence, our Property Investment and Project Management Business recorded a loss before income tax of approximately HK\$7.6 million on revenue of approximately HK\$94.1 million for the Year, as compared with a profit before income tax of approximately HK\$6.3 million on revenue of approximately HK\$93.5 million last year. The change from profit to loss is mainly due to a fair value loss of approximately HK\$8.4 million from Central Park•Pudong during the Year, as compared with a fair value gain of approximately HK\$0.8 million last year.

The Group also shared the losses of investments accounted for using the equity method of approximately HK\$19.7 million for the Year for our investment in Central Park•Huangpu and Central Park•Jing'an. Yet, the revitalisation project for Central Park•Huangpu has been progressing well, and some reputable corporations have already been secured as potential tenants. The Group anticipates that Central Park•Huangpu will have significant improvement in its performance in the upcoming financial year.

Building and Design Solutions Business

Our Building and Design Solutions Business offers a comprehensive value proposition on sanitary wares, fittings and kitchenware products, through the provision of full-chain services covering design, installation, inventory management, logistics and technical support. The Group is equipped with an extensive, well-designed and popular branded sanitary wares and fittings product portfolio, and is well-positioned to capture the rising demand from the enhanced hygiene awareness amidst the COVID-19 pandemic, as well as the growing call for high-quality lifestyle products.

我們的房地產投資及項目管理業務包括(i)直接收購房地產項目作為投資(如我們全資擁有的中港匯•浦東)以賺取租金及物業管理費收入,同時於中長期捕捉公允價值提升的潛力;及(ii)透過與企業或投資基金合作,共同投資房地產項目,本集團持有股權並以一般合夥人及/或投資經理人的身份以賺取費用收入。截至二零二一年三月三十一日,本集團先後與兩大領先的私募股權基金合作開發兩個房地產項目,分別為中港匯•靜安及中港匯•黃浦。

自本年度第三季度以來,隨著2019冠狀病毒病疫情在中國大致受控,上海辦公室租賃需求亦因而重拾正軌。然而,短期不明朗因素使市場出租率、租金水平及房地產項目估值持續受壓。因此,我們的房地產投資及項目管理業務於本年度錄得收益約94,100,000港元(二零一九/二零二零財政年度:約93,500,000港元),及除所得稅前虧損約7,600,000港元(二零一九/二零二零財政年度:除所得稅前溢利約6,300,000港元)。由盈轉虧主要是由於本年度中港匯•浦東的公允價值虧損為約8,400,000港元,相較去年則錄得公允價值收益為約800,000港元。

本年度,就我們投資之中港匯•黃浦及中港匯•靜安,本集團亦分擔以權益法入賬之投資虧損約為19,700,000港元。中港匯•黃浦優化項目現時進展順利,並已引入部分知名企業作為潛在租戶。本集團預計,中港匯•黃浦在下一財政年度的業績將有明顯改善。

建築產品及設計方案業務

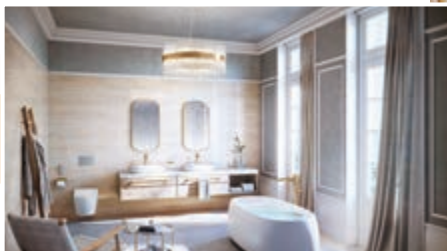
我們的建築產品及設計方案業務致力提供全面的衛浴潔具、配件及廚具產品的價值方案,服務涵蓋設計、安裝、庫存管理、物流及技術支援。憑藉其種類齊全、設計時尚及知名度高的衛浴潔具及配件組合,本集團已作好完善準備,以捕捉客戶在2019冠狀病毒病後更高的衛生意識,以及對優質生活產品的引伸需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

With the unremitting efforts of the Group and the full support from our brand partners, there was a rebound in the number of hotel and shopping mall development and upgrade projects in the Year, the Building and Design Solutions Business recorded a notable improvement in financial performance, with profit before income tax increasing by 31.1% YoY to approximately HK\$34.2 million, on revenue of approximately HK\$313.9 million, as compared with a profit before income tax of approximately HK\$26.1 million, on revenue of approximately HK\$275.9 million last year.

憑藉本集團的不懈努力以及品牌合作夥伴的全力支持，本年度，建築產品及設計方案業務的酒店和商場開發及升級項目數量得以回升，其財務業績亦錄得顯著改善，其收益達至約313,900,000港元（二零一九／二零二零財政年度：約275,900,000港元），除所得稅前溢利亦同比增加31.1%至約34,200,000港元（二零一九／二零二零財政年度：約26,100,000港元）。



TOTO Sanitary Wares TOTO 衛浴潔具

Construction Materials Business

Our Construction Materials Business comprises (i) Hong Kong construction products processing and distribution; (ii) reinforcing bar processing and assembly; and (iii) surface critical coil processing and distribution in China.

建築材料業務

我們的建築材料業務包括(i)香港建築產品加工及分銷；(ii)鋼筋加工及裝配；以及(iii)於中國的卷鋼加工及分銷。

The Construction Materials Business continues to face different challenges on various fronts. On the supply side, the short-term yet drastic fluctuation in demand and supply amidst COVID-19 pandemic, the unstable and ever-changing trade tensions among major nations, as well as the changes of certain environmental and export policies in China, have all led to the increasing volatility of global steel price. On the demand side, the disruptions in construction material supply and/or government quarantine measures have led to the delay in public and private construction projects, affecting product demand particularly in first half of the Year. Nonetheless, there was a notable recovery since second half of the Year, with construction companies largely adapting to the new normal.

建築材料業務於本年度繼續面臨各方面挑戰。供應方面，受2019冠狀病毒病疫情影響，加上主要國家之間貿易關係緊張，以及中國若干環境及出口政策的變動，鋼材供求短期內出現大幅波動，全球價格亦隨之飆升。需求方面，建築材料供應受阻，加上疫情衍生出的社交距離及隔離措施，這些舉措均導致公私營建築項目進度延遲，尤其對產品上半年的需求帶來影響。然而，自本年度下半年以來，隨著建築公司逐漸適應新常態，市況出現明顯復蘇。



Automated Rebar Processing and Assembly Plant
自動化鋼筋加工及裝配廠



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year, the Construction Materials Business made good progress to restore profit growth. Attributable to the improvement in production efficiency of its reinforcing bar processing and assembly business, cost containment measures adopted, as well as better profit margin in the distribution business, profit before income tax reached approximately HK\$40.7 million, on revenue of approximately HK\$1,660.8 million. This shows significant improvement when comparing with a profit before income tax of approximately HK\$8.2 million, representing a growth of 396.6% YoY, on revenue of approximately HK\$1,864.8 million last year.

OUTLOOK

Property Investment and Project Management Business

Pioneering as a niche market specialist in property revitalisation and value optimisation, the Shanghai property market remains our primary focus for investment.

Shanghai market begins to show a stable and ongoing rebound in demand, as companies have restored confidence in putting forth leasing decisions to capture the temporary low market rent. With the COVID-19 pandemic situation largely under control in China, together with the completion of renovation of Central Park•Huangpu in coming year, and the restoration of high occupancy rate in Central Park•Pudong and Central Park•Jing'an, since the last quarter of the Year, the Group remains optimistic over the performance of its Property Investment and Project Management Business, as well as the medium to long-term growth in demand of premium-grade offices in Shanghai.

由於鋼筋加工及裝配業務的生產效率進一步提高、採取成本監控措施，以及分銷業務的利潤率獲得提升，本年度建築材料業務取得良好進展。其收益約為1,660,800,000港元，除所得稅前溢利達至約40,700,000港元，同比增長396.6%，較去年收益約1,864,800,000港元，除所得稅前溢利約8,200,000港元，有明顯改善。

展望

房地產投資及項目管理業務

作為細分市場上房地產優化及價值提升的專家，本集團未來將繼續聚焦上海房地產市場。

隨著企業信心回穩，並願意把握市場短暫的低租金水平而承租，上海市場逐步走出陰霾，租賃需求穩步回升。隨著2019冠狀病毒病疫情於中國大致受控，連同明年中港匯•黃浦的裝修工程竣工，以及中港匯•浦東及中港匯•靜安自本年度最後季度回復高出租率水平，本集團對其房地產投資及項目管理業務的業績，以至上海中長期高端辦公室需求仍持樂觀態度。



Central Park • Jing'an 中港匯 • 靜安



Central Park • Huangpu
中港匯 • 黃浦



Central Park • Pudong 中港匯 • 浦東

Building and Design Solutions Business

The Group will continue to roll out its segment-based growth strategy in Hong Kong, Macau, Shanghai and Wuhan. Its extensive, prime-quality and well-designed sanitary products and fitting portfolio will allow it to capture market opportunities arising from rising hygiene awareness, consumer's personality and customisation in Hong Kong, as well as the continuous hotel expansion projects in Macau. Leveraging the strong market presence of our brand partners, the Group will target primarily large and iconic projects in Hong Kong, Macau, Shanghai and Wuhan to drive business growth.

Construction Materials Business

The Group expects the global steel market to remain volatile due to the unforeseeable disruptions to global demand and supply. However, with the expectation of increasing public spending in annual capital works investments, which encompasses public housing development, hospital redevelopment and expansion, and new towns development across the next few years, along with the probable rebound in private market demand upon launches of major construction projects in Kai Tak and Chek Lap Kok area, the Group remains cautiously optimistic in the medium to long-term development of the industry in Hong Kong.

Currently, the business is well on track to deliver profit growth. The Group will strive to further improve its reinforcing bar processing efficiency and steel procurement strategy to secure the most cost-efficient steel supply around the globe. The Group has laid a solid foundation for its market-leading position, and will continue to provide one-stop solutions to its valued customers.

建築產品及設計方案業務

本集團將繼續在香港、澳門、上海及武漢推行其基於細分市場的增長戰略。其廣泛、優質及設計優良的衛浴潔具及配件組合將使其能夠抓住衛生意識提高、香港消費者的個性化及定制化需求，以及澳門持續的酒店擴張項目所帶來的市場機遇。憑藉品牌合作夥伴的強大市場地位，本集團將主力著眼於香港、澳門、上海及武漢的大型知名項目，以推動業務增長。

建築材料業務

鑒於難以預測的供需變化，本集團預計全球鋼材市場將持續波動。然而，基於預期未來數年的年均基本工程投資將會增加，項目涵蓋公營房屋開發、醫院重建及擴建，以及新市鎮開發，加上啟德及赤蠟角地區的大型建築項目發展，私人市場的需求亦可望回升，本集團對香港建築行業的中長期發展仍抱謹慎樂觀態度。

目前，該業務發展良好，有望實現溢利增長。本集團將致力進一步提高其鋼筋加工的效率，並優化其鋼材採購策略，以確保在全球範圍內獲得最具成本效益的鋼材供應。本集團已為其市場領導地位奠定堅實基礎，並將繼續為其寶貴客戶提供一站式解決方案。

FINANCIAL REVIEW

Financial Position

Compared with the financial year ended 31st March 2020, the Group's total assets increased from approximately HK\$2,733.0 million to approximately HK\$2,960.8 million as at 31st March 2021. The Group's inventories increased from approximately HK\$354.9 million to approximately HK\$443.1 million, mainly due to the surge in steel price and the advanced preparation of stocks for orders in the first half of FY2021/2022. The average inventory days of supply increased to 89 days. The Group's trade and bill receivables slightly increased from approximately HK\$358.9 million to approximately HK\$363.8 million. The average overall days of sales outstanding increased to 56 days. Net asset value of the Group increased from approximately HK\$916.8 million to approximately HK\$1,008.5 million, mainly attributable to the translation gain arisen from the appreciation on Renminbi ("RMB") for Group's net investments in Mainland China. Net asset value per ordinary share was equivalent to approximately HK\$1.38 as at 31st March 2021.

Compared with the financial position as at 31st March 2020, the Group's cash and cash equivalents and pledged bank deposits increased by approximately HK\$43.9 million to approximately HK\$173.1 million, while the Group's borrowings increased by approximately HK\$39.0 million to approximately HK\$1,454.6 million as at 31st March 2021. Current ratio slightly decreased from 1.1 to 1.0, with gearing ratio (net debt, which is total borrowings minus pledged bank deposits and cash and cash equivalents, divided by capital and reserves attributable to owners of the Company plus net debt) slightly decreased from 61.5% to 59.1%. The Group will continue to monitor the turnover of its working capital, and take various measures on cost containment and operational efficiency improvement to preserve working capital and strengthen its liquidity.

Financial Resources

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

財務回顧

財務狀況

與截至二零二零年三月三十一日止財政年度相比，本集團總資產從約2,733,000,000港元增加至二零二一年三月三十一日的約2,960,800,000港元。本集團存貨由約354,900,000港元增加至約443,100,000港元，主要由於二零二一／二零二二財政年度上半年鋼材價格飆升及為訂單提前備貨所致。平均可供應存貨周轉天數增加至89天。本集團的應收賬款及票據由約358,900,000港元輕微增加至約363,800,000港元。平均應收賬款週轉天數增加至56天。本集團的資產淨值由約916,800,000港元增加至約1,008,500,000港元，主要是由於本集團於中國內地之淨投資因人民幣升值而產生的匯兌收益。於二零二一年三月三十一日，每股普通股的資產淨值相當於約1.38港元。

與二零二零年三月三十一日的財務狀況相比，本集團之現金及現金等值及已抵押銀行存款增加約43,900,000港元至約173,100,000港元，而本集團於二零二一年三月三十一日之借貸增加約39,000,000港元至約1,454,600,000港元。流動比率由1.1輕微下降至1.0，而資產負債比率(負債淨額，即借貸總額減去已抵押銀行存款與現金及現金等值，再除以本公司擁有人應佔股本及儲備加上負債淨額)由61.5%輕微下降至59.1%。本集團將繼續監測其營運資金之周轉狀況，並採取各種成本控制及提高運營效率的措施，以保持營運資金及加強其資金流動性。

財務資源

本集團之融資及庫務活動均在企業層面集中管理及監控。本集團之整體庫務及融資政策側重於管理財務風險，包括利率及外匯風險；為本公司及其附屬公司提供具有成本效益的融資方案；以及在本集團現金狀況可行下不時提高收益率。本集團一直堅持審慎之財務管理原則，包括根據本集團的庫務投資政策選擇投資證券。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's trade financing remained primarily supported by its bank trading and term loan facilities. As at 31st March 2021, about 58.1% of the Group's interest-bearing borrowings were denominated in HK dollar, about 33.0% in RMB and about 8.9% in US dollar. These facilities are either secured by the Group's inventories held under short-term trust receipts bank loan arrangement and/or pledged bank deposits and/or corporate guarantee provided by the Company. All of the above borrowings were on floating rate basis except for certain term loans of HK\$128.0 million, which is converted to a fixed rate basis through an interest rate swap arrangement. Interest costs of import bank loans were levied on interbank offered rates plus very competitive margin. RMB loans of the Group have been obtained from domestic and foreign banks in the amount of RMB400.9 million. Interest costs of RMB banking facilities were based on standard loan rates set by the People's Bank of China/ Loan Prime Rate adjusted with competitive margin.

Charges on Assets

As at 31st March 2021, the Group had certain charges on assets which included (i) bank deposits of approximately HK\$54.0 million (2020: approximately HK\$9.1 million) which were pledged as collateral for the Group's bill payables; and (ii) investment properties of approximately HK\$1,422.0 million which were pledged as collaterals for certain bank borrowings of the Group (2020: approximately HK\$1,324.3 million which were pledged as collaterals for certain bank borrowings and bill payables of the Group).

Capital Expenditure

During the Year, the Group's total capital expenditure amounted to approximately HK\$2.2 million (2020: approximately HK\$9.7 million).

Capital Commitments

As at 31st March 2021, the Group's total capital commitments amounted to approximately HK\$18.4 million (2020: approximately HK\$30.4 million).

Contingent Liabilities

Save as disclosed in Note 41 to the accompanying consolidated financial statements, as at 31st March 2021, the Group had no other material contingent liabilities (2020: Nil).

本集團之貿易融資主要由其銀行貿易及定期貸款融資支持。於二零二一年三月三十一日，本集團約有58.1%的計息借款以港元計值，約有33.0%以人民幣計值以及約有8.9%以美元計值。該等融資通過本集團之短期信託收據銀行貸款安排下持有之存貨及／或已抵押銀行存款及／或本公司提供之公司擔保作為抵押。除若干定期貸款128,000,000港元通過利率互換安排轉為固定利率計算之外，以上所有借貸均按浮動利率計息。進口銀行貸款之利息費用以銀行同業拆息率加非常具競爭力之息差計算。本集團已自國內及外資銀行獲得數額為人民幣400,900,000元之人民幣貸款。人民幣銀行融資之利息費用乃按中國人民銀行釐定之標準貸款利率／貸款市場報價利率以優惠息差再加以調整。

資產抵押

於二零二一年三月三十一日，本集團有若干資產作抵押，包括(i)約54,000,000港元(二零二零年：約9,100,000港元)之銀行存款抵押作為本集團的應付票據之抵押品；及(ii)約1,422,000,000港元之投資物業抵押作為本集團若干銀行借貸之抵押品(二零二零年：約1,324,300,000港元之投資物業抵押作為本集團若干銀行借貸及應付票據之抵押品)。

資本支出

於本年度，本集團的資本支出總額約為2,200,000港元(二零二零年：約9,700,000港元)。

資本承擔

於二零二一年三月三十一日，本集團的資本承擔總額約為18,400,000港元(二零二零年：約30,400,000港元)。

或然負債

除隨附之綜合財務報表附註41中所披露外，於二零二一年三月三十一日，本集團並無其他重大或然負債(二零二零年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Material Acquisitions and Disposals

Except for the disclosable and connected transactions in relation to the acquisitions of the remaining 40% equity interests of certain subsidiaries of the Company as set out in the Company's announcement on 4th December 2020, the Group did not have any other material acquisitions and disposals of subsidiaries and associated companies during the Year.

KEY RISKS AND UNCERTAINTIES

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

Financial Risks

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

重大收購及出售

除本公司日期為二零二零年十二月四日的公告所載，與收購本公司若干附屬公司剩餘40%股權有關的須予披露及關連交易外，本集團於本年度並無任何其他對附屬公司及聯營公司之重大收購及出售。

主要風險及不明朗因素

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

財務風險

本集團整體庫務及融資政策集中於管理財務風險，包括利率、外匯及流動資金風險。本集團一直秉持審慎財務管理原則。面對人民幣之不穩定，本集團將繼續以人民幣收入結算其人民幣付款，從而減低匯兌風險。當出現適當時機且管理層認為合適之情況下，本集團將簽訂遠期外匯合約，用以對沖非港元貨幣之主要外匯風險。本集團持續監察現金流量及維持現金及現金等值於適當水平，以確保為本集團營運提供資金之能力並減少現金流量波動效應以減低流動資金風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Operational Risk

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

Business Risk

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

Human Capital and Retention Risk

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

營運風險

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

業務風險

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

人力資本及留聘風險

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

HUMAN RESOURCES AND REMUNERATION POLICY

The Group is focusing on nurturing talents to support the Group's future development. Our growth strategy has always emphasised our strong commitment to people. We provide competitive remuneration package to attract and motivate employees. We always provide a safe and pleasant working environment with constant learning and growth opportunities.

The remuneration packages for directors and employees are normally reviewed annually and are structured by reference to prevailing market terms and individual competence, performance and experience. Other employee benefits include training subsidy, discretionary bonus, retirement benefits, insurance, medical coverage and share option scheme.

As at 31st March 2021, the Group employed 244 staff (2020: 267). Total staff costs including the contribution to retirement benefit schemes incurred during the Year amounted to approximately HK\$98.6 million. During the Year, no option has been offered and/or granted to directors and our employees under the share option scheme adopted on 11th August 2011.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

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

RELATIONSHIPS WITH STAKEHOLDERS

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

人力資源及薪酬政策

本集團注重培育人才，以支持其未來發展。我們的增長策略一直強調對人才的承諾，我們提供有競爭力的薪酬方案，以吸引及激勵員工。我們為員工創造一個安全及愉快的工作環境，並不斷提供學習及進修機會。

董事及員工之薪酬待遇通常每年定期檢討並參考現行市場條款及個人能力、表現及經驗而制訂。其他員工福利包括培訓資助、酌情花紅、退休福利、保險、醫療津貼及購股權計劃。

於二零二一年三月三十一日，本集團共聘用244名員工(二零二零年：267名員工)。本年度的員工成本總額(包括對退休福利計劃的供款)約為98,600,000港元。於本年度，並無根據於二零一一年八月十一日採納之購股權計劃向董事及我們之員工提供及／或授出任何購股權。

遵守相關法律及法規

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

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

與持份者之關係

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

CORPORATE GOVERNANCE REPORT

企業管治報告

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) is committed to maintaining high standards of corporate governance. It believes that high standards of corporate governance provide a framework and solid foundation for the Company and its subsidiaries (collectively, the “Group”) to manage business risks, enhance transparency, maintain high standards of accountability and protect shareholders’ interest in general. The Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) except for CG Code provision A.2.1 for the year ended 31st March 2021 (the “Year”).

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

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

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

THE BOARD

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

Executive Directors:

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

滬港聯合控股有限公司(「本公司」)之董事會(「董事會」)致力維持高水平之企業管治。董事會相信高水平之企業管治可為本公司及其附屬公司(統稱「本集團」)建立一個框架及穩固之基礎，以管理業務風險、增加透明度、維持高水平之問責制及保障股東之整體權益。於截至二零二一年三月三十一日止年度(「本年度」)，本公司已應用香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)之原則，並遵守一切適用守則條文，惟企業管治守則條文第A.2.1條除外。

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

董事及相關僱員進行證券交易之守則

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

董事會

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

執行董事：

姚祖輝先生
(主席兼首席執行官)
劉子超先生

Independent Non-executive Directors:

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

The brief biographical details of the Directors are set out in the “Profile of Directors and Senior Management” on pages 80 to 83 of this annual report.

Board Process

Throughout the Year and up to the date of this report, the Company has four Independent Non-executive Directors exceeding one-third of the Board. One of the Independent Non-executive Directors has the appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10(2) of the Listing Rules. Each of the Independent Non-executive Directors has made an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines. The Board members have no financial, business, family or other material relevant relationships with each other.

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

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

獨立非執行董事：

譚競正先生
徐林寶先生
楊榮樂先生
李引泉先生

董事之履歷詳情載於本年報第80頁至第83頁之「董事及高級管理人員履歷」內。

董事會程序

於本年度及截至本報告日期止，本公司有四名獨立非執行董事，多於三分之一的董事會人數。根據上市規則第3.10(2)條之規定，其中一名獨立非執行董事具備適當之專業資格或會計或相關財務管理專長。每位獨立非執行董事已根據上市規則第3.13條之規定提交其符合獨立性之年度確認書。本公司認為所有獨立非執行董事皆符合載於上市規則第3.13條之獨立性指引，並根據該指引條款被視為獨立人士。董事會成員彼此間並無財務、業務、家族或其他重大相關關係。

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

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

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

Name of Directors	董事姓名	Number of meetings attended/held 出席/舉行會議之次數				
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會	General Meeting 股東大會
<i>Executive Directors:</i>		<i>執行董事：</i>				
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer)	姚祖輝先生 (主席兼首席執行官)	4/4	1/1	N/A 不適用	1/1	1/1
Mr. Lau Chi Chiu	劉子超先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<i>Independent Non-executive Directors:</i>		<i>獨立非執行董事：</i>				
Mr. Tam King Ching Kenny	譚競正先生	4/4	1/1	2/2	1/1	1/1
Mr. Xu Lin Bao	徐林寶先生	4/4	1/1	2/2	1/1	1/1
Mr. Yeung Wing Sun Mike	楊榮樂先生	4/4	N/A 不適用	2/2	1/1	1/1
Mr. Li Yinquan	李引泉先生	4/4	1/1	2/2	N/A 不適用	1/1
Total number of meetings held	舉行會議總數	4	1	2	1	1

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

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

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

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

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

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

董事之持續專業發展

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

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

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

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

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

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

董事於本年度參與持續專業發展之活動載列如下：

Name of Directors	董事姓名	Reading journals, updates, articles and/or materials 閱讀期刊、最新資訊、文章及／或相關資料	Attending workshops, seminars, conferences and/or forums 出席工作坊、研討會、會議及／或論壇
<i>Executive Directors:</i>			
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer)	執行董事： 姚祖輝先生 (主席兼首席執行官)	✓	✓
Mr. Lau Chi Chiu	劉子超先生	✓	✓
<i>Independent Non-executive Directors:</i>			
Mr. Tam King Ching Kenny	獨立非執行董事： 譚競正先生	✓	✓
Mr. Xu Lin Bao	徐林寶先生	✓	—
Mr. Yeung Wing Sun Mike	楊榮樂先生	✓	✓
Mr. Li Yinquan	李引泉先生	✓	—

BOARD DIVERSITY

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

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

DIRECTORS' AND OFFICERS' INSURANCE

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

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE

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

董事會成員多元化

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

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

董事及高級人員之保險

本公司已就董事及本集團之高級人員可能面對之法律行動而作出適當保險安排。

主席及行政總裁之角色

姚祖輝先生現為董事會主席兼首席執行官(即行政總裁)。企業管治守則條文第A.2.1條規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。董事會相信，賦予姚先生主席兼首席執行官之職務，可使其發揮其出眾的領導能力、提高資源運用效率並有效規劃、制定及實施本公司之業務策略，使本集團得以維持業務持續發展。於執行委員會之監督及姚先生之領導下，管理團隊會繼續負責本集團之日常管理及營運。

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SPECIFIC TERMS OF NON-EXECUTIVE DIRECTORS

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

BOARD COMMITTEES

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

Executive Committee

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

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

委任非執行董事之指定任期

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

董事委員會

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

執行委員會

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

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

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

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

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

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

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

於本年度，執行委員會已根據其職權範圍執行本公司之企業管治職能。

Remuneration Committee

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

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

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

Details of the remuneration of every Director and senior management for the Year are set out in Note 9 to the accompanying consolidated financial statements.

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

薪酬委員會

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

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

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

每位董事及高級管理人員於本年度之薪酬詳情載於隨附之綜合財務報表附註9。

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

Audit Committee

The Audit Committee has been established since December 1998 and as at the date of this report consists of four Independent Non-executive Directors, including Mr. Tam King Ching Kenny (chairman of the Audit Committee), Mr. Xu Lin Bao, Mr. Yeung Wing Sun Mike and Mr. Li Yinquan. Mr. Tam King Ching Kenny is an Independent Non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

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

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

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

- (i) reviewed and discussed the audited consolidated financial statements of the Company for the year ended 31st March 2020 and recommended to the Board for approval;
- (ii) reviewed and discussed the unaudited condensed consolidated financial statements of the Company for the six months ended 30th September 2020 and recommended to the Board for approval;
- (iii) reviewed and discussed with the management and the external auditor of the Company the accounting policies and practices which may affect the Group and the scope of the audit;

審核委員會

審核委員會自一九九八年十二月成立，於本報告日期由四名獨立非執行董事組成，包括譚競正先生（審核委員會主席）、徐林寶先生、楊榮樂先生及李引泉先生。按上市規則第3.10(2)條，譚競正先生為獨立非執行董事並具備適當之專業資格或會計或相關財務管理專長。

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

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

以下為審核委員會於本年度已履行之工作概要：

- (i) 審閱及討論本公司截至二零二零年三月三十一日止年度之經審核綜合財務報表，並建議董事會審批；
- (ii) 審閱及討論本公司截至二零二零年九月三十日止六個月之未經審核簡明綜合財務報表，並建議董事會審批；
- (iii) 與本公司管理層及外聘核數師審閱及討論可能影響本集團之會計政策與慣例及審核範疇；

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- (iv) reviewed reports from the external auditor of the Company regarding their audit on the Company's consolidated financial statements for the year ended 31st March 2020 and their review on the Company's unaudited condensed consolidated financial statements for the six months ended 30th September 2020;
 - (v) reviewed reports from the internal auditor of the Company regarding their review on the internal control of the Group; and
 - (vi) reviewed and approved the remuneration and the terms of engagement of the Company's auditors; and reviewed and made recommendations to the Board on the re-appointment of the Company's auditors.
- (iv) 審閱本公司外聘核數師就有關其審核本公司截至二零二零年三月三十一日止年度之綜合財務報表及其審閱本公司截至二零二零年九月三十日止六個月之未經審核簡明綜合財務報表之報告；
 - (v) 審閱本公司內部核數師就有關其審閱本集團內部監控之報告；及
 - (vi) 審閱及批准本公司核數師之酬金及委聘條款；以及審閱並向董事會提供建議續聘本公司核數師。

The Audit Committee shall meet at least twice a year in accordance with its terms of reference. Two Audit Committee meetings were held during the Year and the attendance record of the Audit Committee meetings is set out in the section headed "The Board" of this report.

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

Nomination Committee

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

提名委員會

提名委員會自二零一二年三月成立，於本報告日期由四名成員組成，包括執行董事姚祖輝先生(提名委員會主席)及三名獨立非執行董事徐林寶先生、譚競正先生及楊榮樂先生。提名委員會負責就董事之提名、委任或重新委任及董事會的繼任事宜制訂政策及向董事會作出建議。提名委員會之主要職責包括至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議及評核獨立非執行董事的獨立性。提名委員會已訂立符合企業管治守則規定之特定書面職權範圍。提名委員會之職權範圍訂明其權限、職責及責任，其已登載於本公司及聯交所之網頁內。

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

The Nomination Committee shall meet at least once a year in accordance with its terms of reference. One Nomination Committee meeting was held during the Year and the attendance record of the Nomination Committee meeting is set out in the section headed "The Board" of this report.

NOMINATION POLICY

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

Selection criteria

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

- (i) character and integrity;
- (ii) accomplishment, qualifications and experience relevant to the Company's business and corporate strategy;
- (iii) willingness to devote adequate time to participate in the Board's affairs such as attending meetings of the Board and its committees to discharge his duties;
- (iv) willingness and ability to represent the general best interests of the Company and its shareholders as a whole;

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

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

提名政策

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

甄選準則

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

- (i) 品格與誠信；
- (ii) 成就、資格及與本公司業務及企業策略相關的經驗；
- (iii) 願意投放足夠時間參與董事會的事務，例如出席董事會及其委員會的會議以履行其職責；
- (iv) 體現本公司及其股東整體最佳利益的意願和能力；

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- (v) diversity criteria set out in the Company's Board Diversity Policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board;
- (vi) requirements for the Board to have sufficient independent non-executive directors in accordance with the Listing Rules and the independence of the candidates, if applicable, with reference to the independence guidelines set out in the Listing Rules; and
- (vii) such other perspectives appropriate to the Company's business.

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

Nomination and Selection Process

- (i) the Nomination Committee, based upon the needs of the Board for additional or replacement Board members, solicits ideas for possible candidates from a number of sources, including capable individuals personally known to and recommended by the members of the Board and research undertaken by or on behalf of the Nomination Committee or professional firms. The Nomination Committee also considers recommendations and nominations made by shareholders of the Company, as described in (iv) below;
- (ii) if one or more desirable candidate(s) is/are identified, the Nomination Committee shall evaluate such candidate(s), based on the criteria set out in above selection criteria, and determine whether such candidate(s) is/are qualified for directorship;
- (iii) the Nomination Committee shall select and rank desirable candidates by order of preference based on the needs of the Company, and make recommendations to the Board for directorship; and

- (v) 本公司之董事會成員多元化政策所載的多元化準則，以及提名委員會為達致董事會多元化而採納的任何可衡量目標；

- (vi) 根據上市規則，有關董事會擁有足夠獨立非執行董事的規定，以及候選人的獨立性(如適用)，並參考上市規則所載的獨立指引；及

- (vii) 適用於本公司業務的其他各項因素。

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

提名及甄選過程

- (i) 提名委員會因應董事會對增加或替代董事會成員的需求，於不同渠道訪求潛在候選人，包括董事會成員認識及推薦的勝任人士及提名委員會或其代表，或委託專業公司訪求合資格人士。提名委員會亦會考慮本公司股東按下文(iv)建議及提名的人士；
- (ii) 如涉及一個或多個潛在候選人，提名委員會將按上述甄選準則所載的準則以評估候選人，並決定其是否合資格出任董事；
- (iii) 提名委員會將按本公司的需要甄選及排列潛在候選人的優先次序，並向董事會作出建議；及

(iv) for any person nominated by a shareholder for election as a Director at any general meeting in accordance with the Company's Bye-laws, the Nomination Committee shall apply the same criteria as set out in the above selection criteria to evaluate and determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendations to shareholders in respect of the proposed election of Director at the general meeting.

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

CORPORATE GOVERNANCE FUNCTION

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

COMPANY SECRETARY

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

Ms. Wong Yuen Sze is the Company Secretary of the Company. She is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. Ms. Wong undertook no less than 15 hours of relevant professional training during the Year.

(iv) 任何經由股東按本公司的公司細則提名於任何股東大會上選舉為董事的人士，提名委員會將按上述甄選準則所載的相同準則予以評估，並決定其是否合資格出任董事，並且，提名委員會及／或董事會應就於股東大會上擬議的董事選舉向股東提出建議（如適用）。

董事會將不時檢討提名政策並酌情進行必要的修訂，以確保提名政策行之有效。

企業管治職能

本公司的企業管治職能現時主要由董事會負責，其授權相關職責予執行委員會以確保本公司之企業管治職能獲適切履行。就此，執行委員會之職權範圍包括各項與企業管治事宜有關的職責載列於本報告「執行委員會」一段內。

公司秘書

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

黃婉詩女士為本公司之公司秘書。彼為本公司之全職僱員，對本公司事務有日常認識。黃女士於本年度已接受不少於十五小時之相關專業培訓。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for developing and maintaining sound and effective risk management and internal control procedures and systems of the Group and reviewing their effectiveness to protect shareholders' interest and to safeguard the Group's assets at least annually. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss. The review covers financial, operational and compliance controls and risk management functions.

During the Year, the Company has taken risk management as a core part of its business activities and operations. The Company is taking steps to refine its comprehensive risk management system that is aligned with the strategies and operations of the Company by standardising its risk management procedures, adopting qualitative and quantitative measures to identify, evaluate and mitigate the identified significant risks. Furthermore, the Company has increased the level of synergy between risk management and internal audit by identifying the potential risks by reviewing the internal control system, policies and/or procedures relating to the Group's business operations so as to promote the risk control capabilities.

Risk Management System

The Group adopts a risk management system which manages the risk associated with its businesses and operations. The system comprises the following phases:

- Identification: identify ownership of risks, business objectives and risks that could affect the achievement of objectives;
- Evaluation: analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly; and
- Management: consider the risk exposures, ensure effective communication to the Board and monitor the residual risks on an ongoing basis.

風險管理及內部監控

董事會全面負責設立及維持本集團良好有效的風險管理及內部監控程序及系統，並最少每年審閱其有效性以保障股東之利益及本集團之資產。風險管理及內部監控系統旨在管理而非消除未能達致業務目標的風險，僅能提供合理而非絕對保證並無重大失實陳述或損失。有關審閱包括財務、運作及合規監控以及風險管理職能。

於本年度，本公司已將風險管理視作其業務活動及營運之核心部分。本公司正在採取步驟，透過標準化其風險管理程序，採納定性及定量措施，藉此完善與本公司策略及營運一致之全面風險管理系統，以識別、評估及緩解已識別之重大風險。此外，本公司已透過審閱有關本集團業務營運之內部監控制度、政策及／或程序以識別潛在之風險，藉此增強風險管理與內部審核之協同效應，並提升風險控制能力。

風險管理系統

本集團已採納一套風險管理系統以管理有關其業務及營運的風險。該系統包括以下層面：

- 識別：識別風險所有權、業務目標及可能影響目標達成的風險；
- 評估：分析風險的可能性及影響並對風險組合作出相應評估；及
- 管理：考慮風險應對，確保與董事會已就風險進行有效溝通並持續監察剩餘風險。

Internal Control System

The Company has in place an internal control system which enables the Group to achieve objectives regarding the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

- Control environment: a set of standards, processes and structures that provide the basis for carrying out internal control across the Group;
- Risk assessment: a dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed;
- Control activities: actions established by policies and procedures to ensure that management's directives to mitigate risks for the achievement of objectives are carried out;
- Information and communication: internal and external communications to provide the Group with the information needed to carry out the daily controls; and
- Monitoring: ongoing and separate evaluations to ascertain whether each component of the internal control system is present and functioning.

內部監控系統

本公司已制定內部監控系統，可促使本集團達致營運有效性及效率性、財務報告可靠性及遵守適用法律及法規的目標。該框架由以下關鍵部分組成：

- 監控環境：為本集團開展內部監控提供基礎的一套標準、程序及結構；
- 風險評估：一個識別及分析風險之動態及迭代過程，以達致本集團目標，為釐定如何管理風險奠定基礎；
- 監控行動：政策及程序制定行動以確保管理層就減輕達成目標所承受風險而作出之指令獲執行；
- 資料及通訊：為本集團提供進行日常監控所需內部及外部通訊及資料；及
- 監察：為確定內部監控系統各組成部分是否存在及運行而進行的持續及單獨評估。

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During the Year, the Company has engaged an independent professional firm as internal audit advisor (the “Internal Audit Advisor”) to provide risk management and internal control assessment services to assist the Board and the Audit Committee in ongoing monitoring and in performing the internal audit functions for the Group. The review included interviews with relevant management and key process owners and performing walkthrough tests to identify the major risk and significant deficiencies, and making recommendation for approving the internal control system to the Audit Committee for further approval. The Board, through the Audit Committee, has reviewed, considered and discussed the findings and recommendations of the internal audit reports prepared by the Internal Audit Advisor for the Year. Having taken the recommendations in the internal audit reports into consideration, the Group will continue to improve its risk management and internal control systems. In addition, the Internal Audit Advisor has also performed a follow-up assessment on the findings as identified in the internal audit reports to assess the remediation status.

The Board has considered the adequacy of resources, qualifications and experience of staff of the Group’s accounting and financial function, and their training programs and budget, by reviewing the internal audit reports prepared by the Internal Audit Advisor and management letters submitted by external auditor, if any. The Board and the Audit Committee met with the internal and external auditors and management to discuss the findings from their works and recommendations.

During the Year, the Board is not aware of any significant internal control and risk management weaknesses or inconsistencies with the risk management policies, and considered that the existing risk management and internal control systems are effective and adequate. The Company has complied with the relevant code provisions of the CG Code relating to risk management and internal control.

於本年度，本公司委聘獨立專業公司作為內部審核顧問（「內部審核顧問」）以提供風險管理及內部監控評估服務，以協助董事會及審核委員會以持續監控及執行本集團之內部審核功能。該審閱包括與相關管理層及主要負責人面談，以及進行穿行測試以識別主要風險及重大不足之處，並提出改善內部監控系統之建議，供審核委員會作進一步審批。董事會透過審核委員會已審閱、考慮及討論內部審核顧問就本年度編製之內部監控報告之結果及建議。經考慮內部監控報告之建議後，本集團將繼續完善其風險管理及內部監控系統。此外，內部審核顧問亦就內部監控報告所確認之發現事項進行跟進評估，以評估糾正情況。

董事會透過審閱內部審核顧問編製之內部監控報告及外聘核數師所提交之審核情況說明函件（如有），考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。董事會及審核委員會已會見內部核數師及外聘核數師以及管理層以討論彼等從工作及分析所得之發現及建議。

於本年度，董事會並不知悉任何重大內部監控及風險管理弱點或與風險管理政策有任何不相符，並認為現有風險管理及內部監控系統屬有效及足夠。本公司已遵守企業管治守則中有關風險管理及內部監控的相關守則條文。

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

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

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

- (i) access to inside information is restricted to specific persons on a need-to-know basis;
- (ii) enter into appropriate confidentiality agreements when negotiating on potential and significant transactions;
- (iii) codify a strict prohibition on unauthorised use or disclosure of inside information in employee handbook; and
- (iv) circulate reminder, from time to time, to the Directors and specified relevant employees of the Group, who are considered to be likely in possession of inside information, of their duties and obligations in respect of dealings in the securities of the Company.

處理及發佈內幕消息

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

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

- (i) 按有需要知情基準，將得知內幕消息限制於指定人士；
- (ii) 於談判潛在及重大交易前訂立適當的保密協議；
- (iii) 於員工手冊內訂明嚴禁未經授權使用或披露內幕消息；及
- (iv) 不時發出通告以提醒董事及本集團特定之有關僱員（彼等被視為可能知悉內幕消息）於買賣本公司之證券時應有的職責及責任。

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AUDITOR'S REMUNERATION

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

Types of services	服務種類	HK\$'000 千港元
Audit fee for the Group	本集團之審核費用	2,650
Taxation services	稅務服務	116
Total	總額	2,766

RESPONSIBILITY FOR PREPARATION AND REPORTING OF ACCOUNTS

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

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

核數師酬金

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

編製及呈報賬目之責任

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

概無重大不明朗事件或情況可能會嚴重影響本公司持續經營之能力。

INVESTOR RELATIONS AND COMMUNICATION

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

CONSTITUTIONAL DOCUMENTS

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

與投資者之關係與溝通

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

憲章文件

於本年度，本公司之憲章文件並無變動。

SHAREHOLDERS' RIGHTS

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

(A) Convening a Special General Meeting by Shareholders

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

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

股東權利

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

(A) 股東召開股東特別大會

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

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

(B) Putting Forward Proposals at General Meetings

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

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

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

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

(B) 於股東大會提呈建議

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

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

向本公司作出以上請求所需之股東數目為：

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

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

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

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

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

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

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

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

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

(C) Making Enquiry

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

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

DIVIDEND POLICY

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

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

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

(C) 提出查詢

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

提呈一名候選董事之程序刊載於本公司網頁 (<http://www.hkshalliance.com>)。

股息政策

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

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

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

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

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

On behalf of the Board
Yao Cho Fai Andrew
Chairman

Hong Kong, 25th June 2021

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

董事會將不時檢討股息政策並酌情進行必要的修訂，以確保本政策行之有效。

代表董事會
主席
姚祖輝

香港，二零二一年六月二十五日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE REPORT

Hong Kong Shanghai Alliance Holdings Limited (the “Company”, together with its subsidiaries, the “Group” or “we”) hereby presents its environmental, social and governance (the “ESG”) report (the “Report”), which discloses the Group’s activities and performance on issues of sustainable development in a transparent and open manner, with a view to enhancing the confidence and understanding of the stakeholders toward the Group. The Report should be read in conjunction with the section headed “Corporate Governance Report” in this annual report in order to have a full understanding on the Group’s relevant performance.

REPORTING PERIOD

All information herein reflects the performance of the Group in environmental management and social responsibility from 1st April 2020 to 31st March 2021 (the “Reporting Period”).

REPORTING STANDARDS

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and on the basis of the four reporting principles – materiality, quantitative, balance and consistency. It mainly outlines the ESG performance of the Group in a concise manner. The information contained herein is sourced from the documents and data of the Group, and is aggregated from the measures taken, policies adopted and the relevant information provided by the management and key personnel of the Group. The Group complied with the “comply or explain” provisions set out in the ESG Guide during the Reporting Period. The Report is available on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.hkshalliance.com.

STAKEHOLDERS’ FEEDBACK

Your valuable comments on our performance and reporting format are essential for our continuous progress. You are welcome to email any question or suggestion on the Report to enquiry@hkshalliance.com, which will enable us to continuously improve our ESG practices.

有關本報告

滙港聯合控股有限公司(「本公司」，連同其附屬公司，統稱「本集團」或「我們」)謹此提呈其環境、社會及管治(「環境、社會及管治」)報告(「本報告」)，以透明及公開的方式披露本集團在可持續發展議題上的行動和績效，以增加持份者對本集團的信心和了解。本報告應與本年報之「企業管治報告」章節一併閱讀，以便全面了解本集團之相關績效。

報告期

本報告之所有資料均反映本集團於二零二零年四月一日至二零二一年三月三十一日(「本報告期」)在環境管理和社會責任方面之績效。

報告準則

本報告乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則附錄二十七所載之環境、社會及管治報告指引(「環境、社會及管治指引」)，並以四個匯報原則，即重要性、量化、平衡及一致性為基礎而編製。其主要以精簡方式概述本集團的環境、社會及管治績效。本報告所載資料乃源自本集團的文件及數據，並由本集團管理層及主要人員所採取的措施、採納的政策及提供的相關資料所整合。於本報告期內，本集團已遵守環境、社會及管治指引所載「不遵守就解釋」條文。本報告可於聯交所網站 www.hkexnews.hk 及本公司網站 www.hkshalliance.com 查閱。

持份者之意見反饋

我們的持續進步有賴閣下對我們的績效及匯報方式發表寶貴意見。如閣下對本報告有任何疑問或建議，歡迎電郵至 enquiry@hkshalliance.com，從而令我們不斷改善環境、社會及管治常規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OUR STAKEHOLDERS

The Group believes that engagement and opinions of stakeholders are important parts of sustainability. We stress on maintaining close contact with stakeholders. By establishing different channels for communication, we understand and respond to the expectations and requirements of stakeholders, and thus formulating the implementing strategies for improvement, in a way that the Group's business practices can meet the expectations of stakeholders. The expectations and requirements of our various stakeholders and our corresponding communication and response methods are set out below:

我們的持份者

本集團認為持份者的參與及意見是持續發展之重要一環。我們著重與持份者保持緊密聯繫。透過設立不同溝通渠道，我們可瞭解並回應持份者之期望與要求，從而制定及實施策略以作改善，使本集團之業務常規達到持份者之期望。下列為我們各持份者之期望與要求，以及我們對應之溝通及響應方式：

Stakeholder 持份者	Expectations and requirements 期望與要求	Communication and response methods 溝通與響應方式
Government and regulator 政府與監管機構	<ul style="list-style-type: none"> Compliance with laws and regulations 遵守法例及法規 Support for local economic growth 支持本地經濟增長 Contribution in local employment 幫助本地就業 Tax payment in full and on time 按時足額納稅 	<ul style="list-style-type: none"> Regular information reporting 定期資料申報 Regular meetings with regulators 與監管機構定期會面 Dedicated reports 專題報告 Pay tax on initiative 主動納稅
Board of Directors 董事會	<ul style="list-style-type: none"> Compliant operation 合規經營 	<ul style="list-style-type: none"> Board meetings 董事會會議 Routine communication and reporting 日常溝通及匯報
Shareholders and investors 股東及投資者	<ul style="list-style-type: none"> Return on investment 投資回報 Information disclosure and transparency 資料披露及透明度 Protection of interests and fair treatment of shareholders 保障股東利益及公平對待股東 	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings 股東週年大會及其他股東大會 Public information disclosed on a timely manner, such as interim report, annual report, announcements, circulars and press release 及時發佈公開資料，如中期報告、年報、公告、通函及新聞稿 Meeting with investors 與投資者會面 Company websites 公司網站

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder 持份者	Expectations and requirements 期望與要求	Communication and response methods 溝通與響應方式
Suppliers 供應商	<ul style="list-style-type: none"> Product quality 產品質量 Fair competition 公平競爭 Performance of contracts 依法履約 	<ul style="list-style-type: none"> Regular assessment 定期評估 On-site inspection 實地考察 Exchange of views and visits 交流互訪
Customers 客戶	<ul style="list-style-type: none"> Quality products and services 優質產品與服務 Performance of contracts 依法履約 Business ethics 商業道德 	<ul style="list-style-type: none"> Email and customer service hotline 電郵及客戶服務熱線 Feedback and reports 反饋及報告 Regular meetings 定期會議 Company website and brochures 公司網站及宣傳冊
Employees 員工	<ul style="list-style-type: none"> Safeguard rights and interests of employees 保障員工的權利及利益 Working environment 工作環境 Career development opportunities 職業發展機會 Remuneration and benefits 薪酬及福利 Health and safety 健康與安全 	<ul style="list-style-type: none"> Regular meetings 定期會議 Training, seminars and briefing sessions 培訓、講座及研討會 Intranet and emails 內聯網及電郵 Annual performance appraisal 年度績效評估
The industry 行業	<ul style="list-style-type: none"> Formulating standards for the industry 就行業制定標準 Promoting the development of the industry 促進行業發展 Experience sharing 經驗分享 Fair competition 公平競爭 	<ul style="list-style-type: none"> Participating in the forums of the industry 參與行業論壇 Inspection and reciprocal visits 考察互訪

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder 持份者	Expectations and requirements 期望與要求	Communication and response methods 溝通與響應方式
Environment 環境	<ul style="list-style-type: none"> Emissions in line with standards 達標排放 Energy saving and emission reduction 節能減排 	<ul style="list-style-type: none"> Green teaching 綠色教育
Communities and the public 社會及公眾	<ul style="list-style-type: none"> Community involvement 社區參與 Social responsibilities 社會責任 Transparent information 資訊透明 	<ul style="list-style-type: none"> Voluntary work 義工活動 Charity and social investment 慈善及社會投資 Company website 公司網站
Market regulators 市場監管者	<ul style="list-style-type: none"> Compliance with the law and regulations 遵守法律及法規 Information disclosure 資料披露 	<ul style="list-style-type: none"> Information disclosure 資料披露 Reports 報告 Consultation 諮詢

ENVIRONMENTAL PROTECTION

The Group acknowledges its responsibility to the environment. Besides keeping close pace with latest updated relevant environmental protection laws and regulations, we have established relevant waste management policy to encourage and promote the use of environmental friendly products. Further, we implemented waste handling management such as selling and/or recycling the solid waste, in order to meet both the short-term compliance requirement and long-term expectation from the society.

環境保護

本集團明白其對環境的職責。除了緊貼最新的相關環境保護法律及法規外，我們已制定相關的廢棄物管理政策以鼓勵及宣揚使用環保產品。再者，我們已實施廢棄物處理管理，如銷售及／或回收固體廢棄物，以達致短期的合規要求及社會的長遠期望。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

EMISSIONS

To foster and promote the environmental protection and the energy reservation awareness, we value on reduction of air emissions, greenhouse gas emissions and any hazardous waste discharges generated from our daily operations, with an aim to minimise the environmental impact to our society. We encourage all levels of employees to reduce the extent and frequency of vehicles utilisation and switch off the engine when the vehicle remained idle in order to reduce fuel consumption and emissions.

During the Reporting Period, there was no incident of non-compliance with relevant environmental laws and regulations relating to air and greenhouse gas emissions, discharge into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on the Group. The Group also confirmed that during the Reporting Period, our business operation had not encountered any punishment by respective governmental authorities due to violation of the above laws and regulations.

Air-Emissions

The Group concerns about the use of fuel could have an adverse effect on the environment. Motor vehicles owned that mainly provide transportation for our employees are all driven by petrol. The Group gives priority to the most fuel-efficient vehicles available in the market when making purchase decision.

排放物

為助長及宣揚環境保護和節約能源的意識，我們著重減少由我們日常營運所產生的廢氣排放、溫室氣體排放及任何有害廢棄物排放，旨在減低對我們社會的環境影響。我們鼓勵所有級別的員工減少使用車輛的範圍及頻率，並在車輛閒置期間關閉引擎以減少燃料消耗和排放。

於本報告期內，概無有關廢氣及溫室氣體排放、水及土地的排污，以及產生有害及無害廢棄物，且對本集團造成重大影響之相關環境法律及法規之違規事件。本集團亦確認於本報告期內，我們之業務經營並無因違反上述法律及法規而遭受相關政府部門的任何處罰。

廢氣排放

本集團關注使用燃料可能對環境帶來不良影響。主要用作接載我們員工的車輛均以汽油驅動。於作出購買決定時，本集團會優先考慮市場上最具燃油效率之車輛。

Type 種類	Unit 單位	Emissions 排放物		Emission intensity (per million of revenue) 排放密度 (每百萬元的收入)	
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年
Nitrogen Oxides 氮氧化物	g 克	10,516	18,573	5.0	8.0
Particular matters 特殊物質	g 克	807	1,541	0.4	0.7
Sulphur Oxides 硫氧化物	g 克	947	572	0.5	0.2

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Greenhouse Gas Emissions

The major source of greenhouse gas emissions comes from the use of energy in the office areas and the plant. In the office areas, the Group adopts paper saving practices to minimise the greenhouse gas footprint for using papers, such as encouraging employees to use duplex printing to minimise paper consumption. Trays are placed near to the photocopiers for collecting single-sided papers for reusing and recycling purposes. Envelopes are also reused for internal mails.

The main source of the Group's greenhouse gas emissions is derived from direct emission from the mobile combustion sources ("Scope 1"), indirect emission from acquired electricity emissions ("Scope 2") and other indirect emissions ("Scope 3"). The Group would implement various environmental protection measures to lower the emissions of greenhouse gas.

溫室氣體排放

溫室氣體排放主要來自辦公室及廠房的能源使用。於辦公室，本集團採納節約用紙之常規以減少因使用紙張而產生的溫室氣體足跡，如鼓勵員工使用雙面列印以減少紙張消耗。於打印機旁放置文件盤以收納單面列印之紙張作重用及回收之用。信封亦於內部郵件傳送時重複使用。

本集團的溫室氣體排放主要源自流動燃燒源的直接排放(「範圍1」)、所購電力排放的間接排放(「範圍2」)及其他間接排放(「範圍3」)。本集團將實施多項環境保護措施以減少溫室氣體排放。

Type 種類	Unit 單位	Emissions 排放物		Emission intensity (per million of revenue) 排放密度 (每百萬元收入)	
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年
Scope 1 範圍1	kg 千克	174,440	105,299	84	45
Scope 2 範圍2	kg 千克	675,392	724,928	326	312
Scope 3 範圍3	kg 千克	20,103	46,370	10	20
Total 總額	kg 千克	869,935	876,597	420	377

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Waste Management

During the Reporting Period, our non-hazardous wastes are mainly derived from office waste and domestic waste. We conduct strict garbage classification during our daily work in order to recycle paper, metal and plastic, and encourage employees to reuse stationery and reduce the use of disposable and non-recyclable products. About 50% of used papers are collected to the recycler.

During the Reporting Period, the Group did not experience any emission-related non-compliance issue that could have had a significant impact on the environment. Hazardous wastes in our Tsing Yi plant were mainly lube oil and waste battery which stored separately and collected by qualified collector.

廢棄物管理

於本報告期內，我們的無害廢棄物主要源自辦公室垃圾及生活垃圾。於日常工作中，我們進行嚴格的垃圾分類以回收廢棄紙張、金屬及塑膠，並鼓勵員工重用文具及減少使用一次性及不可回收的產品。約50%已使用紙張已被回收商收回。

於本報告期內，本集團並無出現可能對環境造成重大影響之任何與排放相關之違規事項。我們青衣廠房之有害廢棄物主要為潤滑油及廢棄電池，其已獨立儲存並由合格收集商收集。

Type 種類	Unit 單位	Quantity collected		Emission intensity (per million of revenue)	
		已收集數量		排放密度 (每百萬元的收入)	
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年
Non-hazardous wastes 無害廢棄物	kg 千克	716	692	0.3	0.3
Hazardous wastes 有害廢棄物	L 升	210	401	0.1	0.2

USE OF RESOURCES

We advocate the “reduce or avoid wastage” principle. We provide guidance on preserving good environmental practices in plant and offices, including, but not limited to, proper usage of machines, efficient consumption of water and electricity, proper waste management and prevention of fire. We discourage any usage of machines and equipment that discharge the harmful chemicals which may cause damage to ozone layer. We also actively conduct the inspection on the fire extinguishers and air conditioner to prevent leakage of hazardous chemicals.

資源使用

我們提倡「減少或避免浪費」原則。我們於廠房及辦公室提供保持良好環境常規之指引，包括(但不限於)正確使用機器、有效用水及電量、恰當廢棄物管理以及預防火災。我們不鼓勵使用任何可能釋放有害化學物從而損害臭氧層之機器及設備。我們亦積極對滅火器材及冷氣機進行檢查，以防止洩漏有害化學物。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The water resource is one of the most precious resources in the environment. To reduce unnecessary water consumption, our employees are encouraged and reminded to cherish water usage by turning off the water tap when not in use in both washroom and pantry. We also launched the recycling plan to assist our employees in recycling the used paper, I.T. hardware and decommissioned electronic appliances to professional recycling companies to lessen the carbon footprint of the Group and waste discharges.

Energy Consumption

We align closely to our environmental friendly value in our offices. We maintain the policy of keeping a 25-degree Celsius air-conditioned office, and adopt hardware with energy efficiency labels. In addition, we advise our employees to reduce the standby time of office equipment by turning them off when not in use and turn off the air-conditioners and lights when the vicinity is vacant.

Water Conservation

Water was supplied by the municipal water supply company and there were no issues in sourcing water that is fit for purpose. The water consumption for our offices in Shanghai and Hong Kong are solely for domestic use and do not involve in any production process of the Group. Our water consumption was calculated based on the usage charges shown in water bills. It was noted shortly after our 2019/20 ESG report was issued, it came to management's attention that the water meter in our plant did not function properly. This led to a metering error and the water consumption was lower than the actual level. With reference to the estimation on meter readings provided by the Water Supplies Department, we have revised the 2019/20 water consumption data and the 2019/20 Scope 3 greenhouse gas emissions data accordingly.

Paper usage

The Group encourages staff to have duplex sided printings and reuse single-sided printed papers, and to communicate with internal and external through electronic media in order to reduce the use of paper.

Packing materials

The operational process of the Group, which are mainly engaged in property investment and project management, building and design solutions, and processing and distribution of construction materials, do not involve consumption of packaging materials or packaging material-related businesses. Therefore, no packing materials have been consumed during the Reporting Period.

水源為環境中最珍貴的資源之一。為減低不必要之耗水量，我們鼓勵和提醒員工在使用洗手間及茶水間後應關掉水龍頭，以珍惜用水。我們亦推行回收計劃以協助員工回收廢紙、電腦硬件及不再使用的電子設備給予專業回收公司，從而減少本集團的碳足跡和廢棄物排放。

能源消耗

我們密切配合我們於辦公室的环境友好價值。我們持有政策以保持辦公室的冷氣機溫度為攝氏25度，並採用具有能源效益標籤的設備。同時，我們建議員工在不使用辦公設備時將其關掉以減少其待機時間，並在閒置時關掉附近的冷氣機和電燈。

節約用水

水源由政府供水公司供應，亦並無求取適用水源之事項。我們位於上海及香港的辦公室之耗水量只作內部使用，並不牽涉本集團之任何生產過程。我們的耗水量是根據水費單上顯示的使用量計算。在我們刊發2019/20環境、社會及管治報告後不久，管理層得悉我們廠房的水錶無法正常運作。這導致計量錯誤和耗水量低於實際用量。參考水務署提供的估算水錶讀數，我們已相應修正2019/20年度耗水量數據和2019/20年度範圍3溫室氣體排放數據。

紙張使用

本集團鼓勵員工雙面列印及重用已單面列印之紙張，以及通過電子媒體向內部及外部溝通以減少用紙。

包裝材料

本集團(其主要從事房地產投資及項目管理、建築產品及設計方案，以及建築材料加工及分銷)之營運過程並不牽涉包裝材料消耗或與包裝材料相關之業務。因此，概無包裝材料於本報告期內消耗。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Resources Utilisation

資源使用量

Type 種類	Unit 單位	Utilisation 使用量		Intensity (unit per staff) 密度 (單位/員工)	
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年
Electricity 電					
Hong Kong 香港	kWh 千瓦	1,004,632	1,086,220	4,117	4,115
Shanghai 上海	kWh 千瓦	47,148	62,118	193	235
Water 水	Tonne 噸	1,933	1,276	8	5
Paper 紙張	kg 千克	3,018	3,253	12	12
Petrol 汽油	L 升	64,419	38,884	264	147

THE ENVIRONMENT AND NATURAL RESOURCES

The Group understands the environmental challenge which we are facing nowadays. We try our best to minimise the impact on the environment and develop our business into a more sustainable manner now and in future. In addition, to comply with all the relevant environmental regulations, we are taking a proactive approach to continuously improve our operational effectiveness and prudently utilise the natural resources, and use the energy efficiently. With regard to our core value, we apply the standard of ISO 14001 environmental management system to our supply of reinforcement steel bars to ensure the satisfaction of environmental requirements at an advanced international level. We also encourage our employees to possibly reduce the use of all different kinds of resources in the way of electricity, water and papers in their daily work and life. Besides, we have started to improve our working environment to become more environmental-friendly.

環境及天然資源

本集團知悉我們目前面臨的環境挑戰。我們會盡最大努力減少對環境的影響，並使我們的業務於現時及將來以可持續的方式發展。再者，為遵守所有相關的環境法規，我們採取積極主動的方案不斷改善經營效益及審慎利用天然資源，以及有效利用能源。就我們的核心價值而言，我們將ISO 14001環境管理系統的標準應用於我們的鋼筋供應，以確保在國際先進水平上滿足環保要求。我們亦鼓勵員工在其日常工作和生活中，儘量減少用電、水及紙張等各種資源。此外，我們已開始改善我們的工作環境，使其更加環保。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

For property investment projects, we strictly follow the LEED standards in all phases of the projects including design, renovation, operations and maintenance. Our current property investment project, Central Park•Pudong, in Shanghai, has obtained the Gold level in the LEED Green Building Rating System.

In order to maintain the competitiveness in the industry in the long run, it is essential for us to build a loyal and competent working environment and commit to a giving-back concept to support our employees and show compassion to the society.

EMPLOYMENT

Recruitment, promotion and compensation

Employees are the most valuable assets of the Group. We aim to provide a pleasant and relaxing working environment to our employees. By the same token, we continuously review the remuneration packages for our employees in order to stay competitive among other employers. The Group promotes equal opportunity for employment to all individuals, regardless of their ethnic group, gender, religious affiliation, or other protected status or classification; while promotions for our talents are based on a fair annual performance appraisal with appropriate salary adjustment followed to motivate and raise the morale of employees. Apart from basic remuneration, remuneration package include annual leave, outpatient medical consultation and discretionary bonuses, and also share options may be granted to eligible employees by reference to the performance of the Group and the individual employees. Furthermore, "SMART Goal" scheme is in place to provide support for their career development.

Equal Opportunities, diversity and anti-discrimination

We are committed to providing an equal and harmonious working relationship at our working place. Any forms of discrimination, harassment and unethical conducts are not acceptable, and therefore, will not be tolerated at any place, at any time or in any form. Human Resources Department is responsible for ongoing monitoring the changes of government regulations, and to ensure Group's policies compliance with applicable labour laws and regulations. During the Reporting Period, we were not aware of any violations of the Hong Kong Bill of Rights Ordinance, Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance and Race Discrimination Ordinance.

就房地產投資項目而言，我們於所有項目階段，均嚴格遵循綠色建築驗證系統標準，包括設計、翻新、營運及維護。我們現時位於上海之中港匯•浦東之房地產投資項目已獲得綠色建築評估系統的金級認證。

為了保持長遠的行業競爭力，我們必須建立一個忠誠和有能力的工作環境，並採取回饋概念以支持我們的員工，並展示對社會的關愛。

僱傭

招聘、晉升和薪酬

員工是本集團最寶貴的資產。我們的目標是為員工提供一個愉快和輕鬆的工作環境。同樣地，我們不斷檢討員工的薪酬待遇，以保持與其他僱主的競爭力。本集團促進人人享有平等就業的機會，不論其種族、性別、宗教信仰或其他受保護的身份或分類；而我們的人才晉升是按年度績效評估進行公平評核，並作適當的薪酬調整以激勵和提升員工士氣。除基本薪酬外，薪酬待遇包括年假、門診醫療諮詢及酌情花紅等，亦會參考本集團及個別員工的表現向合資格員工授出購股權。此外，我們實施「SMART目標」計劃，為員工的事業發展提供支持。

平等機會、多元化及反歧視

我們致力在我們的工作場所提供平等及和諧的工作關係。任何形式的歧視、騷擾和不道德的行為都是不可接受的，因此，該等行為在任何地方、任何時候或以任何形式都不會被容忍。人力資源部負責就政府法規的變更持續進行監察，以及確保本集團之政策遵守適用的勞工法律及法規。於本報告期內，我們並不知悉任何違反《香港人權法案條例》、《性別歧視條例》、《殘疾歧視條例》、《家庭崗位歧視條例》及《種族歧視條例》的行為。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Workforce

As at 31st March 2021, the Group had 244 (2020: 267) employees, in which 162 of them are located in Hong Kong and 82 of them are located in Mainland China.

僱員

於二零二一年三月三十一日，本集團有244名員工（二零二零年：267名），其中162名位於香港及82名位於中國內地。

Name of indicators 指標名稱		Hong Kong 香港		Mainland China 中國內地	
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年
Total workforce 僱員總數		162	179	82	88
Gender 性別	Male 男性	109	118	37	40
	Female 女性	53	61	45	48
Category 類別	Managerial 管理層	14	19	4	6
	General 一般	148	160	78	82
Age 年齡	18-30 18-30歲	39	37	8	10
	31-40 31-40歲	45	56	37	48
	41-50 41-50歲	42	49	26	19
	51 or above 51歲或以上	36	37	11	11
	Employment Type 工種	Permanent 長工	160	179	80
	Contract 合約	2	0	2	0
Turnover rate by gender 按性別劃分之流失率	Male 男性	38%	20%	31%	69%
	Female 女性	18%	10%	24%	23%
Turnover rate by age 按年齡劃分之流失率	18-30 18-30歲	29%	17%	67%	27%
	31-40 31-40歲	26%	18%	28%	45%
	41-50 41-50歲	40%	15%	13%	36%
	51 or above 51歲或以上	30%	18%	18%	72%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Management aims to maintain the employee turnover rate at an acceptable level and help the Group to accumulate professional expertise and experience in a more effective manner. During the Reporting Period, the Group's employee turnover rate of Hong Kong and Mainland China is approximately 31% and 27% respectively.

Working hours, rest periods, other benefits and welfare

We believe that maintaining proper work-life balance is vital to both physical and psychological aspect of our employees and therefore, they are entitled to statutory and discretionary holiday, such as annual leave, birthday leave, sick leave, examination leave, maternity leave and paternity leave. In addition, Group's healthcare insurance plans, including a self-insured preferred provider organisation plan and other health plans, retirement programs, medical benefits, group insurance, mandatory provident fund retirement benefit scheme and provident fund scheme are available to all full-time employees. We adopt an open-door policy and welcome any suggestions or feedback from employees so as to continuously optimise our welfares and remuneration system in order to retain talents. To treasure the long service relationship between the Group and its employees, service awards are presented at the Group's annual event as a tribute to employees who have contributed for 5, 10, 20 and 30 years' services.

Termination

Upon resignation, we will seek to understand the reasons behind the departure of the employees so as to make improvement in the working environment or remuneration packages through exit interviews. In case of dismissals, we formally inform the reasons for dismissal to relevant employees in question, and fulfil the severance payment along with the last payment in accordance with the Employment Ordinance. The Group also notifies Inland Revenue Department and Mandatory Provident Fund trustee about the termination of employment in accordance with the Inland Revenue Ordinance and Mandatory Provident Fund Schemes Ordinance respectively.

During the Reporting Period, we strictly complied with the applicable Employment Ordinance and local relevant government laws. Our Human Resources Department ensures compliance with local government regulations and Group's policies.

管理層致力維持僱員流失率於可接受水平，以及幫助本集團以更有效的方式積累專業知識和經驗。於本報告期內，本集團於香港及中國內地之僱員流失率分別約為31%及27%。

工作時數、假期、其他待遇及福利

我們相信維持恰當的工作與生活平衡對我們員工的身心都是至關重要，因此，他們有權享有法定和酌情假期，例如年假、生日假、病假、考試假、產假和侍產假。此外，所有全職員工均可享有本集團的醫療保險計劃，包括自保的首選醫療保險計劃和其他健康計劃、退休計劃、醫療福利、團體保險、強制性公積金計劃及公積金計劃。我們採取開放的政策，歡迎員工提出建議或反饋以不斷優化我們的福利和薪酬制度，從而挽留人才。為珍視本集團與其員工之間的長期服務關係，本集團於年度活動頒發服務獎勵，以表揚服務五、十、二十及三十年的員工之貢獻。

終止

在辭職後，我們會透過離職面談了解員工離職的原因，以便改善工作環境或薪酬待遇。倘若被解僱，我們會以正規形式將解僱之原因告知有關員工，並按照《僱傭條例》的規定支付遣散費及最終款項。本集團亦根據《稅務條例》及《強制性公積金計劃條例》分別向稅務局及強制性公積金受託人發出有關終止僱傭關係的通知。

於本報告期內，我們嚴格遵守適用的《僱傭條例》和當地相關的政府法律。我們的人力資源部確保遵守當地政府之法規和本集團之政策。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

HEALTH AND SAFETY

Safety is a priority in our working environment. We provide sufficient instructions, training and supervision to our employees to raise their safety awareness and in the hope to reduce any unnecessary injuries. All new employees are required to take the safety training course before on-boarding while recurring employees are required to take the training course annually.



Fire drill in plant 於廠房之火警演習

For employees working in plant or site, additional control measures and safe working procedures are enforced in their daily operational activities due to higher risks of exposure. Policies and procedures such as “Occupational Health and Safety Policy” and “OHSAS 18001 – Occupational Health and Safety Management Systems” have been established and adopted in order to provide a sound and effective safety management for the Group. All new employees are required to sign an acknowledgement to confirm their understanding to follow the instructions.

Any accidents or injuries must be properly recorded for investigation and future prevention. Safety Committee is set up to handle all kinds of safety issues. The Safety Committee reports to senior executives on a weekly basis.

The efforts in safety and health have been paid off and the Group aims to maintain the record of work-related injury, loss or fatalities at zero in upcoming years. We compensated the injured employees in accordance with the Employees’ Compensation Ordinance. We would continually monitor the working environment of our employees to reduce the work-related injury incidents and maintain no work-related fatalities incidents in upcoming years.

健康與安全

安全是我們工作環境中的首要任務。我們為員工提供充分的指引、培訓和監督，以提高員工的安全意識，並希望減少任何不必要的受傷。所有新員工在入職時必須參加安全培訓課程，而現有員工必須每年參加培訓課程。

由於在廠房或工地工作的員工面對的風險較高，故在日常業務活動中向他們實施額外的控制措施和安全工作程序。政策及程序如《職業健康和安全管理政策》及《OHSAS 18001 – 職業健康和安全管理系統》等已制定並應用，以便為本集團提供健全及有效的安全管理。所有新員工必須簽署確認書以確認他們理解並按照指引行事。

任何意外或受傷必須妥善記錄以便進行調查及日後採取預防措施。安全委員會已成立以處理各種安全事宜。安全委員會每週向高級管理人員報告。

安全與健康方面的努力已見成效，本集團旨在未來數年保持工傷、損失或死亡的紀錄為零。我們已根據《僱員補償條例》賠償受傷員工。我們將持續監察員工的工作環境以減低工傷事故，並於未來數年保持沒有因工亡故之事件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Occupational health and safety statistics 職業健康與安全之數據		2021 二零二一年	2020 二零二零年	2019 二零一九年
Number of lost days due to work injury	因工傷損失工作日數	172	1,120	82
Number of work-related fatalities incident	因工亡故的人數	0	0	0
Number of work injuries incident	因工受傷的人數	4	5	3

In view of the COVID-19 outbreak in early 2020, the Group has taken proactive measures to safeguard the health and safety of its employees and business partners and has complied with the public health measures promulgated by the local authorities. In addition to complying with public health policies, the Group has enhanced the environmental hygiene in its working areas through regular sanitisation, and distribution of adequate protective gear such as surgical masks and hand sanitizers. To further minimise the risk of cross-infection, all employees and guests of the Group are also required to perform stringent temperature checks before entering the offices or worksites. The Group has also issued a detailed guideline to its employees to advise on responsive actions when there are COVID-19 infections among its employees and their relevant family members.

DEVELOPMENT AND TRAINING

The Group is committed to providing sufficient training to the employees such that they are professional and competent to provide the best services to our customers. The training is not only for providing the best services to customers, but also allows our employees to advance in their future career.

During the Reporting Period, we offer different forms of internal and external training for our employees at various levels, including basic working skills, business knowledge, product training, management skills and leadership improvements, orientation and other specific training, etc. We also provided examination leave and subsidy studying fee for encouraging the employees to study continuously.

During the Reporting Period, 189 employees have attended training provided or sponsored by the Group. The distribution in gender and level of employee training are set out below:

鑒於二零二零年年初爆發2019冠狀病毒病，本集團已採取積極措施保障其員工及商業夥伴之健康與安全，以及遵守當地政府頒佈之公共衛生措施。除了遵守公共衛生政策外，本集團透過定期消毒，以及派發足夠防護裝備如外科口罩及搓手液以提升工作區域的環境衛生。為進一步減低交叉感染之風險，本集團所有員工及訪客必須在進入辦公室或工地場所前接受強制體溫檢測。本集團亦刊發一項詳細指引予其員工，提供其員工及其相關家庭成員感染2019冠狀病毒病時之應對措施。

發展與培訓

本集團致力為員工提供充足的培訓，使他們具備專業能力並為我們的客戶提供最好的服務。培訓不僅是為客戶提供最好的服務，還可以讓我們的員工在未來的職業生涯中取得進展。

於本報告期內，我們為各級員工提供不同形式的內部和外部培訓，包括基本的工作技能、業務知識、產品培訓、管理技能和領導能力的改進、任職培訓及其他特定培訓等。我們還提供考試假和學費資助以鼓勵員工不斷進修。

於本報告期內，本集團為189名員工提供或贊助培訓。下表列載獲培訓員工之性別及階級分佈：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

		Percentage of employees trained 獲培訓員工之百分比		Average training hours completed per trained employee 每名獲培訓員工完成之平均培訓時數	
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年
By gender 按性別	Male 男性	86%	60%	18	37
	Female 女性	64%	61%	11	38
By category 按類別	Managerial 管理層	50%	40%	6	2
	General 一般	80%	62%	16	28

The Group will continuously review to include various kinds of business and regulation updates, improve the training courses to meet the needs of our employees and facilitate them to achieve the job-related qualification in the future.

LABOUR STANDARDS

We strictly prohibit the use of child or forced labour within the Group and we have established “Child and Force Labour Policy”, which clearly states the definition of the child and forced labour and thus eliminating the use of child and forced labour. In addition, human rights is one of the most fundamental elements to provide our employees with the fair job opportunity and a positive working environment. During our recruitment process, background checks and reference checks of potential employees are conducted to avoid child or forced labour. We also demand our contractors to free from using child and forced labour.

During the Reporting Period, we were not aware of any non-compliance with rules and regulations in respect of the child and forced labour.

SUPPLY CHAIN MANAGEMENT

The Group encourages our suppliers and business partners to follow high standards and expectations that align their values with ours in respect of environmental issues and labour practices. We will perform the suppliers' performance appraisals annually to ensure all the suppliers meet our requirements and concerns. Contractors and business partners' competence and awareness of health and safety issue are also taken into considerations during our selection screening processes.

本集團將不斷檢討包括各類業務及法規的更新，改善培訓課程以配合員工的需要，以及促進他們獲取日後與工作相關的資格。

勞工準則

我們嚴禁於本集團內聘用童工或強制勞工，我們已制定「童工和強制勞工政策」，其明確規定童工和強制勞工的定義，因而禁止聘用童工和強制勞工。此外，為員工提供平等就業機會和正面的工作環境是人權最基本要素之一。在我們的招聘過程中，對有潛質的員工進行背景調查和參考檢查，以避免聘用童工或強制勞工。我們亦要求承包商避免聘用童工及強制勞工。

於本報告期內，我們並不知悉任何違反有關童工及強制勞工之法例和法規。

供應鏈管理

本集團鼓勵我們的供應商和商業夥伴遵循高度標準及期望，使其在環境事宜和勞工實踐方面與我們的價值觀保持一致。我們將每年對供應商的績效進行評估，以確保所有供應商符合我們的要求和關注。我們會在篩選過程中考慮承包商和商業夥伴的能力以及對健康與安全問題的意識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

For our building and design solutions business, our main supplier is engaged in the manufacturing of building products with environmental-friendly designs. For our trading business of reinforcement steel bars, we have performed annual field observation on all suppliers' plant to assess if they meet our requirements and concerns. We have established guidelines and procedures for supplier management to guide the labour in material testing and discharging.

During the Reporting Period, the Group has 143 suppliers, which are mainly from Hong Kong and Mainland China.

PRODUCT RESPONSIBILITY

Quality Assurance

We have been supporting the construction industry for over 60 years. As a pioneer of automated processing and supply chain efficiency, complete traceability tagging and identification allows full transparency of product information. The Group has also introduced the ISO 9001 quality management system standard for the reinforcement steel bar, structural steel and accessories business unit. Our suppliers are also required to attain relevant certificates for their products.

During the Reporting Period, the Group has recorded zero recalls and complaints about its products and services due to safety and health reasons. As a responsible product and service provider, we take customers' satisfaction as our priority. The Group takes immediate and reasonable actions to tackle the complaints with customer's satisfaction. We strive to provide products in high quality and maintain a standardised inspection and testing process flow to ensure the products live up to customers' requirements. It is required that all products would only be released after passing the required inspection and testing procedures. We have established "Product Return Policy", which includes the return of goods and refund procedures if the products are either poor quality or the goods not fulfilling the specifications stated in the sales contract.

We endeavor to comply with local government regulations and Group's policies.

就我們的建築產品及設計方案業務而言，我們的主要供應商是從事製造具有環保設計的建築產品。至於我們的鋼筋貿易業務，我們已在所有供應商的廠房進行年度實地考察，以評估他們是否符合我們的要求和關注。我們已為供應商管理制定指引和程序以指導其員工測試材料和卸貨。

於本報告期內，本集團有143間供應商，主要來自香港及中國內地。

產品責任

品質保證

我們支持建築行業超過六十年。作為自動化加工和高效的供應鏈先驅，完整的可追溯性標籤和識別功能允許完全透明的產品資訊。本集團已為鋼筋、結構鋼材及配件業務部門引入ISO 9001品質管理系統。我們的供應商亦需為他們的產品獲得相關證書。

於本報告期內，本集團因安全及健康原因而導致其產品及服務被回收和投訴的次數為零。作為負責任的產品及服務提供者，我們視客戶滿意為我們的首要任務。本集團採取迅速及合理的行動處理投訴以滿足客戶的訴求。我們力求提供高品質的產品，並保持標準化的檢測和測試流程，以確保產品符合客戶的要求。所有產品均通過所需的檢驗和測試程序後方會出售。我們已制定「產品退貨政策」，倘若產品質量不佳或貨物不符合銷售合同規定的規格可安排退貨和退款程序。

我們確保遵守當地政府之法規及本集團之政策。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Product Responsibility

Ensuring customer satisfaction with our products and services is a priority for the Group. We place importance on the quality standard of our products and services to achieve sustainable growth of our business. We are committed to ensure compliance with the laws and regulations relating to product health and safety, labelling and privacy matters. Policies about product quality and safety as well as compliance with laws and regulations have been clearly stated to the employees and suppliers.

During the Reporting Period, we had no violation record on relevant laws and regulations that have a significant impact on the Group relating to product responsibility issues.

Privacy Protection

The Group takes privacy issues of our customers, employees, external partners and suppliers very seriously. We have established confidentiality guidelines in order to demonstrate our firm commitment to privacy issues. The customers' information should not be revealed to anyone other than staff who are in the normal course of conducting duties and responsibilities. To ensure that the information is properly stored and managed, the Group has installed and routinely upgrades firewall, anti-virus and anti-spam solutions to prevent potential data leakage. Disclosure of customers' confidential information to unauthorised personnel is prohibited and could result in disciplinary action.

ANTI-CORRUPTION

It is important for us to maintain an ethical working environment. The Group has established "Anti-Fraud and Anti-Money Laundering Policies" as the guideline for preventing, detecting and reporting fraud, such as deception, bribery, extortion, corruption, embezzlement, misappropriation, false representation and collusion, and money laundering. All of our employees are aware of such guideline and strictly comply with relevant laws and regulations.

In addition, the "Code of Business Ethics" is established by the Group which all levels of employees are required to adhere. The whistleblowing policy is also established to provide guidelines to employees for reporting improprieties, misconduct or malpractice with different channels.

產品責任

確保客戶滿意我們的產品及服務為本集團的首要任務。我們重視產品及服務的品質標準，使我們的業務達致可持續增長。我們致力確保遵守有關產品健康與安全、標籤及私隱事宜之法律及法規。有關產品品質及安全以及遵守法律及法規的政策已清晰地向員工及供應商表達。

於本報告期內，我們並無違反與產品責任事宜有關的相關法律及法規並對本集團造成重大影響之記錄。

私隱保障

本集團嚴肅看待我們的客戶、員工、外部夥伴及供應商的私隱事宜。我們已制定保密指引，以證明我們對私隱事宜之堅決承擔。客戶資料不得向於正常履行職責及責任過程中之員工以外之任何人士披露。為確保妥善儲存及管理資料，本集團已安裝及定期升級防火牆、防病毒及防垃圾電郵方案以防止潛在資料外洩。嚴禁披露客戶保密資料予未經授權人士，否則可導致紀律處分。

反貪污

保持道德的工作環境對我們至關重要。本集團已制定「反欺詐和反洗黑錢政策」作為預防、偵測和舉報欺詐行為的指引，如欺詐、賄賂、勒索、貪污、挪用公款、私吞、虛假陳述和勾結，以及洗黑錢行為。我們所有員工都知悉此指引，並嚴格遵守相關法律及法規。

此外，本集團已制定「商業道德準則」，要求各級員工遵守。亦已制定舉報政策以提供指引予員工可於不同渠道舉報不當行為、不端行為及瀆職事宜。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A periodical and systematic fraud risk assessment has been conducted in their daily operations which aims to obtain a better evaluation for the fraud risk mechanism and maintain sufficient due diligence procedures. In addition, control measures have also been designed and adopted to mitigate fraud risks. The effectiveness of the internal control system was assessed through internal audit function and by external professional parties.

During the Reporting Period, we have complied with relevant laws and regulations, including the Prevention of Bribery Ordinance. No legal case or dispute in respect of bribery, extortion, fraud or money laundering was charged against our employees and the Group.

COMMUNITY INVESTMENT

The Group proactively fulfils its corporate social responsibilities, while promoting economic development and caring a lot about the needs of special groups and communities in the society, so as to grow hand in hand with the community. The Group encourages employees to participate in various charitable activities and contribute to social development.

During the Reporting Period, the Group had made contributions of approximately HK\$720,000 (2020: approximately HK\$3,220,000) to various events and organisations in both Hong Kong and Mainland China, including donations to scholarship programme and contributions to the Better Hong Kong Foundation.

Our volunteer team participated in the volunteering activity organised by the Hong Kong Family Welfare Society to celebrate the Mid-Autumn Festival with elderlies and their carer.

在日常業務中進行定期和系統性的欺詐風險評估，旨在更好地評估欺詐風險機制，並維持充分的盡職調查程序。此外，管制措施已制定並採納以減少欺詐風險。內部監控系統的有效性亦透過內部審核功能和外部專業人員進行評核。

於本報告期內，我們已遵守有關法律及法規，包括《防止賄賂條例》。我們的員工及本集團概無就賄賂、勒索、欺詐或洗黑錢行為被提出起訴。

社區投資

本集團積極履行其企業社會責任，在推動經濟發展的同時積極關注社會特殊群體及社區的需求，務求與社區共同發展。本集團鼓勵員工參與各類慈善活動，並為社會發展作出貢獻。

於本報告期內，本集團捐出約720,000港元(二零二零年：約3,220,000港元)予香港及中國內地的不同活動及機構，包括捐款予獎學金計劃及香港明天更好基金。

我們的義工團隊參與由香港家庭福利會舉辦的義工活動，與長者及其照顧者慶祝中秋節。



Volunteer activity 義工活動



The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) presents its annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31st March 2021 (the “Year”).

PRINCIPAL ACTIVITIES

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

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

RESULTS AND APPROPRIATIONS

Details of the Group’s results for the Year are set out in the consolidated income statement on page 95 of this annual report.

The Board does not recommend the payment of a final dividend for the Year (2020: Nil).

Determined to reward shareholders of the Company (“the Shareholders”) for their unequivocal support, the Board has recommended the payment of a special dividend of HK1.00 cent per ordinary share for the year ended 31st March 2021 (2020: Nil), payable to Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 19th August 2021, subject to the approval of Shareholders at the annual general meeting of the Company to be held on Wednesday, 11th August 2021 (the “2021 AGM”). Special dividend is expected to be paid on Friday, 27th August 2021.

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

滬港聯合控股有限公司(「本公司」)之董事會(「董事會」)提呈本公司及其附屬公司(統稱「本集團」)截至二零二一年三月三十一日止年度(「本年度」)之年報及經審核綜合財務報表。

主要業務

本集團主要從事分銷及加工建築材料，例如鋼材產品；衛浴潔具及廚櫃貿易；以及房地產投資及項目管理業務。

本集團按業務分部及地區市場劃分之收入及分部資料之詳情載於隨附之綜合財務報表附註5。

業績及分派

本集團截至本年度之業績詳情載於本年報第95頁之綜合損益表。

董事會並不建議宣派本年度之末期股息(二零二零年：無)。

然而，為答謝本公司股東(「股東」)的鼎力支持，董事會建議於二零二一年八月十九日(星期四)營業時間結束時，向名列本公司股東名冊之股東派付截至二零二一年三月三十一日止年度(二零二零年：無)每股普通股1.00港仙的特別股息，惟須待股東於本公司於二零二一年八月十一日(星期三)舉行之股東週年大會(「二零二一年股東週年大會」)上批准後方告作實。預期特別股息將於二零二一年八月二十七日(星期五)派付。

於本年度，本公司並無向股東宣派及派付中期股息。

REPORT OF THE DIRECTORS

董事會報告

CLOSURE OF REGISTER OF MEMBERS

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

- (i) For ascertaining the Shareholders' entitlement to attend and vote at the 2021 AGM:

The register of members of the Company will be closed from Friday, 6th August 2021 to Wednesday, 11th August 2021, both days inclusive, for the purpose of ascertaining the Shareholders' entitlement to attend and vote at the 2021 AGM. In order to be eligible to attend and vote at the 2021 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (the "Branch Share Registrar") of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 5th August 2021.

- (ii) For ascertaining the Shareholders' entitlement to the special dividend:

On the assumption that the resolution for declaring the special dividend is duly passed at the 2021 AGM, the register of members of the Company will be closed from Tuesday, 17th August 2021 to Thursday, 19th August 2021, both days inclusive, for the purpose of ascertaining the Shareholders' entitlement to the special dividend. In order to qualify for the special dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:30 p.m. on Monday, 16th August 2021.

暫停辦理股份過戶登記手續

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

- (i) 釐定有權出席二零二一年股東週年大會並於會上投票之股東身份

由二零二一年八月六日(星期五)至二零二一年八月十一日(星期三)止(首尾兩天包括在內)，本公司將暫停辦理股份過戶登記手續，以釐定有權出席二零二一年股東週年大會並於會上投票之股東身份。為確保合資格出席二零二一年股東週年大會並於會上投票，所有填妥之股份過戶文件連同有關股票須於二零二一年八月五日(星期四)下午四時三十分前送達本公司之股份過戶及登記處香港分處，即香港中央證券登記有限公司(「股份過戶香港分處」)，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，辦理登記手續。

- (ii) 釐定股東享有特別股息之權利：

假設宣派特別股息之決議於二零二一年股東週年大會上獲正式通過，由二零二一年八月十七日(星期二)至二零二一年八月十九日(星期四)止(首尾兩天包括在內)，本公司將暫停辦理股份過戶登記手續，以釐定股東享有特別股息之權利。為確保享有收取特別股息之權利，所有填妥之股份過戶文件連同有關股票須於二零二一年八月十六日(星期一)下午四時三十分前送達股份過戶香港分處，辦理登記手續。

BUSINESS REVIEW

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

In addition, discussion on the Group's environmental policies and performance and its compliance with the relevant laws and regulations are contained in the section headed "Environmental, Social and Governance Report" in this annual report, which shall form an integral part of this "Report of the Directors".

SHARE CAPITAL

As at 31st March 2021 and as at the date of this report, there were 641,232,315 ordinary shares of the Company issued and fully paid.

Details of share capital and share options of the Company are respectively set out in Notes 33 and 34 to the accompanying consolidated financial statements.

業務回顧

就公司條例(香港法例第622章)附表5指定,本集團就業務之討論及分析,包括本集團運用財務關鍵表現指標進行的表現分析、本集團之未來業務發展,以及本集團所面對之主要風險及不明朗因素,已載於本年報「摘要」、「主席報告書」以及「管理層討論及分析」各節中,該等討論及分析構成本「董事會報告」之一部分。

此外,有關本集團之環境政策和表現以及其遵守有關法律及法規之討論,載於本年報「環境、社會及管治報告」一節中,其構成本「董事會報告」之一部分。

股本

於二零二一年三月三十一日及於本報告日期,本公司有641,232,315股已發行及繳足普通股。

有關本公司股本及購股權之詳情分別載於隨附之綜合財務報表附註33及34。

REPORT OF THE DIRECTORS

董事會報告

RESERVES AND RETAINED EARNINGS

Movements in reserves and retained earnings of the Group and the Company during the Year are respectively set out in Notes 35 and 42 to the accompanying consolidated financial statements.

As at 31st March 2021, approximately HK\$53,986,000 (2020: approximately HK\$53,986,000) of the reserves and approximately HK\$41,168,000 (2020: approximately HK\$17,229,000) of the retained earnings were available for distribution to the Company's owners.

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

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

PRE-EMPTIVE RIGHTS

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

PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND RIGHT-OF-USE ASSETS

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

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

儲備及保留溢利

本集團及本公司於本年度之儲備及保留溢利變動情況分別載於隨附之綜合財務報表附註35及42。

於二零二一年三月三十一日，可供分派予本公司擁有人之儲備約為53,986,000港元(二零二零年：約53,986,000港元)，而保留溢利約為41,168,000港元(二零二零年：約17,229,000港元)。

購回、出售或贖回本公司上市證券

於本年度，本公司或其任何附屬公司均無購回、出售或贖回本公司任何上市證券。

優先購買權

本公司之公司細則及百慕達法例均無任何關於優先購買權之規定。

物業、廠房及設備、投資物業及使用權資產

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

附屬公司、聯營公司及合營公司

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

BORROWINGS

Particulars of borrowings of the Group as at 31st March 2021 are set out in Note 32 to the accompanying consolidated financial statements.

PENSION SCHEMES

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

CHARITABLE DONATIONS

During the Year, the Group made charitable donations of approximately HK\$720,000 (2020: approximately HK\$3,220,000).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company (the "Directors") during the Year and up to the date of this report are as follows:

Executive Directors

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

Independent Non-executive Directors

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

In accordance with Bye-law 84(1) of the Company's Bye-laws, Mr. Lau Chi Chiu and Mr. Li Yinquan will retire from office by rotation at the 2021 AGM and, being eligible, will offer themselves for re-election at such meeting.

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

借貸

於二零二一年三月三十一日，本集團之借貸詳情載於隨附之綜合財務報表附註32。

退休金計劃

退休金計劃之詳情載於隨附之綜合財務報表附註8。

慈善捐款

於本年度，本集團捐出慈善捐款約720,000港元（二零二零年：約3,220,000港元）。

董事及董事之服務合約

於本年度及截至本報告日期止之本公司董事（「董事」）如下：

執行董事

姚祖輝先生
(主席兼首席執行官)
劉子超先生

獨立非執行董事

譚競正先生
徐林寶先生
楊榮燊先生
李引泉先生

根據本公司之公司細則第84(1)條規定，劉子超先生及李引泉先生將於二零二一年股東週年大會輪值告退，並符合資格及願意於該大會膺選連任。

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

REPORT OF THE DIRECTORS

董事會報告

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

As at 31st March 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange, were as follows:

董事於股份、相關股份及債權證之權益及淡倉

於二零二一年三月三十一日，董事及本公司之高級行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有之權益及淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司（「聯交所」）（包括根據證券及期貨條例之該等規定被當作或視作擁有之權益及淡倉）；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據聯交所證券上市規則（「上市規則」）附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）必須知會本公司及聯交所之權益及淡倉載列如下：

Long positions in shares and options of the Company

本公司之股份及購股權之好倉

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

Notes:

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

Save as disclosed above, as at 31st March 2021, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (include interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

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

附註：

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

除上文所披露者外，於二零二一年三月三十一日，董事、本公司之高級行政人員及彼等之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所(包括根據證券及期貨條例之該等規定彼等被當作或視作擁有之權益及淡倉)；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據標準守則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

董事購買股份或債券的安排

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

REPORT OF THE DIRECTORS

董事會報告

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

Other than interests disclosed in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, as at 31st March 2021, according to the register of interests kept by the Company under Section 336 of the SFO, the following entities had interests or short positions in the shares and underlying shares which fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

根據證券及期貨條例第XV部第2及第3分部擁有須披露權益或淡倉之人士

除上文「董事於股份、相關股份及債權證之權益及淡倉」一節所披露之權益外，於二零二一年三月三十一日，按本公司根據證券及期貨條例第336條存置於登記冊之記錄，下列實體於股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

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

Note:

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

附註：

- a. 該等股份由Huge Top持有。Perfect Capital擁有Huge Top已發行股份約42.86%，因此其被視為於該等股份中擁有權益。

Save as disclosed above, as at 31st March 2021, the Directors were not aware of any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 Part XV of the SFO.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 11th August 2011 (the “2011 Share Option Scheme”). The purpose of the 2011 Share Option Scheme is to provide incentives to participants to contribute to the Group and/or to enable the Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the Group. The 2011 Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date (i.e. 11th August 2011) and will expire on 10th August 2021. Details of the terms of the 2011 Share Option Scheme were contained in the Company’s circular dated 8th July 2011.

除上文所披露者外，於二零二一年三月三十一日，董事並不知悉有任何其他人士（董事或本公司高級行政人員除外）於本公司或任何相關法團（定義見證券及期貨條例第 XV 部）之股份、相關股份或債權證中擁有根據證券及期貨條例第 XV 部第 2 及第 3 分部須向本公司披露之權益或淡倉。

購股權計劃

本公司於二零一一年八月十一日採納一項購股權計劃（「二零一一年購股權計劃」）。二零一一年購股權計劃之目的，旨在獎勵參與人士為本集團作出貢獻及／或使本集團得以聘任及／或留用具才幹之僱員，以及吸納可效力本集團之寶貴人力資源。二零一一年購股權計劃之有效期自採納日期（即二零一一年八月十一日）起計，為期十年，並將於二零二一年八月十日屆滿。二零一一年購股權計劃之條款詳情載於本公司日期為二零一一年七月八日之通函。

REPORT OF THE DIRECTORS

董事會報告

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

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

2011 Share Option Scheme

二零一一年購股權計劃

Name or category of participant 參與者姓名 或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使價	Note 附註	Number of share options 購股權數目					
					Beginning of the Year 本年初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	End of the Year 本年度末
Director:										
董事：										
Mr. Lau Chi Chiu 劉子超先生	16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	HK\$0.537 0.537 港元	1, 2	1,246,622	—	—	—	—	1,246,622
	20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	HK\$0.928 0.928 港元	3	1,000,000	—	—	—	—	1,000,000
Sub-total 小計					2,246,622	—	—	—	—	2,246,622
Employees:										
僱員：										
In aggregate 共計	16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	HK\$0.537 0.537 港元	1, 2	1,097,027	—	—	—	—	1,097,027
In aggregate 共計	20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	HK\$0.928 0.928 港元	3	1,100,000	—	—	—	—	1,100,000
Sub-total 小計					2,197,027	—	—	—	—	2,197,027
Others:										
其他：										
In aggregate 共計	27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日 至二零二三年十一月二十六日	HK\$1.043 1.043 港元	1	1,246,622	—	—	—	—	1,246,622
Total of 2011 Share Option Scheme 二零一一年購股權計劃總計					5,690,271	—	—	—	—	5,690,271

Notes:

1. The exercise prices and number of share options granted prior to 17th December 2014 under the 2011 Share Option Scheme were adjusted for the open offer completed in December 2014.
2. The share options were vested in five tranches, with each tranche covering one-fifth of the relevant options, i.e. exercisable to the extent of one-fifth of the relevant options and with the 1st, 2nd, 3rd, 4th and 5th tranche becoming exercisable from 16th of November in the years 2012, 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022.
3. The share options were vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 20th of January in the years 2016, 2017, 2018 and 2019 respectively and the years onwards till 19th January 2025.

EQUITY-LINKED AGREEMENTS

Other than the 2011 Share Option Scheme, no equity-linked agreements were entered into by the Group, or subsisted during the Year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or subsisted at any time during the Year.

PERMITTED INDEMNITY PROVISION

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

附註：

1. 於二零一四年十二月十七日前根據二零一一年購股權計劃授出之購股權行使價及數目已就二零一四年十二月完成之公开发售作出調整。
2. 購股權分五期歸屬，每一期分別涵蓋相關購股權的五分之一（即最多可行使相關購股權的五分之一），第一、第二、第三、第四及第五期分別於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。
3. 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一六年、二零一七年、二零一八年及二零一九年的一月二十日起可予行使，直至二零二五年一月十九日止。

股票掛鈎協議

除二零一一年購股權計劃外，本集團於本年度概無訂立或存在任何股票掛鈎協議。

管理合約

於本年度內任何時間，概無訂立或存在有關管理和經營本公司或其附屬公司全部或任何重大部分業務的合約。

獲准許的彌償條文

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

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

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

CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

Except for the disclosable and connected transactions in relation to the acquisitions of the remaining 40% equity interests of certain subsidiaries of the Company as set out in the Company's announcement on 4th December 2020 and Note 37(a) to the accompanying consolidated financial statements, there were no other connected transactions or continuing connected transaction of the Company which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the significant related party transactions entered into by the Group during the Year are set out in Note 40 to the accompanying consolidated financial statements. To the best knowledge of Directors, none of these related party transactions constitutes connected transaction under the Listing Rules.

COMPETING INTERESTS

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

董事於交易、安排或合約之重大權益

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

關連交易及關聯方交易

除本公司日期為二零二零年十二月四日的公告及隨附之綜合財務報表附註37(a)所載，就收購本公司若干附屬公司剩餘40%股權有關的須予披露及關連交易外，本公司概無其他關連交易或持續關連交易須遵守上市規則第14A章項下的任何申報、公告或獨立股東批准之規定。

有關本集團於本年度內訂立之重大關聯方交易之詳情載於隨附之綜合財務報表附註40。據董事所知，該等關聯方交易並不構成上市規則項下之關連交易。

競爭權益

於本年度，董事或控股股東或彼等各自之任何聯繫人士概無從事與本集團業務直接或間接構成競爭或可能構成競爭或與本集團有任何其他利益衝突的任何業務。

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the five largest customers of the Group accounted for approximately 20.0% of the Group's total revenue, while the five largest suppliers of the Group accounted for approximately 41.8% of the Group's total purchases. In addition, the largest supplier of the Group accounted for approximately 9.9% of the Group's total purchases.

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

SUFFICIENCY OF PUBLIC FLOAT

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

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the Year have been reviewed by the audit committee of the Company (the "Audit Committee") and duly approved by the Board under the recommendation of the Audit Committee.

AUDITOR

The accompanying consolidated financial statements were audited by PricewaterhouseCoopers. A resolution for their appointment as the Company's auditor for the ensuing year is to be proposed at the 2021 AGM. There was no change in auditor of the Company in any of the preceding three years.

On behalf of the Board
Yao Cho Fai Andrew
Chairman

Hong Kong, 25th June 2021

主要客戶及供應商

於本年度，本集團首五大客戶佔本集團總收入約20.0%，而本集團首五大供應商則佔本集團總採購額約41.8%。此外，本集團最大之供應商佔本集團總採購額約9.9%。

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

充足公眾持股量

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

審核委員會

本公司於本年度之經審核綜合財務報表已經由本公司審核委員會(「審核委員會」)審閱，並由董事會根據審核委員會之建議正式批准。

核數師

隨附之綜合財務報表由羅兵咸永道會計師事務所審核。本公司將於二零二一年股東週年大會上提呈一項續聘其於來年擔任本公司核數師之決議案。本公司於過去三年間並無任何核數師變更事宜。

代表董事會
主席
姚祖輝

香港，二零二一年六月二十五日

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

DIRECTORS

Executive Directors

Mr. Yao Cho Fai Andrew

aged 55, was appointed as an Executive Director of the Company in December 1994. He became the Chairman of the Board in July 1999 and Chief Executive Officer in November 2015. He is also the chairman of the Nomination Committee, a member of the Remuneration Committee and a director of certain subsidiaries of the Company. Mr. Yao is an independent non-executive director of Kader Holdings Company Limited which is a company listed on the main board of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”). He was an independent non-executive director of Shanghai Dazhong Public Utilities (Group) Co., Ltd. which is a company listed on the Shanghai Stock Exchange and the main board of the Hong Kong Stock Exchange. Mr. Yao serves as the Hong Kong Deputy to the 13th National People’s Congress of the People’s Republic of China, the chairman of Hongkong-Shanghai Economic Development Association, the vice-chairman of Shanghai Federation of Industry & Commerce, the board member of Fudan University and the chairman of the council of Lingnan University. He was awarded “Young Industrialist Award of Hong Kong” by Federation of Hong Kong Industries in 2004, Justice of Peace by Hong Kong Special Administrative Region (“HKSAR”) in 2008 and “Bronze Bauhinia Star” by HKSAR in 2016. Mr. Yao graduated from the University of California, Berkeley with a bachelor’s degree in science and Harvard Graduate School of Business with a master’s degree in business administration.

Mr. Lau Chi Chiu

aged 54, was appointed as an Executive Director of the Company in November 2015 and is a director of certain subsidiaries of the Company. He joined the Group in June 1991. Mr. Lau is responsible for the daily operations of the business of the Group and has held various sales and marketing and supply chain positions in the plastics and steel businesses of the Group. He was the general manager of Group’s plastic business from April 2003 to November 2011 and the general manager of the Group’s steel business from December 2011 to May 2013. Mr. Lau graduated from Curtin University of Technology in Australia with a bachelor’s degree in commerce (marketing and management).

董事

執行董事

姚祖輝先生

五十五歲，於一九九四年十二月獲委任為本公司執行董事。彼於一九九九年七月成為董事會主席及於二零一五年十一月成為首席執行官。彼亦為本公司提名委員會主席、薪酬委員會成員及若干附屬公司之董事。姚先生為於香港聯合交易所有限公司（「香港聯交所」）主板上市之開達集團有限公司之獨立非執行董事。彼曾任於上海證券交易所及香港聯交所主板上市之上海大眾公用事業（集團）股份有限公司之獨立非執行董事。姚先生之公職服務包括港區第十三屆全國人大代表、滬港經濟發展協會會長、上海市工商業聯合會副主席、復旦大學校董及嶺南大學校董會主席。彼於二零零四年榮獲香港工業總會頒發「香港青年工業家獎」、於二零零八年獲香港特別行政區政府（「香港特區政府」）授予太平紳士及於二零一六年榮獲香港特區政府頒發「銅紫荊星獎」。姚先生畢業於柏克萊加州大學並取得理學士學位，並於哈佛商學研究院取得工商管理碩士學位。

劉子超先生

五十四歲，於二零一五年十一月獲委任為本公司執行董事及為本公司若干附屬公司之董事。彼於一九九一年六月加入本集團。劉先生主要負責本集團業務之日常運作，並曾於本集團塑膠及鋼材業務擔任銷售及市場推廣以及供應鏈等多方面要職。彼於二零零三年四月至二零一一年十一月為本集團塑膠業務總經理及於二零一一年十二月至二零一三年五月為本集團鋼材業務總經理。劉先生畢業於澳洲科廷大學並取得商學士學位（市場及管理）。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Independent Non-executive Directors

Mr. Tam King Ching Kenny

aged 72, was appointed as an Independent Non-executive Director of the Company in September 2004. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company. Mr. Tam also serves as an independent non-executive director of other listed companies on the main board of Hong Kong Stock Exchange namely, BeijingWest Industries International Limited, CCT Fortis Holdings Limited, GBA Holdings Limited, Kingmaker Footwear Holdings Limited, Shougang Concord Grand (Group) Limited, Starlite Holdings Limited, West China Cement Limited and Wisdom Education International Holdings Company Limited. He is a practising Certified Public Accountant in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam serves as a member of the Restructuring and Insolvency Faculty Executive Committee in the Hong Kong Institute of Certified Public Accountants. He was also a Past President of The Society of Chinese Accountants and Auditors. Mr. Tam graduated from Concordia University, Canada with a bachelor's degree in commerce.

Mr. Xu Lin Bao

aged 72, was appointed as an Independent Non-executive Director of the Company in April 2006. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Xu is currently the vice chairman of the Institute of Real Estate Shanghai Academy of Social Sciences. He served as the standing executive of China Real Estate Association (the 4th and 5th session), the chairman of operation and management professional committee of China Real Estate Association (the 4th and 5th session), the chairman of Shanghai Housing and Land Group, the vice chairman of Shanghai Real Estate Trade Association (the 5th and 6th session) and the chairman of executives of Yiju China Real Estate Research Center. He graduated from Fudan University, Shanghai with a degree in EMBA. Mr. Xu is a senior qualified economist.

獨立非執行董事

譚競正先生

七十二歲，於二零零四年九月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席以及薪酬委員會及提名委員會成員。譚先生亦擔任其他於香港聯交所主板上市之公司(即京西重工國際有限公司、中建富通集團有限公司、GBA集團有限公司、信星鞋業集團有限公司、首長四方(集團)有限公司、星光集團有限公司、中國西部水泥有限公司及睿見教育國際控股有限公司)之獨立非執行董事。彼為香港執業會計師、香港會計師公會之資深會員及加拿大安大略省特許專業會計師公會會員。譚先生現為香港會計師公會重整及破產管理專項學會執行委員會之委員。彼亦為香港華人會計師公會前任會長。譚先生畢業於加拿大康戈迪亞大學並取得商學士學位。

徐林寶先生

七十二歲，於二零零六年四月獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會及提名委員會成員。徐先生現職上海社會科學院房地產業研究中心副理事長。彼亦曾擔任中國房地產業協會(第四屆、第五屆)常務理事、中國房地產業協會經營管理專業委員會(第四屆、第五屆)主任委員、上海房地(集團)有限公司董事長、上海市房地產行業協會(第五屆、第六屆)副會長及易居(中國)房地產研發中心理事長。彼畢業於上海復旦大學並取得高級管理人員工商管理碩士專業學位。徐先生為高級經濟師。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. Yeung Wing Sun Mike

aged 68, was appointed as an Independent Non-executive Director of the Company in March 2014. He is also a member of the Audit Committee and the Nomination Committee of the Company. Mr. Yeung is an independent non-executive director of UMP Healthcare Holdings Limited, a company listed on the main board of Hong Kong Stock Exchange. He has over 40 years' working experience in the banking industry of Hong Kong and the mainland China. Mr. Yeung began his career with the HSBC Group in 1972 and advanced himself in the organisation by taking up different positions under various business streams including personal banking, sales and services, operations as well as branches, regional network and personal wealth management. Since 2001, Mr. Yeung was relocated to Shanghai and took up the role of Branch Manager Shanghai and Head of Personal Financial Services China of HSBC. In June 2006, he was seconded to Hang Seng Bank (China) Limited and appointed as the Head of Personal Financial Service and Wealth Management China. Mr. Yeung was appointed as Deputy Chief Executive Officer and Head of Personal Financial Services and Wealth Management in May 2007. He retired from HSBC Group in January 2014. Mr. Yeung is the Honorary President of Hong Kong Chamber of Commerce in Shanghai. He was a member of Chinese People's Political Consultative Conference Committee (the 11th and 12th session) in Shanghai. Mr. Yeung was awarded the "Magnolia Gold Award" presented by the Shanghai Municipal Government to recognise his outstanding contributions to the economic and social development, and international exchanges of Shanghai. He was also awarded a Professional Diploma in Company Direction by The Hong Kong Institute of Directors.

楊榮樂先生

六十八歲，於二零一四年三月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及提名委員會成員。楊先生為於香港聯交所主板上市之聯合醫務集團有限公司之獨立非執行董事。彼擁有超過四十年於香港及國內銀行行業的工作經驗。楊先生於一九七二年開始加入滙豐集團，於該集團之不同業務領域擔任不同職務(包括個人銀行、銷售及服務、營運以及分行、地區網絡及個人財富管理)。自二零零一年，楊先生移師到上海，並擔任滙豐之上海分行行長兼個人金融服務中國總監。於二零零六年六月，彼調任到恒生銀行(中國)有限公司並獲委任為中國個人金融服務及財富管理業務總監。楊先生於二零零七年五月獲委任為副行政總裁及個人金融服務及財富管理業務總監。彼於二零一四年一月自滙豐集團退任。楊先生現為中國香港(地區)商會上海榮譽會長。彼亦曾為中國人民政治協商會議(第十一屆和第十二屆)上海市政協委員。楊先生獲上海市政府頒授「白玉蘭榮譽獎」以表彰彼對上海經濟及社會發展，以及對國際交流作出傑出貢獻。彼亦獲香港董事學會頒授公司董事專業文憑。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. Li Yinquan

aged 66, was appointed as an Independent Non-executive Director of the Company in July 2018. He is also a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Li serves as an independent non-executive director of other listed companies on the main board of Hong Kong Stock Exchange namely, China Everbright Bank Company Limited (which is also listed on the Shanghai Stock Exchange), Genertec Universal Medical Group Company Limited, Kimou Environmental Holding Limited and Million Cities Holdings Limited. He served respectively as the general manager of financial department, chief financial officer, vice president of China Merchants Group and chief executive officer of China Merchants Capital Investment Co., Ltd from 2000 to 2017. He also served as an executive director of other listed companies on the main board of the Hong Kong Stock Exchange namely, China Merchants Port Holdings Company Limited and China Merchants China Direct Investments Limited and as a non-executive director of China Merchants Bank Co., Ltd. (which is also listed on the Shanghai Stock Exchange) as well as an independent non-executive director of Lizhi Inc. which is a company listed on NASDAQ. Mr. Li also serves as the Hong Kong Deputy to the 13th National People's Congress of the People's Republic of China. Mr. Li graduated from Shaanxi Institute of Finance and Economics with a bachelor's degree in economics. He was also awarded a master's degree in economics from the PBC School of Finance, Tsinghua University (formerly known as Graduate School of the People's Bank of China) and a master's degree in banking and finance for development from Finafrica Institute in Milan, Italy.

SENIOR MANAGEMENT

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

李引泉先生

六十六歲，於二零一八年七月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。李先生擔任其他於香港聯交所主板上市之公司(即中國光大銀行股份有限公司(其亦於上海證券交易所上市)、通用環球醫療集團有限公司、金茂源環保控股有限公司及萬城控股有限公司)之獨立非執行董事。彼於二零零零年至二零一七年曾先後擔任招商局集團財務部之總經理、財務總監、副總裁及招商局資本投資有限責任公司之行政總裁。彼亦曾擔任其他於香港聯交所主板上市之公司即招商局港口控股有限公司及招商局中國基金有限公司之執行董事，及招商銀行股份有限公司(其亦於上海證券交易所上市)之非執行董事，以及於納斯達克證券交易所上市之Lizhi Inc.之獨立非執行董事。李先生亦擔任港區第十三屆全國人大代表。李先生畢業於中國陝西財經學院並取得經濟學學士學位。彼亦擁有清華大學五道口金融學院(前稱中國人民銀行研究生部)授予的經濟學碩士學位及意大利菲納菲科學院授予的金融發展學碩士學位。

高級管理人員

上述執行董事為本集團高級管理人員的成員。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

OPINION

What we have audited

The consolidated financial statements of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 95 to 232, which comprise:

- the consolidated statement of financial position as at 31st March 2021;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st March 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致滬港聯合控股有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

滬港聯合控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第95至232頁的綜合財務報表，包括：

- 於二零二一年三月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面損益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

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二零二一年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

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

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

- Valuation of investment properties
- Recognition of deferred income tax assets
- Onerous contract provision relating to unfulfilled rebar sales contracts

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。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 投資物業的估值
- 遞延所得稅資產確認
- 與未履行的鋼筋銷售訂單有關之有償契約撥備

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

Valuation of investment properties 投資物業的估值

Refer to notes 4(a), 15 and 20 to the consolidated financial statements

請參閱綜合財務報表附註4(a)、15及20

As at 31st March 2021, the carrying amount of the Group's investment properties in the People's Republic of China (the "PRC") was approximately HK\$1,422.6 million and a fair value loss of approximately HK\$8.4 million was recognised in the consolidated income statement during the year. The Group also has investment properties held through investments accounted for using the equity method with the Group's share of their carrying amount of HK\$710.1 million as at 31st March 2021 and share of a fair value loss of approximately HK\$1.2 million recognised during the year. The Group performed valuations on its investment properties and those held through investments accounted for using the equity method, with the assistance of two independent professional valuers based on the discounted cash flow approach, income capitalisation approach and/or the direct comparison approach, as appropriate.

於二零二一年三月三十一日，貴集團在中華人民共和國（以下簡稱「中國」）的投資物業的賬面值約為1,422,600,000港元，而約8,400,000港元的公允價值虧損於本年度的綜合損益表中確認。於二零二一年三月三十一日，貴集團亦擁有透過按權益法入賬的投資持有的投資物業，且貴集團分佔彼等的賬面值710,100,000港元，而分佔年內確認公允價值虧損約1,200,000港元。於兩名獨立專業估值師之協助下，貴集團視適用情況按折現現金流量法對其投資物業及透過權益法、收入資本化法及／或直接比較法入賬的投資持有的投資物業進行評估。

We focused on this area due to the estimation of the fair value is dependent on certain key assumptions including market rents, term and reversionary yields and market prices etc., which requires significant judgement and estimation and increases the degree of estimation uncertainty.

我們關注於該範疇，因為公平值的評估乃取決於若干關鍵假設，包括市場租金、期限、復歸收益率及市價等，這需作出重大判斷及估計，以及增加評估不確定性的程度。

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

Our procedures in relation to management's valuations of the investment properties included:
我們就管理層對投資物業的估值所進行的程序包括：

We obtained an understanding of the management's internal control and assessment process of valuation and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as significant judgements involved in determining assumptions to be applied.

我們了解了管理層對估值的內部控制及評估流程，並通過考慮估計不確定性的程度以及其他固有風險因素的水平，例如於釐定將予應用假設時涉及的重大判斷，評估了重大錯報的固有風險。

We evaluated the competence, capabilities and objectivity of the independent external valuers.

我們評估獨立外部估值師的勝任能力、專業素質和客觀性。

We involved our internal valuation expert in assessing the methodologies and the key assumptions, including market rents, term and reversionary yields and market prices etc, from the management's expert by comparing with relevant comparable market data and industry research.

我們的內部估值專家透過比較相關可資比較的市場數據及行業研究，協助我們評估管理層專家的方法論及主要假設，包括市場租金、期限、復歸收益率及市價等。

Based upon the above, we considered that judgement and estimation applied in respect of the relevant valuation were supportable by the evidence obtained and procedures performed.

基於以上實施的審計程序，已獲取的審計證據能夠支持其應用於相關估值的判斷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

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

Refer to notes 4(b) and 21 to the consolidated financial statements

請參閱綜合財務報表附註4(b)及21

As at 31st March 2021, the Group has recognised deferred income tax assets of HK\$48.7 million in relation to the cumulative tax losses of certain subsidiaries of the Company in different jurisdictions. The management has assessed the recoverability of deferred income tax assets based on their estimation of future taxable profits of those subsidiaries.

於二零二一年三月三十一日，貴集團就貴公司位於不同司法管轄區的若干附屬公司的累計稅項虧損確認遞延所得稅資產共48,700,000港元。管理層已根據彼等的未來應課稅溢利預測評估遞延所得稅資產的可收回性。

We focused on this area due to the recognition involved management's judgement on the estimation of whether there would be sufficient taxable profits in future periods to utilise the tax losses. Key assumptions adopted in management assessment included forecasted revenue growth rates and forecasted operating margins which is inherently subjective and requires significant judgement and estimation which increases the degree of estimation uncertainty and subjectivity.

我們關注於該範疇，因為確認涉及管理層就估計未來期間是否有足夠應課稅溢利以利用稅務虧損作出判斷。管理層評估所採納的主要假設包括預測收入增長率及預測經營毛利，而該評估本質上具主觀性並需作出重大判斷及估計，這增加了評估不確定性及主觀性的程度。

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

Our procedures in relation to management's assessment on recognition of deferred income tax assets included:

我們就確認遞延所得稅資產的管理層評估所進行的程序包括：

We obtained an understanding of the management's internal control and assessment process of recognition and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as significant judgements involved in determining assumptions to be applied.

我們了解了管理層就確認的內部控制及評估流程，並通過考慮估計不確定性的程度以及其他固有風險因素的水平，例如於釐定將予應用假設時涉及的重大判斷，評估了重大錯報的固有風險。

We obtained management's estimation of future taxable profits and discussed with management about the key assumptions considered in the estimation.

我們取得管理層的未來應課稅溢利預測及與管理層討論其預測所考慮的主要假設。

We evaluated the reliability of management's estimation of future taxable profits by comparing the actual results for the current year to prior year's estimate.

我們通過比較本年度實際業績對過往年度未來應課稅溢利預測，評估管理層對預測的可靠性。

We assessed the key assumptions applied in the management assessment as to whether there will be sufficient taxable profits in future periods to support the recognition of deferred tax assets, including comparing the forecasted revenue growth rates and operating margins to historical and recent performance.

我們評估管理層就未來期間是否將有足夠應課稅溢利支持確認遞延所得稅資產採用的主要假設，包括將預測收入增長率及經營毛利與過往及近期業績作出比較。

Based upon the above, we considered that management judgement and estimation applied in respect of the recognition of deferred income tax assets were supportable by the evidence obtained and procedures performed.

基於以上實施的審計程序，已獲取的審計證據能夠支持管理層應用於有關確認遞延所得稅資產中所作出的判斷和假設。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

Onerous contract provision relating to unfulfilled rebar sales contracts 與未履行的鋼筋銷售訂單有關之有償契約撥備

Refer to notes 4(c) and 31 to the consolidated financial statements
請參閱綜合財務報表附註4(c)及31

As at 31st March 2021, the Group had certain unfulfilled rebar sales contracts. If these sales contracts were fulfilled by purchases at prices higher than the contracted selling prices, the Group would incur a loss. As a result, management assessed if any provision for these onerous contracts is required to be made based on the expected purchase prices of inventories and forecasted delivery schedules.

於二零二一年三月三十一日，貴集團有若干未履行的鋼筋銷售訂單。倘該等銷售訂單的購貨價格以高於訂單的銷售價格完成，貴集團將產生虧損。因此，管理層評估該等有償契約是否需要根據存貨之預期購買價及預計交付時間作出任何撥備。

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

Our procedures in relation to management's assessment on onerous contract provision included: 我們就有償契約撥備的管理層評估所進行的程序包括：

We obtained an understanding of the management's internal control and assessment process of provision calculation and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as significant judgements involved in determining assumptions to be applied.

我們了解了管理層就撥備計算的內部控制及評估流程，並通過考慮估計不確定性的程度以及其他固有風險因素的水平，例如於釐定將予應用假設時涉及的重大判斷，評估了重大錯報的固有風險。

We evaluated the basis adopted by management for determining onerous contract provision relating to unfulfilled rebar sales contracts.

我們評估管理層就釐定與未履行的鋼筋銷售訂單有關的有償契約撥備所採納的基準。

We obtained management analysis and calculation of onerous contract provision and assessing the key assumptions adopted in the analysis, including comparing the expected purchase prices of inventories with the market prices and comparing the expected delivery schedules with the historical trend and recent delivery.

我們獲得有償契約撥備的管理層分析及計算，並評估分析中採用的關鍵假設，包括比較存貨的預期採購價及市場價格，以及比較預期交貨時間表及歷史趨勢以及近期交付。

We conducted substantive testing toward the accuracy of the pre-agreed contractually stated selling prices and the quantity of goods in the unfulfilled sales contracts by checking to sales agreements and delivery notes, on a sample basis.

我們以抽樣方式核查銷售合同及送貨單對預先協定及合約中規定的售價及未履行銷售訂單中貨品數量的準確性進行實質性測試。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

Onerous contract provision relating to unfulfilled rebar sales contracts (Continued)

與未履行的鋼筋銷售訂單有關之有償契約撥備(續)

Accordingly, management recognised an onerous contract provision of approximately HK\$33.3 million as at 31st March 2021.

因此，於二零二一年三月三十一日，管理層確認有償契約撥備約33,300,000港元。

We focused on this area because the estimation of the provision requires the estimation of expected purchase prices of inventories to fulfil rebar sales contracts and the expected dates of deliveries for these sales contracts which is inherently subjective and requires significant judgement and estimation which increase the degree of estimation uncertainty.

我們關注於該領域乃由於估計撥備需要估計達成鋼筋銷售訂單的存貨預期採購價及該等銷售訂單的預期交付日期，而該評估本質上具主觀性並需作出重大判斷及估計，這增加了估計不確定性的程度。

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

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

我們就管理層對有償契約撥備的評估所進行的程序包括(續)：

We conducted substantive testing of the management's computation of provision recognised for these onerous contracts by recalculation.

我們以重新計算方式對管理層就該等有償契約確認的撥備計算進行實質性測試。

Based upon the above, we considered that management judgement and estimation applied in respect of the relevant provision were supportable by the evidence obtained and procedures performed.

基於以上實施的審計程序，已獲取的審計證據能夠支持管理層應用於有關撥備中所作出的判斷和假設。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above 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.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

核數師就審計綜合財務報表承擔的責任(續)

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

核數師就審計綜合財務報表承擔的責任(續)

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

The engagement partner on the audit resulting in this independent auditor's report is Ivan Au.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25th June 2021

核數師就審計綜合財務報表承擔的責任(續)

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

出具本獨立核數師報告的審計項目合夥人為柯灝泓先生。

羅兵咸永道會計師事務所
執業會計師

香港，二零二一年六月二十五日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31st March 2021 截至二零二一年三月三十一日止年度

		Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收入	5	2,073,632	2,325,031
Cost of sales	銷售成本	7	(1,820,613)	(2,083,428)
Gross profit	毛利		253,019	241,603
Selling and distribution expenses	銷售及分銷支出	7	(15,728)	(11,803)
(Impairment loss on)/reversal of financial assets – net	金融資產(減值虧損)/撥回 –淨額	7	(293)	3,020
General and administrative expenses	一般及行政支出	7	(140,703)	(217,810)
Other gains/(losses) – net	其他收益/(虧損)–淨額	6	8,067	(10,110)
Net fair value loss on investment properties	投資物業之公允價值虧損淨額	15	(8,362)	(88)
Operating profit	經營溢利		96,000	4,812
Finance income	財務收入	10	1,110	1,216
Finance costs	財務費用	10	(64,024)	(79,616)
Share of results of investments accounted for using the equity method	應佔按權益法入賬之 投資之業績	20	(19,724)	(12,947)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)		13,362	(86,535)
Income tax expense	所得稅支出	11	(9,539)	(1,616)
Profit/(loss) for the year	年度溢利/(虧損)		3,823	(88,151)
Profit/(loss) attributable to:	應佔溢利/(虧損):			
– Owners of the Company	– 本公司擁有人		1,673	(90,309)
– Non-controlling interests	– 非控制性權益		2,150	2,158
			3,823	(88,151)
Earnings/(loss) per ordinary share attributable to owners of the Company for the year	本公司擁有人應佔年度 每股普通股溢利/(虧損)			
Basic earnings/(loss) per ordinary share	每股普通股基本溢利/(虧損)	13	HK0.26 cent港仙	HK(14.08) cents港仙
Diluted earnings/(loss) per ordinary share	每股普通股攤薄溢利/(虧損)	13	HK0.26 cent港仙	HK(14.08) cents港仙

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

上述綜合損益表應與隨附的附註一併閱讀。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面損益表

For the year ended 31st March 2021 截至二零二一年三月三十一日止年度

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit/(loss) for the year	年度溢利／(虧損)	3,823	(88,151)
Other comprehensive income/(loss): Items that may be reclassified subsequently to profit or loss:	其他全面收益／(虧損)： 其後可重新分類為損益 之項目：		
– Change in fair value of financial asset at fair value through other comprehensive income	– 按公允價值計入 其他全面收入之金融資產 公允價值變動	996	(82)
– Net fair value change of cash flow hedge	– 現金流對沖之公允價值 變動淨額	(1,084)	—
– Currency translation differences	– 貨幣匯兌差額	111,847	(88,438)
Other comprehensive income/(loss) for the year	年度其他全面收益／(虧損)	111,759	(88,520)
Total comprehensive income/(loss) for the year	年度全面收益／(虧損)總額	115,582	(176,671)
Total comprehensive income/(loss) attributable to:	應佔全面收益／(虧損)總額：		
– Owners of the Company	– 本公司擁有人	102,594	(170,433)
– Non-controlling interests	– 非控制性權益	12,988	(6,238)
		115,582	(176,671)

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

上述綜合全面損益表與隨附的附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st March 2021 於二零二一年三月三十一日

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
ASSETS			
Non-current assets			
Property, plant and equipment	14	41,682	48,979
Investment properties	15	1,422,582	1,324,824
Right-of-use assets	16	13,253	32,090
Intangible assets	17	710	1,493
Investments accounted for using the equity method	20	337,430	313,823
Prepayments, deposits and other receivables	27	12,540	18,038
Deferred income tax assets	21	49,326	53,104
Financial asset at fair value through other comprehensive income	22	4,203	62
Total non-current assets		1,881,726	1,792,413
Current assets			
Prepayments, deposits and other receivables	27	99,052	81,843
Inventories	25	443,072	354,859
Trade and bill receivables	26	363,814	358,932
Financial asset at fair value through profit or loss	23	—	15,820
Pledged bank deposits	28	54,008	9,137
Cash and cash equivalents	28	119,098	120,045
Total current assets		1,079,044	940,636
Total assets		2,960,770	2,733,049
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	33	64,123	64,123
Reserves	35	823,598	741,722
Non-controlling interests		887,721	805,845
Total equity		1,008,508	916,768

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st March 2021 於二零二一年三月三十一日

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Liabilities			
Non-current liabilities			
Accrued liabilities and other payables	30	11,147	11,144
Deferred income tax liabilities	21	94,081	89,541
Borrowings	32	779,749	855,083
Lease liabilities	16	1,991	3,499
Total non-current liabilities		886,968	959,267
Current liabilities			
Trade and bill payables	29	245,354	166,929
Receipts in advance and deferred revenue		53,537	57,258
Accrued liabilities and other payables	30	39,220	37,183
Provisions	31	35,298	4,025
Derivative financial instruments	24	1,084	—
Current income tax liabilities		11,380	7,371
Borrowings	32	674,893	560,555
Lease liabilities	16	4,528	23,693
Total current liabilities		1,065,294	857,014
Total liabilities		1,952,262	1,816,281
Total equity and liabilities		2,960,770	2,733,049

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

上述綜合財務狀況表應與隨附的附註一併閱讀。

The consolidated financial statements were approved by the Board of Directors on 25th June 2021 and were signed on its behalf.

綜合財務報表已於二零二一年六月二十五日獲董事會批准，並代表簽署。

Yao Cho Fai Andrew

姚祖輝

Chairman

主席

Lau Chi Chiu

劉子超

Executive Director

執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March 2021 截至二零二一年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital 股本	Other reserves 其他儲備	Retained earnings 保留盈利	Total 總額	Non- controlling interest 非控制性權益	Total equity 權益總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
		(Note 33) (附註33)	(Note 35) (附註35)	(Note 35) (附註35)				
As at 1st April 2019	於二零一九年四月一日	64,123	572,243	350,741	987,107	123,078	1,110,185	
(Loss)/profit for the year	年度(虧損)/溢利	—	—	(90,309)	(90,309)	2,158	(88,151)	
Other comprehensive loss	其他全面虧損							
– Change in fair value of financial asset at fair value through other comprehensive income (Note 22)	– 按公允價值計入其他全面收入之金融資產之公允價值變動(附註22)	—	(82)	—	(82)	—	(82)	
– Currency transaction differences	– 貨幣匯兌差額	—	(80,042)	—	(80,042)	(8,396)	(88,438)	
Total comprehensive loss	全面虧損總額	—	(80,124)	(90,309)	(170,433)	(6,238)	(176,671)	
Transactions with owners in their capacity as owners	擁有人以其擁有人之身份進行的交易							
Lapse of share options	失效之購股權	—	(1,336)	1,336	—	—	—	
Share-based payment	以股份為基礎之支付	—	1,996	—	1,996	—	1,996	
Capital reduction from non-controlling interests	自非控制性權益之減資					(5,917)	(5,917)	
Appropriation of statutory reserves	提撥法定撥備		45	(45)	—	—	—	
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	(12,825)	(12,825)	—	(12,825)	
Total transactions with owners in their capacity as owners	擁有人以其擁有人之身份進行的交易總額	—	705	(11,534)	(10,829)	(5,917)	(16,746)	
As at 31st March 2020	於二零二零年三月三十一日	64,123	492,824	248,898	805,845	110,923	916,768	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March 2021 截至二零二一年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔					Non-controlling interest 非控制性權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元 (Note 33) (附註33)	Other reserves 其他儲備 HK\$'000 千港元 (Note 35) (附註35)	Retained earnings 保留盈利 HK\$'000 千港元 (Note 35) (附註35)	Total 總額 HK\$'000 千港元			
As at 1st April 2020	於二零二零年四月一日	64,123	492,824	248,898	805,845	110,923	916,768	
Profit for the year	年度溢利	—	—	1,673	1,673	2,150	3,823	
Other comprehensive income/(loss)	其他全面收益/(虧損)							
– Change in fair value of financial asset at fair value through other comprehensive income (Note 22)	– 按公允價值計入其他全面收入之金融資產之公允價值變動(附註22)	—	996	—	996	—	996	
– Net fair value change of cash flow hedge	– 現金流對沖之公允價值變動淨額	—	(1,084)	—	(1,084)	—	(1,084)	
– Currency transaction differences	– 貨幣匯兌差額	—	101,009	—	101,009	10,838	111,847	
Total comprehensive income	全面收入總額	—	100,921	1,673	102,594	12,988	115,582	
Transactions with owners in their capacity as owners	擁有人以其擁有人之身份進行的交易							
Lapse of share options	失效之購股權	—	(1,032)	1,032	—	—	—	
Change in ownership interest in subsidiaries without change of control (Note 37)	於附屬公司的擁有權益變動而控制權不變(附註37)	—	(20,805)	—	(20,805)	859	(19,946)	
Share repurchase of non-controlling interests (Note 37)	非控制性權益的股份購回(附註37)	—	1,273	(1,186)	87	(2,701)	(2,614)	
Appropriation of statutory reserves	提撥法定儲備	—	39	(39)	—	—	—	
Dividends paid to a non-controlling interest of a subsidiary	付予一間附屬公司非控制性權益之股息	—	—	—	—	(1,282)	(1,282)	
Total transactions with owners in their capacity as owners	擁有人以其擁有人之身份進行的交易總額	—	(20,525)	(193)	(20,718)	(3,124)	(23,842)	
As at 31st March 2021	於二零二一年三月三十一日	64,123	573,220	250,378	887,721	120,787	1,008,508	

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

上述綜合權益變動表應與隨附的附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31st March 2021 截至二零二一年三月三十一日止年度

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash flows from operating activities	經營活動之現金流量		
Cash generate from operations	36(a)	144,648	162,084
Interest received		1,110	1,216
Interest paid		(62,169)	(75,021)
Hong Kong profits tax paid		(2,403)	(8,298)
China corporate income tax paid		(2,567)	(1,134)
Net cash inflow from operating activities	經營活動之現金流入淨額	78,619	78,847
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment		(664)	(8,170)
Proceeds received from disposals of property, plant and equipment	36(b)	135	136
Capital expenditures for investment properties	15	(1,530)	(1,482)
Consideration paid to non-controlling interest	37(a)	(20,000)	—
Capital injection to an associate/ a joint venture	20	(12,500)	(47,614)
Net proceeds received from disposal of subsidiaries		—	13,485
Purchases of financial assets at fair value through profit or loss		(37,452)	(97,754)
Proceeds received from disposal of financial assets at fair value through profit or loss		51,461	116,301
Net cash outflow from investing activities	投資活動之現金流出淨額	(20,550)	(25,098)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31st March 2021 截至二零二一年三月三十一日止年度

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash flows from financing activities			
Proceeds from bank loans		240,019	470,768
Repayment of bank loans		(309,616)	(334,709)
Payment for lease liabilities (including interest)		(12,118)	(25,774)
Government subsidy on property, plant and machinery		1,052	—
Net increase/(decrease) in trust receipt bank loans		66,486	(178,606)
(Increase)/decrease in pledged bank deposits		(42,460)	29,747
Capital reduction from non-controlling interest		—	(5,917)
Share repurchase of non-controlling interests	37(b)	(2,614)	—
Dividends paid to owners of the Company		—	(12,825)
Dividends paid to non-controlling interests		(1,283)	—
Net cash outflow from financing activities		(60,534)	(57,316)
Net decrease in cash and cash equivalents		(2,465)	(3,567)
Cash and cash equivalents, beginning of the year		120,045	126,775
Currency translation differences		1,518	(3,163)
Cash and cash equivalents, end of the year	28	119,098	120,045

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述綜合現金流量表應與隨附的附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

1 一般資料

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

本公司及其附屬公司(統稱「本集團」)主要從事分銷及加工建築材料，例如鋼材產品；衛浴潔具及廚櫃貿易；以及房地產投資及項目管理業務。

除另有說明外，該等綜合財務報表以港元(「港元」)列示。

2 主要會計政策概要

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

2.1 編製基準

本綜合財務報表依照香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)以及香港公司條例(第622章)之披露規定編製。其按歷史成本慣例編製，並已按公允價值計入損益及其他全面收入之金融資產／負債(包括衍生金融工具)及投資物業按公允價值作出修訂。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

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

Certain comparative figures have been regrouped to conform with the current year's presentation of the consolidated financial statements.

2.1.1 Amended standards and revised conceptual framework adopted by the Group

The Group has applied the following amendments to standards and revised conceptual framework for the first time for their annual reporting period commencing on 1st April 2020:

HKAS 1 and HKAS 8 (Amendments)	Definition of Material
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Hedge Accounting
HKFRS 3 (Amendments)	Definition of Business
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting

The newly adopted amendments to existing standards and revised conceptual framework listed above did not have material impact on the results and financial position of the Group.

2 主要會計政策概要(續)

2.1 編製基準(續)

編製該等符合香港財務報告準則之綜合財務報表需要使用若干關鍵性會計推算。此亦需要管理層在應用本集團會計政策之過程中行使其判斷。涉及較高程度之判斷或複雜性之範疇或其假設及估計對綜合財務報表而言屬重大之範疇於附註4披露。

若干比較數字已重新整編，以符合本年度綜合財務報表的呈列方式。

2.1.1 本集團所採納經修訂準則及經修訂概念框架

本集團已於二零二零年四月一日開始之年度報告期間首次採用以下準則修訂及經修正概念框架：

香港會計準則 第1號及香港 會計準則第8號 (修訂)	重大之定義
香港會計準則 第39號、香港 財務報告準則 第7號及香港 財務報告準則 第9號(修訂)	對沖會計處理
香港財務報告準則 第3號(修訂)	業務之定義
二零一八年財務 報告概念框架	經修正財務 報告概念 框架

上述新採納的現有準則的修訂及經修正概念框架對本集團的業績及財務狀況並無產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

2.1.2 New and amended standards, improvement, interpretation and accounting guideline not yet adopted

The following new standard, amendments to existing standards, improvement, interpretation and accounting guideline have been issued but are not effective for the financial year beginning on 1st April 2020 and have not been early adopted:

2 主要會計政策概要(續)

2.1 編製基準(續)

2.1.2 尚未採納之新訂及經修訂準則、改進、詮釋及會計指引

以下新訂準則、對現有準則之修訂、改進、詮釋及會計指引已發佈，惟於二零二零年四月一日開始的財政年度尚未生效，亦未被提前採納：

		Effective for accounting periods beginning on or after 於以下日期開始或之後之會計期間生效
HKFRS 16 (Amendments)	Covid-19 Related Rent Concessions	1st June 2020
香港財務報告準則第16號(修訂)	與2019冠狀病毒病相關之租金寬減	二零二零年六月一日
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform – Phase 2	1st January 2021
香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號(修訂)	利率基準改革 – 第二期	二零二一年一月一日
Annual Improvements Project	Annual Improvements to HKFRSs Standards 2018 - 2020	1st January 2022
年度改進項目	二零一八年至二零二零年之香港財務報告準則年度改進	二零二二年一月一日
Amendments to HKFRS 3, HKAS 16 and HKAS 37	Narrow-scope Amendments	1st January 2022
香港財務報告準則第3號、香港會計準則第16號及香港會計準則第37號之修訂	狹義修訂	二零二二年一月一日
Hong Kong Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combinations	1st January 2022
香港會計指引第5號(經修正)	共同控制合併之兼併會計處理	二零二二年一月一日
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	1st January 2023
香港會計準則第1號(修訂)	負債分類為流動或非流動處理	二零二三年一月一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

2.1.2 New and amended standards, improvement, interpretation and accounting guideline not yet adopted (Continued)

The following new standard, amendments to existing standards, improvement, interpretation and accounting guideline have been issued but are not effective for the financial year beginning on 1st April 2020 and have not been early adopted: (Continued)

2 主要會計政策概要(續)

2.1 編製基準(續)

2.1.2 尚未採納之新訂及經修訂準則、改進、詮釋及會計指引(續)

以下新訂準則、對現有準則之修訂、改進、詮釋及會計指引已發佈，惟於二零二零年四月一日開始的財政年度尚未生效，亦未被提前採納：(續)

		Effective for accounting periods beginning on or after 於以下日期開始或之後之會計期間生效
HKFRS 17 香港財務報告準則第 17 號 HK (IFRIC) – Int 5	Insurance Contracts 保險合約	1st January 2023 二零二三年一月一日
	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1st January 2023
香港(國際財務報告詮釋委員會) – 詮釋第 5 號	財務報表之呈列 – 借款者對設有可隨時要求償還條款之定期貸款之分類	二零二三年一月一日
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
香港財務報告準則第 10 號及香港會計準則第 28 號(修訂)	投資者與其聯營公司或合營公司之間的資產出售或注資	有待確定

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

本集團將於上述新訂準則、對現有準則之修訂、改進、詮釋及會計指引生效時予以採納。本集團已開始評估採納上述新訂準則、修訂、改進、詮釋及會計指引之有關影響，而預期概不會對本集團之綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Subsidiaries

(a) Consolidation

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

(i) Business combinations

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

2 主要會計政策概要(續)

2.2 附屬公司

(a) 合併

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

(i) 業務合併

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Subsidiaries (Continued)

(a) Consolidation (Continued)

(i) Business combinations (Continued)

Acquisition-related costs are expensed as incurred.

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

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

2 主要會計政策概要(續)

2.2 附屬公司(續)

(a) 合併(續)

(i) 業務合併(續)

收購相關成本於產生時列為開支。

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Subsidiaries (Continued)

(a) Consolidation (Continued)

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

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

(iii) Disposal of subsidiaries

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

2 主要會計政策概要(續)

2.2 附屬公司(續)

(a) 合併(續)

(ii) 於附屬公司之擁有權權益變動而控制權不變

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

(iii) 出售附屬公司

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Subsidiaries (Continued)

(b) *Separate financial statements*

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

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

2.3 Associates

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

2 主要會計政策概要(續)

2.2 附屬公司(續)

(b) *獨立財務報表*

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

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

2.3 聯營公司

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Associates (Continued)

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

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

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

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

2 主要會計政策概要(續)

2.3 聯營公司(續)

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Joint arrangements

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

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

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

2 主要會計政策概要(續)

2.4 合營安排

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Segment reporting

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

2.6 Foreign currency translation

(a) *Functional and presentation currency*

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

(b) *Transactions and balances*

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

2 主要會計政策概要(續)

2.5 分部報告

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

2.6 外幣換算

(a) *功能及呈列貨幣*

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

(b) *交易及結餘*

外幣交易採用交易或當項目估值重新計量當日之匯率，換算為功能貨幣。結算此等交易及將以外幣計價之貨幣性資產及負債以年終匯率換算，而產生之匯兌收益及虧損於綜合損益表中確認。所有匯兌收益及虧損於綜合損益表「其他收益/(虧損) – 淨額」內呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

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

(c) Group companies

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

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

2 主要會計政策概要(續)

2.6 外幣換算(續)

(b) 交易及結餘(續)

非貨幣性金融資產及負債之換算差額，例如按公允價值計入損益之所持之權益於損益中確認為公允價值盈虧之一部分。非貨幣性金融資產換算差額，例如分類為按公允價值計入其他全面收入之金融資產之權益，則於其他全面收入內確認。

(c) 集團公司

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation (Continued)

(c) Group companies (Continued)

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

(d) Disposal of foreign operation and partial disposal

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

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

2 主要會計政策概要(續)

2.6 外幣換算(續)

(c) 集團公司(續)

收購一間境外實體時產生之商譽及公允價值調整視作該境外實體之資產及負債處理，並以收市匯率換算。所產生之貨幣匯兌差額於其他全面收入中確認。

(d) 出售海外業務及部分出售

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

對於出售一間附屬公司(包括海外業務)部分權益而沒有導致本集團失去對附屬公司的控制權時，相應比例的累計匯兌差額重新歸入非控制性權益，但並不會於損益確認。至於其他部分出售(即部分出售聯營公司或合營公司而沒有導致本集團失去重大影響力或失去共同控制權)，相應比例的累計匯兌差額重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Property, plant and equipment

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

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

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

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.11).

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

2 主要會計政策概要(續)

2.7 物業、廠房及設備

物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購項目直接應佔之開支。

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

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

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

資產之剩餘價值及可使用年期在每個報告期末進行檢討，及在適當時調整。倘若資產之賬面金額高於其可收回估計金額，其賬面金額即時撇減至可收回金額(附註2.11)。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Intangible assets

(a) Goodwill

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

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

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

(b) Customer contracts

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

2 主要會計政策概要(續)

2.8 無形資產

(a) 商譽

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

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

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

(b) 客戶合約

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Land use rights

The up-front prepayments made for land use rights are carried at cost less accumulated amortisation. Amortisation are calculated using the straight-line method to allocate the costs of leasehold land over their terms. Land use rights are presented as right-of-use assets on the consolidated statement of financial position.

2.10 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies of the Group.

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

2 主要會計政策概要(續)

2.9 土地使用權

土地使用權之前期預付款項以成本減累計攤銷列賬。攤銷以直線法計算以將租賃土地成本於租期內分攤。土地使用權於綜合財務狀況表中呈列為使用權資產。

2.10 投資物業

投資物業(主要包括租賃土地及樓宇)乃持有作長期租金回報或資本升值或二者兼有，且並非由本集團之公司佔用。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Impairment of non-financial assets

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

2.12 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

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

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

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

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

2 主要會計政策概要(續)

2.11 非金融資產之減值

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

2.12 金融資產

(a) 分類

本集團將其金融資產分為以下計量類別:

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

分類取決於實體管理金融資產之業務模式及現金流量之約定條款。

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

本集團在或僅在其管理該等資產之業務模式改變時重新分類債務投資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (Continued)

(b) Recognition and measurement

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

(c) Measurement

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

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

Debt instruments

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

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

2 主要會計政策概要(續)

2.12 金融資產(續)

(b) 確認及計量

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

(c) 計量

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

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

債務工具

債務工具其後之計量取決於本集團管理資產之業務模式及資產之現金流特性。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (Continued)

(c) *Measurement (Continued)*

Equity instruments

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

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

(d) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

2 主要會計政策概要(續)

2.12 金融資產(續)

(c) 計量(續)

權益工具

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

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

(d) 減值

本集團對按攤銷成本列賬之債務工具相關之預期信貸虧損(「預期信貸虧損」)按前瞻基準作出評估。所用減值方法取決於信貸風險是否大幅增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (Continued)

(d) Impairment (Continued)

At each reporting date, the Group calculates the ECL of financial instruments in different stages. Stage 1 refers to financial instruments that have not had a significant increase in credit risk since initial recognition; Stage 2 refers to financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment; Stage 3 refers to financial assets for which there are objective evidence of impairment at the reporting date since initial recognition. For these assets at Stage 1, 12-month ECL are recognised and for assets at stage 2 and 3, life-time ECL are recognised. For financial assets with low credit risks as at the date of the consolidated statement of financial position, the Group recognises 12-month ECL based on the assumption that the credit risks have not significantly increased after initial recognition. The Group determines the level of credit risks according to their internal and external investment grade credit rating and the ages of financial assets. For those financial assets that are more than 30 days past due, they would be classified as stages 2 and 3, unless the Group has reasonable and supportable information that demonstrates otherwise.

For financial assets in stage 1 and stage 2, interest income is calculated based on the gross carrying amount of the asset, that is, without deduction for credit allowance, and the effective interest rates. For financial assets in stage 3, interest income is calculated on the net carry amount, that is, net of credit allowances, and the effective interest rates.

The Group recognises the provision and reversal of ECL in profit or loss. For debt instrument at FVOCI, the Group makes relevant adjustments to other comprehensive income at the same time as recognising ECL in profit and loss.

2 主要會計政策概要(續)

2.12 金融資產(續)

(d) 減值(續)

於每個報告日，本集團對於處於不同階段的金融工具的預期信貸虧損進行計算。金融工具自初始確認後信貸風險未顯著增加的，屬於第一階段；金融工具自初始確認後信用風險已顯著增加但尚未有客觀證據發生信用減值的，處於第二階段；金融資產自初始確認後已經有客觀證據發生信用減值，屬於第三階段。對處於第一階段的金融資產，本集團確認12個月預期信貸虧損，對於處於第二階段和第三階段的金融資產，本集團確認全期預期信貸虧損。對於在綜合財務狀況表日具有較低信用風險的金融資產，本集團假設其信用風險自初始確認後並未顯著增加，確認12個月預期信貸虧損。本集團根據金融資產之內部及外部投資評級等級及賬齡以判別其信貸風險級別。除非本集團有合理及具支持的資料顯示不同分類，逾期超過30天之金融資產將分類為第二及第三階段。

對於處於第一階段及第二階段的金融資產，利息收入乃根據未扣除信貸撥備的資產總賬面值與實際利率計算。對於處於第三階段的金融資產，利息收入乃根據扣除信貸撥備的淨賬面值與實際利率計算。

本集團於損益確認預期信貸虧損撥備及撥回。就按公平值計入全面收益的債務工具而言，本集團於損益確認預期信貸虧損的同時，對其他全面收入作出相關調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (Continued)

(d) Impairment (Continued)

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

Impairment on bill receivables, other receivables and deposits are measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime ECL, see Note 3.1(b) for further details.

2.13 Offsetting financial instruments

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

2 主要會計政策概要(續)

2.12 金融資產(續)

(d) 減值(續)

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

應收票據、其他應收賬款及按金之減值按十二個月預期信貸虧損或全期預期信貸虧損計量，視乎自初步確認以來信貸風險有否顯著上升。倘應收賬款之信貸風險自初步確認以來顯著上升，則減值按全期預期信貸虧損計量，其他詳情見附註3.1(b)。

2.13 抵銷金融工具

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Inventories

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

2.15 Trade and other receivables

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and bill receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for impairment. See Note 2.12(d) for a description of the Group's impairment policies.

2.16 Cash and cash equivalents

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

2 主要會計政策概要(續)

2.14 存貨

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

2.15 應收賬款及其他應收賬款

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

應收賬款及其他應收賬款於確認公允價值時,初步無條件按代價金額確認,除非其具重大融資成份在內。本集團持有應收賬款及票據,在於收取約定現金流量,及其後以實際利息法按攤銷成本減去減值撥備計量。有關本集團之減值政策情況見附註2.12(d)。

2.16 現金及現金等值

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Share capital

Ordinary shares are classified as equity.

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

2.18 Trade and other payables

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

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

2.19 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges),
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

2 主要會計政策概要(續)

2.17 股本

普通股分類為權益。

發行新股份或購股權直接應佔的新增成本在權益中列為經扣除稅項後扣減所得款項。

2.18 應付賬款及其他應付賬款

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

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

2.19 衍生工具及對沖活動

衍生工具於衍生工具合約訂立之日按公允價值初步確認,且隨後在各報告期末按其公允價值重新計量。

公允價值後續變動的會計處理取決於衍生工具是否被指定為對沖工具,且倘被指定為對沖工具,則取決於被對沖項目之性質。本集團指定若干衍生工具為:

- 已確認資產或負債或一項確定承擔之公允價值對沖(公允價值對沖),
- 與已確認資產及負債及極有可能的預期交易相關現金流的一項特定風險對沖(現金流量對沖),或
- 一項境外業務的投資淨額對沖(投資淨額對沖)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Derivatives and hedging activities (Continued)

At the inception of the hedging, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedges items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months or if the counter party has the right to terminate the hedging instruments anytime. Trading derivatives are classified as a current asset or liability.

Cash flow hedge that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within “Other gains/(losses) – net”.

2 主要會計政策概要(續)

2.19 衍生工具及對沖活動(續)

於對沖開始時，本集團記錄對沖工具與所對沖項目之間的經濟關係，包括對沖工具的現金流量變動是否預期將抵銷所對沖項目的現金流量變動。本集團記錄其風險管理目標及進行其對沖交易的策略。

當所對沖項目的剩餘到期日超過12個月，則對沖衍生工具的全部公允價值分類為非流動資產或負債；當所對沖項目的剩餘到期日少於12個月或倘交易方有權隨時終止對沖工具，則其分類為流動資產或負債。交易衍生工具分類為流動資產或負債。

符合對沖會計資格的現金流量對沖

被指定為合資格作為現金流量對沖的衍生工具，公允價值變動的有效部分在權益內的對沖儲備中確認。無效部分有關之收益或虧損即時在「其他收益／(虧損) – 淨額」內於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Derivatives and hedging activities (Continued)

Cash flow hedge that quantity for hedge accounting (Continued)

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset, both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

2 主要會計政策概要(續)

2.19 衍生工具及對沖活動(續)

符合對沖會計資格的現金流量對沖(續)

當所對沖項目影響損益，累計權益之金額於期間重新分類如下：

- 倘所對沖項目其後導致確認非金融資產，則遞延對沖收益及虧損以及期權合約的遞延時間價值或遞延遠期點數(如有)計入資產的初始成本。所對沖項目影響損益，遞延金額最終於損益中確認。
- 與利率掉期對沖浮動利率借款的有效部分有關的收益或虧損同時在財務費用內的損益中確認為所對沖借款的利息開支。

當對沖工具屆滿或被出售或終止時，或當對沖不再滿足對沖會計標準時，當時任何累計遞延收益或虧損及於權益的遞延對沖成本將保留於權益中，直至預期交易發生為止，導致確認非金融資產。當預期交易預計不再發生時，權益中報告的累計收益或虧損及遞延對沖成本即時重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Borrowings

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

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

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

2.21 Borrowings costs

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

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

2 主要會計政策概要(續)

2.20 借貸

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

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

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

2.21 借貸成本

因收購、建造或生產合資格資產(指須經長時間準備作擬定用途或出售之資產)直接產生之一般及特定借貸成本乃計入該等資產成本，直至該等資產大致上已準備就緒作擬定用途或出售。

所有其他借貸成本均於其產生期間於綜合損益表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Current and deferred income tax

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

(a) Current income tax

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

(b) Deferred income tax

Inside basis differences

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

2 主要會計政策概要(續)

2.22 當期及遞延所得稅

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

(a) 當期所得稅

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

(b) 遞延所得稅

內在差異

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Current and deferred income tax (Continued)

(b) *Deferred income tax (Continued)*

Inside basis differences (Continued)

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

Outside basis differences

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

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

2 主要會計政策概要(續)

2.22 當期及遞延所得稅(續)

(b) *遞延所得稅(續)*

內在差異(續)

遞延所得稅資產在很有可能將未來應課稅溢利與可動用之短暫差異抵銷情況下確認。

外在差異

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Current and deferred income tax (Continued)

(c) *Offsetting*

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

2.23 Employee benefits

(a) *Pension obligation*

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

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

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

2 主要會計政策概要(續)

2.22 當期及遞延所得稅(續)

(c) *抵銷*

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

2.23 僱員福利

(a) *退休金責任*

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Employee benefits (Continued)

(b) Termination benefits

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

(c) Bonus plans

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

(d) Employee leave entitlements

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

2 主要會計政策概要(續)

2.23 僱員福利(續)

(b) 終止僱傭福利

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

(c) 花紅計劃

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

(d) 僱員應享假期

僱員應享年假於應計予僱員時確認。因僱員提供服務享有之年假，估計負債計提撥備直至報告日止。僱員應享病假及分娩假期於支取時方才確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Employee benefits (Continued)

(e) Long service payments

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

2.24 Share-based payments

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

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

2 主要會計政策概要(續)

2.23 僱員福利(續)

(e) 長期服務金

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

2.24 以股份為基礎之支付

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Share-based payments (Continued)

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

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

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

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

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

2 主要會計政策概要(續)

2.24 以股份為基礎之支付(續)

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Provision

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

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

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

2 主要會計政策概要(續)

2.25 撥備

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Revenue recognition

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

(a) Sales of goods

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has full discretion over channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs until the products have been shipped to the specified location, the risk of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with sales contracts, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

Revenue from these sales is recognised based on the price specified in the contract. Accumulated experience is used to estimate and provide for the returns, if any, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with credit terms that are consistent with market practice.

2 主要會計政策概要(續)

2.26 收入確認

收入按已收或應收代價之公允價值計算，並相當於所供貨品及所作服務之應收金額，扣除折扣、退貨及增值稅後列賬。當收入數額能夠可靠計量、未來經濟利益將可能流至本集團，而本集團各項活動均符合具體條件時(如下文所述)，本集團則會確認收入。

(a) 貨品銷售

當集團實體已將產品交付予客戶，客戶對銷售產品之渠道及價格擁有完全決定權，且並無未履行之責任可影響客戶接受產品時，會確認貨品銷售。產品付運至指定地點、陳舊及虧損之風險已轉讓予客戶；客戶按銷售合約接納產品後及概無未履義務可影響客戶接納產品，交付方始生效。

該等銷售之收入乃根據合約訂明之價格確認。使用累計經驗以預期價值法估計及撥備退貨(如有)，且收益僅於極大可能不會產生重大撥回時確認。銷售之信貸期符合市場慣例，故並不視為存在融資成分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Revenue recognition (Continued)

(b) Service income

Revenue from providing service is recognised in accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of actual services provided as a proportion of the total service to be provided.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(c) Rental income

Rental income from investment properties is recognised in the consolidated income statement on a straight-line basis over the period of the relevant leases.

(d) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2 主要會計政策概要(續)

2.26 收入確認(續)

(b) 服務收入

服務收入經參考特定交易之完成階段並按已提供實際服務佔將予提供之總服務比例評估後，在提供服務之會計期內確認。

合約負債為本集團已從客戶收取代價(或到期之代價金額)而將貨品或服務轉交客戶之義務。倘若客戶在本集團轉交貨品或服務予客戶前支付代價，則合約負債於付款時或款項到期時(以較早者為準)確認。合約負債在本集團履行合約時確認為收益。

(c) 租金收入

投資物業之租金收入按直線法於相關租賃期間在綜合損益表中確認。

(d) 融資成分

本集團不預期具有任何合約，當中從向客戶轉交承諾之貨品或服務起至客戶付款之間超過一年。因此，本集團未因資金的時間值而調整任何交易價格。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.27 Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.28 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.29 Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;

2 主要會計政策概要(續)

2.27 利息收入

利息收入以金融資產賬面值按實際利率作計算，惟其後變作信貸減值之金融資產則除外。對信貸減值之金融資產，按經扣除虧損撥備後之金融資產賬面淨值採用實際利率計算。

2.28 股息收入

股息收入於確定有權收取款項時確認。

2.29 租賃

作為承租人

租賃於租賃資產可供本集團使用當日起確認使用權資產及其相應負債。

合約可能同時包含租賃部分及非租賃部分。本集團按租賃部分及非租賃部分之相對獨立價格將合約代價分配至各部分。

租賃產生之資產及負債初步按現值作計量。租賃負債包括以下租賃付款之淨現值：

- 固定付款（包括實質固定付款），扣除任何應收租賃優惠；
- 根據一項指數或利率計算之可變租賃付款，初步按於開始日期之有關指數或利率計量；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.29 Leases (Continued)

As a lessee (Continued)

- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2 主要會計政策概要(續)

2.29 租賃(續)

作為承租人(續)

- 預期本集團根據剩餘價值保證支付之金額；
- 購買選擇權之行使價（倘可合理地確定本集團將行使該選擇權）；及
- 支付終止租賃之罰款（倘租期反映本集團行使該選擇權）。

租賃付款使用租賃隱含之利率貼現。倘利率難以釐定，大致如同本集團租賃之狀況，則使用承租人之增量借貸利率，即個別承租人在類似經濟環境中就類似條款、抵押及條件借入為取得與使用權資產價值相若之資產所需資金而須支付之利率。

為釐定增量借貸利率，本集團使用個別承租人最近獲得之第三方融資作為起始點，並作出調整以反映自獲得第三方融資以來融資條件之變動。

租賃付款於本金與財務費用之間作出分配。財務費用於租期內自損益中扣除，使各期間負債餘額結餘之週期利率維持固定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.29 Leases (Continued)

As a lessee (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

2 主要會計政策概要(續)

2.29 租賃(續)

作為承租人 (續)

使用權資產按成本計量，包括以下各項：

- 租賃負債之初步計量金額；
- 於起始日期或之前作出之任何租賃付款，減去已收之任何租賃優惠；
- 任何初始直接成本；及
- 修復成本。

使用權資產通常於資產之可使用年期或租期（以較短者為準）內以直線法折舊。倘本公司合理地確定將行使一項購買選擇權，則使用權資產於相關資產之可使用年期內折舊。

與短期租賃及低價值資產租賃相關之付款以直線法於損益中確認為支出。短期租賃指租期為十二個月或以下之租賃。

倘符合以下條件，則本集團將租賃修訂作為一項單獨租賃進行會計處理：

- 該修訂通過加入對一項或多項相關資產的使用權擴大租賃範圍；及
- 租賃代價金額增加視乎對範圍增加之單獨價格及反映特定合約時對單獨價格任何恰當之調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.29 Leases (Continued)

As a lessee (Continued)

For a lease modification that is not accounted for a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets.

As a lessor

Lease income where the Group is a lessor is recognised in consolidated income statement on a straight-line basis over the lease term. The respective leased assets are included in the consolidated statement of financial position based on their nature.

2.30 Dividend distribution

Dividend distribution to the Company's owners is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or Directors, where appropriate.

2.31 Government grants

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

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to assets are deducted against the carrying amount of the assets.

2 主要會計政策概要(續)

2.29 租賃(續)

作為承租人(續)

對於不作為一項單獨租賃進行會計處理的租賃修訂，在修訂的生效日期，本集團根據經修訂租賃的租期，通過使用經修訂貼現率對經修訂租賃款項進行貼現以重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，對租賃負債進行重新計量。

作為出租人

本集團作為出租人之租賃收入於租期內以直線法於綜合損益表內確認。各租賃資產按其性質計入綜合財務狀況表。

2.30 股息分派

向本公司擁有人分派之股息，在股息於期內獲得本公司股東或董事(倘適當)批准並於本集團及本公司之財務報表確認為負債。

2.31 政府補助

當能合理保證本集團將收到政府補助時，且本集團將遵守所有附加條件，有關補助按其公允價值予以確認。

與成本有關的政府補助，按擬補償成本的所產生期間於損益中遞延及確認。

有關資產的政府補助用於扣減該等資產的賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

Risk management is carried out by a central treasury department (group treasury) under policies approved by the Board of Directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

(a) Market risk

(i) Price risk

The Group is subject to commodity price risk because certain subsidiaries of the Group are engaged in the trading of steel products. As at 31st March 2021 and 2020, the Group had committed sales orders for steel products for which the selling price is fixed, which exceeded the aggregate amount of on-hand inventories. As the prices of steel products can fluctuate materially, the Group's results may be affected significantly by future fluctuations in steel prices (Note 4(c)). To manage its commodity price risk arising from committed sales orders, the Group is closely monitoring the market price of steel products and adjusting its procurement strategy accordingly.

3 財務風險管理

3.1 財務風險因素

本集團之經營活動面對各種財務風險：市場風險(包括價格風險、外匯風險及現金流量及公允價值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於財務市場之難預測性及尋求減低對本集團財務表現之潛在不利影響。

風險管理由中央司庫部(集團司庫)按照董事會批准之政策執行。本集團司庫透過與集團經營單位之緊密合作，負責確定、評估和對沖財務風險。董事會為整體風險管理訂定書面原則及書面政策，涵蓋外匯風險、利率風險及信貸風險等特定領域。

(a) 市場風險

(i) 價格風險

由於本集團之若干附屬公司從事鋼材產品貿易，故此本集團面對商品價格風險。於二零二一年及二零二零年三月三十一日，本集團確定其固定售價之鋼材產品銷售訂單已超過手頭存貨。由於鋼材產品之價格可大幅波動，本集團之業績將可能面對重大未來鋼材價格波動之影響(附註4(c))。本集團密切監察鋼材產品之市價及相應調整其採購策略，以管理已確定銷售訂單產生之商品價格風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Price risk (Continued)

The Group also exposed to price risk mainly arising from investments held by the Group and classified on the consolidated statement of financial position as financial assets at fair value through profit or loss and financial asset at fair value through other comprehensive income. Management considers that its price risk is insignificant.

(ii) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar (“US\$”) and the Chinese Renminbi (“RMB”). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 價格風險(續)

本集團也面對主要由本集團持有之投資產生之價格風險，並於綜合財務狀況表按公允價值計入損益及按公允價值計入其他全面收益之金融資產。管理層認為，其價格風險並不重大。

(ii) 外匯風險

本集團業務跨越多國，因此面對源於各種貨幣之外匯風險，主要涉及美元(「美元」)及人民幣(「人民幣」)。外匯風險源於未來商業交易、已確認資產及負債及外國業務淨投資。

管理層已訂立政策，要求集團公司管理對其功能貨幣有關之外匯風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Foreign exchange risk (Continued)

The Group has certain investments in foreign operations, of which the net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31st March 2021, if HK\$ had strengthened/weakened by 5% (2020: 5%) against RMB with all other variables held constant, profit before income tax would have been approximately HK\$338,000 higher/lower (2020: loss before income tax would have been approximately HK\$1,189,000 lower/higher), mainly as a result of foreign exchange gains/(losses) on translation of RMB-denominated monetary assets and liabilities.

As HK\$ are reasonably stable with US\$ under the Linked Exchange Rate System, the management considers the Company's foreign exchange risk arisen from US\$ is insignificant. Thus, no sensitivity analysis is presented.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 外匯風險(續)

本集團持有若干境外經營投資，其資產淨額承受外幣匯兌風險。來自本集團境外經營資產淨額所產生之貨幣風險，主要以相關外幣計值之借貸進行管理。

於二零二一年三月三十一日，倘港元兌人民幣上升／下跌5%(二零二零年：5%)，而所有其他可變因素維持不變，則除所得稅前溢利應增加／減少約338,000港元(二零二零年：除所得稅前虧損應減少／增加約1,189,000港元)，乃主要由於兌換以人民幣計值之貨幣資產及負債之匯兌收益／(虧損)所致。

由於在聯繫匯率制度下港元兌美元合理穩定，管理層認為本公司來自美元之外匯風險輕微。因此，並無呈列敏感度分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest bearing assets except for cash and bank deposits, which earn low interest rate. The Group's interest rate risk arises mainly from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk except those under hedge accounting to change from variable rate to fixed rate.

As at 31st March 2021, borrowings of HK\$128,000,000 (31st March 2020: Nil) are converted from quarterly variable interest payment to a quarterly fixed rate payment through interest rate swap arrangements. The interest rate swaps and the corresponding bank borrowings have similar terms, such as principal amounts, currency, interest period, maturity dates and the counterparty, and the Directors consider that the interest rate swaps are highly effective hedging instruments and are designated as cash flow hedging instruments from floating interest rates to fixed interest rates.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 現金流量及公允價值利率風險

由於本集團除賺取低息率之現金及銀行存款外概無重大付息資產，本集團之收入及經營現金流量實質上不受市場利率變動所影響。本集團之利率風險主要來自借貸。浮息借貸使本集團面對現金流量利率風險，惟該等於對沖會計項下由浮動利率轉為固定利率的借貸則除外。

於二零二一年三月三十一日，128,000,000港元的借貸(二零二零年三月三十一日：無)已透過利率掉期安排由季度浮動利息付款轉為季度固定利率付款。利率掉期與相應的銀行借貸具有相似之條款，例如本金金額、貨幣、利率期限、到期日及交易對應方等，董事認為該利率掉期為高度有效之對沖工具，並被指定由浮動利率轉為固定利率的現金流量對沖工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Cash flow and fair value interest rate risk (Continued)

At 31st March 2021, if interest rates on floating rate borrowings had been 100 basis points higher/lower with all other variables held constant, profit before income tax for the year would have been approximately HK\$13,103,000 lower/higher (2020: loss before income tax for the year would have been approximately HK\$14,156,000 higher/lower), mainly as a result of higher/lower interest expenses on floating rate borrowings.

(b) Credit risk

(i) Risk management

The credit risk of the Group mainly arises from trade and bill receivables, deposits and other receivables and cash and cash equivalents.

Management considers that the Group has limited credit risk with its banks which are leading and reputable with investment grade credit rating. The Group has not incurred significant loss from non-performance by these parties in the past and management does not expect so in the future. Therefore, expected credit loss rate of cash at bank is assessed to be immaterial and no provision was made as at 31st March 2021.

The Group has policies in place to ensure that sales are made to reputable and creditworthy customers with an appropriate financial strength, credit history and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 現金流量及公允價值利率風險(續)

於二零二一年三月三十一日，倘浮息借貸之利率增加／減少100個基點，而所有其他可變因素維持不變，則年內除所得稅前溢利應減少／增加約13,103,000港元(二零二零年：除所得稅前虧損應增加／減少約14,156,000港元)，乃主要由於浮息借貸之利息支出增加／減少所致。

(b) 信貸風險

(i) 風險管理

本集團信貸風險主要來自應收賬款及票據、按金及其他應收賬款以及現金及現金等值。

管理層認為，本集團以投資等級信用評級為主流及具有信譽銀行來減少信貸風險。本集團過往尚未與此等銀行因未能履約而產生重大虧損，而管理層亦日後不會預期。因此，銀行現金之預期信貸虧損率，評核為並不重大，於二零二一年三月三十一日概無計提撥備。

本集團具備政策，以確保銷售予聲譽及信譽良好且具備適當財政實力、信貸記錄及押付恰當比例訂金之客戶，亦具備其他監測程序，以確保執行跟進工作，索回逾期債務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

Majority of the Group's revenue is received from customers in relation to trading of sanitary wares and kitchen cabinets and distribution and processing of construction materials. As at 31st March, 2021, top 10 customers of the Group accounted for approximately 34% (2020: 22%) to the total trade and bill receivables of the Group. The Group has set up long-term cooperative relationship with these customers. In view of the history of business dealings with these customers and the collection history of the receivables due from them, management believes that there is no material credit risk inherent in the Group's outstanding receivable balance due from these customers saved for the debtors related to the impaired trade receivable disclosed below. Management makes periodic assessment on the recoverability of trade and other receivables based on historical payment records, the length of the overdue period, the financial strength of the debtors, the overall macro-economic environment and whether there are any disputes with the debtors. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the Directors are of the opinion that adequate provision for uncollectible receivables has been made in these consolidated financial statements.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

本集團絕大部分收益來自衛浴潔具及廚具以及建材原材料分銷與加工之客戶。於二零二一年三月三十一日，本集團首10大客戶佔本集團應收賬款及票據總額約34%（二零二零年：22%）。本集團已與此等客戶建立長期合作關係。鑑於與此等客戶之業務買賣往績及應收賬款收回往績，管理層相信本集團應收自此等客戶之應收結餘概無重大信貸風險，惟下文披露有關減值應收賬款之債務人除外。管理層根據過往付款記錄、逾期時間、債務人財務能力、整體宏觀經濟環境及與債務人有否任何爭議，定期評估應收賬款及其他應收賬款之可收回能力。本集團收回應收賬款及其他應收賬款之過往經驗均在已撥備之範疇，而董事認為已就不可收回之應收賬款於本綜合財務報表中作足夠撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets

The Group has three main types of financial assets that are subject to the expected credit loss model:

- trade receivables;
- cash and cash equivalents and pledged bank deposits; and
- other financial assets measured at amortised costs (including deposits and other receivables and bill receivables).

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the Directors consider that the identified impairment loss was immaterial.

(ii) Impairment of financial assets

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Group measures the expected credit losses on a combination of both individual and collective basis.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產減值

本集團受限於預期信貸虧損模式，具三種主要金融資產分類：

- 應收賬款；
- 現金及現金等值及已抵押銀行存款；及
- 按攤銷成本計量之其他金融資產(包括按金、其他應收賬款及應收票據)。

其中現金及現金等值亦須遵循香港財務報告準則第9號之減值規定，惟董事認為已識別之減值虧損並不重大。

(ii) 金融資產減值

應收賬款

本集團應用香港財務報告準則第9號簡化方式計量預期信貸虧損，就所有應收賬款計提全期預期虧損撥備。本集團結合個別及共同基準計量預期信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of expected credit loss on individual basis

Receivables relating to customers with known financial difficulties or significant doubt on collection of receivables are assessed individually for provision for impairment allowance.

Measurement of expected credit loss on collective basis

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31st March 2020 and 31st March 2019, respectively and the corresponding historical credit losses experienced within this year. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. For customers relating to the trading business in the PRC, the Group has identified the PRC's GDP growth rate and population growth rate to be the most relevant factors. For customers in Hong Kong, the Group has identified the Hong Kong's GDP growth rate and inflation rate for trading business while Hong Kong's GDP growth and unemployment rate for manufacturing business to be the most relevant factors. The Group adjusts the historical loss rates based on expected changes in these factors accordingly.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產減值(續)

按個別基準計量預期信貸虧損

對於具重大財政困難或收回應收賬款深存疑問的客戶，其減值撥備則個別評定。

按共同基準計量預期信貸虧損

預期虧損率乃根據分別於二零二零年三月三十一日及二零一九年三月三十一日前二十四個月期間銷售之付款情況以及本年內承受之相應過往預期信貸虧損計算。過往虧損率會予以調整，以反映當前及來年宏觀經濟因素影響客戶清償應收賬款能力。對有關於中國內地貿易業務之客戶，本集團已確定中國內地生產總值增長率及人口增長率為最相關因素。對香港客戶，本集團確定就貿易業務而言，香港本地生產總值增長率及通脹率以及就製造業務而言，香港本地生產總值增長及失業率為最相關的因素。本集團根據該等因素的預期變動相應調整歷史虧損率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素(續)

(b) Credit risk (Continued)

(b) 信貸風險(續)

(ii) Impairment of financial assets (Continued)

(ii) 金融資產減值(續)

To measure the expected credit losses, trade receivables have been grouped based on the nature of customer accounts, shared credit risk characteristics and the days past due.

為計量預期信貸虧損，應收賬款已按客戶賬目性質、共同信貸風險特性及逾期日數歸類。

On the above individual and collective basis, the loss allowance as at 31st March 2021 and 2020 were determined as follows:

於上述個別及共同基準下，於二零二一年及二零二零年三月三十一日之虧損撥備釐定如下：

	Current	1-60 days past due 逾期	61-120 days past due 逾期	121-180 days past due 逾期	181-365 days past due 逾期	Over 365 days past due 逾期超過	Total
	當期	1-60日	61-120日	121-180日	181-365日	365日	總計
	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31st March 2021	於二零二一年三月三十一日						
Gross carrying amount – trade receivables	284,471	26,408	16,004	10,692	7,061	21,170	365,806
Loss allowance	(529)	(911)	(404)	(608)	(752)	(17,587)	(20,791)
Net carrying amount – trade receivables	283,942	25,497	15,600	10,084	6,309	3,583	345,015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素(續)

(b) Credit risk (Continued)

(b) 信貸風險(續)

	Current	1-60 days past due	61-120 days past due	121-180 days past due	181-365 days past due	Over 365 days past due	Total
	當期	1-60日 逾期	61-120日 逾期	121-180日 逾期	181-365日 逾期	365日 逾期超過	總計
	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31st March 2020	於二零二零年三月三十一日						
Gross carrying amount – trade receivables	206,212	42,952	14,904	7,211	11,696	19,714	302,689
Loss allowance	(3)	(54)	(23)	—	(666)	(18,159)	(18,905)
Net carrying amount – trade receivables	206,209	42,898	14,881	7,211	11,030	1,555	283,784

Impairment losses on trade receivables are presented as “(impairment loss on)/reversal of financial assets - net” within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised costs

Management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit loss which is considered insignificant.

應收賬款減值虧損在經營溢利中以「金融資產減值(虧損)/撥回－淨額」呈列。其後收回過往撇銷之金額會於同一項目入賬。

按攤銷成本列賬之其他金融資產

參考交易對手過往違約率及目前財務狀況，管理層認為信貸風險自首次確認以來並未大幅增加。減值撥備乃根據12個月預期信貸虧損釐定，其金額並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 32) at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio of the consolidated statement of financial position targets.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in time deposits, marketable securities, and choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group held cash and cash equivalents of approximately HK\$119,098,000 (2020: HK\$120,045,000) (Note 28) and trade and bill receivables, net, of approximately HK\$363,814,000 (2020: HK\$358,932,000) (Note 26) that are expected to readily generate cash inflows for managing liquidity risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

現金流量預測是在本集團之各經營實體執行，並由集團財務總計。本集團財務監察本集團流動資金需求之滾動預測，確保有足夠現金應付經營需要，亦同時於任何時間維持充足之未提取承諾借貸融資(附註32)，以使本集團不違反任何借貸限額或任何借貸融資契諾。此等預測考慮到本集團債務融資計劃、契諾合規及符合內部綜合財務狀況表比率目標。

當經營實體持有之剩餘現金超過營運資本管理所需餘額時，會轉撥至本集團司庫。本集團司庫將剩餘現金投資於定期存款及有價證券，並透過選擇上述預測所決定具有適當到期日或足夠流動性之工具，提供充足空間。於報告日，本集團持有現金及現金等值約119,098,000港元(二零二零年：120,045,000港元)(附註28)及應收賬款及票據淨額約363,814,000港元(二零二零年：358,932,000港元)(附註26)，預期可即時產生現金流入以管理流動資金風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3 財務風險管理(續)

3.1 Financial risk factors (Continued)

3.1 財務風險因素(續)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(c) 流動資金風險(續)

下表載列本集團之金融負債，有關到期組別，根據於報告日至合約屆滿日之餘下期間進行分析。下表披露之金額為合約未貼現現金流。

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 31st March 2021	於二零二一年 三月三十一日				
Trade and bill payables	應付賬款及票據	245,354	—	—	245,354
Other payables	其他應付賬款	24,752	4,301	6,846	35,899
Borrowings	借貸	674,987	63,660	717,096	1,455,743
Interest payable	應付利息	57,273	36,077	17,302	110,652
Lease liabilities	租賃負債	4,688	2,078	—	6,766
Derivative financial instruments	衍生金融 工具	1,084	—	—	1,084
		1,008,138	106,116	741,244	1,855,498
At 31st March 2020	於二零二零年 三月三十一日				
Trade and bill payables	應付賬款及票據	166,929	—	—	166,929
Other payables	其他應付賬款	25,453	2,599	8,545	36,597
Borrowings	借貸	561,394	47,816	808,363	1,417,573
Interest payable	應付利息	70,865	45,243	59,638	175,746
Lease liabilities	租賃負債	24,635	3,543	—	28,178
		849,276	99,201	876,546	1,825,023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital risk management

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

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

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities less pledged bank deposits and cash and cash equivalents. Total capital is calculated as equity (excluding non-controlling interests), as shown in the consolidated statement of financial position, plus net debt.

The gearing ratios at 31st March 2021 and 2020 were as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Total borrowings (Note 32)	借貸總額(附註32)	1,454,642	1,415,638
Total lease liabilities (Note 16)	租賃負債總額(附註16)	6,519	27,192
Less: Cash and cash equivalents and pledged bank deposits (Note 28)	減：現金及現金等值以及已抵押銀行存款(附註28)	(173,106)	(129,182)
Net debt	淨債務	1,288,055	1,313,648
Total equity (excluding non-controlling interests)	權益總額(不包括非控制性權益)	887,721	805,845
Total capital	資本總額	2,175,776	2,119,493
Gearing ratio	資本負債比率	59%	62%

3 財務風險管理(續)

3.2 資金風險管理

本集團管理資金之目標為保障本集團持續經營之能力，以為股東提供回報及為其他持份者提供利益，並保持一個最佳資本架構以減少資本成本。

為維持或調節資本架構，本集團可調節向股東派付之股息金額、退回資本予股東、發行新股份或出售資產以減債。

為與同業一致，本集團根據資本負債比率監察資本。該比率乃以淨負債除以資本總額計算得出。淨負債乃以借貸及租賃負債總額減已抵押銀行存款以及現金及現金等值計算。如綜合財務狀況表所示，資本總額以權益(不包括非控制性權益)加淨負債計算。

於二零二一年及二零二零年三月三十一日之資本負債比率如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation

The tables below analyses the Group's financial instruments carried at fair value as at 31st March 2021 and 2020, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

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

See Note 15 for disclosures of the investment properties that are measured at fair value which is included in level 3.

The following table presents the Group's financial assets and liability that are measured at fair value at 31st March 2021.

3 財務風險管理(續)

3.3 公允價值估算

下表通過估值技術輸入等級，分析本集團於二零二一年及二零二零年三月三十一日按公允價值入賬之金融工具。此等輸入，於公允價值等級分類為以下三層：

- 在活躍市場報價(未經調整)之相同資產或負債(第一層)。
- 除包括在第一層可觀察資產或負債之報價外輸入，可為直接(即例如價格)或間接(即源自價格)(第二層)。
- 資產或負債並非依據可觀察市場數據之輸入(即非可觀察輸入)(第三層)。

包括在第三層之投資物業，其按公允價值計量之披露資料，請參閱附註15。

下表顯示本集團於二零二一年三月三十一日按公允價值計量之金融資產及負債。

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Financial assets	金融資產				
Financial asset at FVOCI	按公允價值計入其他全面收入之金融資產				
– Shares listed on The Stock Exchange of Hong Kong Limited	– 於香港聯合交易所有限公司上市之股份	4,203	—	—	4,203
Financial liability	金融負債				
Derivative financial instruments	衍生金融工具	—	(1,084)	—	(1,084)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3 財務風險管理(續)

3.3 Fair value estimation (Continued)

3.3 公允價值估算(續)

The following table presents the Group's financial assets that are measured at fair value at 31st March 2020.

下表顯示本集團於二零二零年三月三十一日按公允價值計量之金融資產。

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Financial assets	金融資產				
Financial asset at FVPL	按公允價值計入損益之金融資產				
– Structured bank products	– 結構性銀行產品	—	15,820	—	15,820
Financial asset at FVOCI	按公允價值計入其他全面收入之金融資產				
– Shares listed on The Stock Exchange of Hong Kong Limited	– 於香港聯合交易所有限公司上市之股份	62	—	—	62
Total	總額	62	15,820	—	15,882

There were no transfers among levels 1, 2 and 3 during the year.

於本年度，第一層、第二層及第三層之間並無轉撥。

Financial instruments in level 1

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

於第一層之金融工具

於活躍市場買賣之金融工具之公允價值乃按於報告日之市場報價計算。倘該報價可容易或定期取自交易所、經銷商、經紀、行業組織、股價服務或監管機構，而該等報價反映實際及定期按公平原則進行之市場交易，該市場則視為活躍。本集團持有之金融資產所使用之市場報價為現行買入價。該等工具包括在第一層。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (Continued)

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments included in level 2 comprises primary instruments in structured bank deposits that have been classified as financial assets at fair value through profit or loss and interest rate swaps that have been classified as derivative financial instruments.

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Valuation of investment properties

The Group carries its investment properties at fair value with changes in the fair value recognised in the consolidated income statement. The fair value of investment properties was determined by using valuation technique and management updates their assessment of the fair value of each property, taking into account the key valuation assumptions, including adjusted market yield and adjusted units' rates. Details of the judgements and assumptions have been disclosed in Note 15.

3 財務風險管理(續)

3.3 公允價值估算(續)

於第二層之金融工具

並無於活躍市場買賣之金融工具(例如場外衍生工具),其公允價值運用估值方法釐定。該等估值方法盡可能運用可觀察之市場數據(如有),並少依賴主體之特定估計。如計算一項金融工具之公允價值所需之所有重大輸入皆為可觀察數據,則該金融工具包括在第二層。在第二層之工具包括分類為按公允價值計入損益之金融資產之結構性銀行存款的主要工具及分類為衍生金融工具的利率掉期。

如一項或多項重大輸入並非根據可觀察市場數據,則該金融工具包括在第三層。

4 重要會計推算及判斷

根據過往經驗及其他因素(包括在現況下相信為未來事件之合理預期)對推算及判斷作出持續評估。

本集團就未來作出推算及假設。顧名思義,由此而生之會計推算極少與相關實際結果相同。下文論述具有會導致須對下一個財政年度之資產及負債之賬面金額作出重大調整之重大風險推算及假設。

(a) 投資物業的估值

本集團按公允價值持有之投資物業,其公允價值變動於綜合損益表內確認列賬。投資物業之公允價值乃根據估值方法,管理層更正對各物業公允價值的評估而釐定,其中經考慮主要估值假設,包括經調整市場收益率及經調整單位價格。判斷及假設之詳情已於附註15披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Recognition of deferred income tax assets

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

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred income tax assets and income tax charges in the period in which such estimates have been changed.

(c) Onerous contract provision

As at 31st March 2021, the Group had committed sales orders which exceeded the aggregate amount of on-hand inventories and committed purchase orders. If the cost of certain future purchases to fulfil these sales orders exceeds the contracted selling prices of the sales orders, a provision for onerous contracts would be made. In estimating the amount by which the cost of purchases are expected to exceed sales prices of committed sales orders, management takes into account the cost of on-hand inventories and the forecast market price of future purchases where this can be reliably estimated.

4 重要會計推算及判斷(續)

(b) 遞延所得稅資產確認

本集團主要須繳納香港及中國內地之所得稅。在釐定全球所得稅撥備時，需要作出重大判斷。於日常業務過程中，眾多交易及計算之最終稅項釐定尚未確定。本集團按日後會否須繳納額外稅項，從而對預期稅務審核確認負債。倘該等事宜之最終稅務結果與最初記錄之金額不符，此等差異將影響該釐定期間內之所得稅及遞延所得稅撥備。

倘管理層認為可動用未來應課稅溢利以對銷短暫差異或稅項虧損，則會確認與若干短暫差異及稅項虧損有關之遞延所得稅資產。倘預期結果與原先之推算不同，此等差異將會對遞延所得稅資產確認及有關推算出現變動期間內之所得稅費用構成影響。

(c) 有償契約之撥備

於二零二一年三月三十一日，本集團已確定之銷售訂單已超過手頭存貨及已確定之購貨訂單總額。倘用以履行此等銷售訂單之若干未來採購成本比銷售訂單所訂約之售價為高，則會就有償契約作出一項撥備。在推算預期採購成本超出已確定銷售訂單之售價金額時，管理層會計及手頭存貨之成本及按可靠推算之未來採購之市場價格預測。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(d) Provision for impairment of property, plant and equipment

At the end of each reporting period, the Group review internal and external sources of information to identify indications that the property, plant and equipment may be impaired or an impairment loss previously recognised may be reversed.

If an indication of impairment is identified, the Group is required to estimate the recoverable value, representing the greater of the asset's fair value less cost to sell or its value in use. Changes in any of these estimates could result in a material change to the assets' carrying amount in the consolidated financial statements.

(e) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer demand and competitor actions in response to severe industry cycle. Management reassesses the estimations at each reporting date.

(f) Provision for impairment of trade and other receivables

The Group follows the guidance of HKFRS 9 to determine when trade and other receivables are impaired. This determination requires significant judgement and estimation based on assumptions about risk of default and expected loss rates. In making this judgement and estimation, the Group evaluates, among other factors, the duration of receivables and the financial health and collection history of individual debtors and expected future change of credit risks, including the consideration of factors such as general economy measure, changes in macroeconomic indicators etc. Details of the assumptions and inputs used are discussed in Note 3.1(b).

4 重要會計推算及判斷(續)

(d) 物業、廠房及設備之減值撥備

於各報告期末，本集團審閱內部及外部資料來源以識別物業、廠房及設備可能減值或先前確認之減值虧損可獲撥回之跡象。

倘一項減值跡象被確定，則本集團須估計可收回值，即資產之公允價值減出售成本或其使用價值(以較高者為準)。任何該等估計之變動均可能導致資產賬面值於綜合財務報表之重大變動。

(e) 存貨之可變現淨值

存貨之可變現淨值為日常業務過程中之推算售價減推算完成成本及可變銷售支出。該等推算乃基於現時市況以及銷售類似性質產品之過往經驗。其可因客戶之需求轉變及競爭對手為應付嚴峻行業週期採取之行動而大幅改變。管理層會於每個報告日重估該等推算。

(f) 應收賬款及其他應收賬款減值撥備

本集團依循香港財務報告準則第9號指引釐定應收賬款及其他應收賬款何時減值。此釐定按有關違約風險及預期虧損率之假設要求重大判斷及估算。作此判斷及估算時，本集團評估(其中包括)應收款項期限、個別債務人財務健全度及收款記錄，以及預期日後信貸風險變動等因素，包括考慮整體經濟措施、宏觀經濟指標變動等因素。所用假設值及輸入值之詳情於附註3.1(b)中探討。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(g) Useful lives and depreciation expenses for property, plant and equipment

The Group's management determines the estimated useful lives, and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore depreciation expense in future periods.

5 REVENUE AND SEGMENT INFORMATION

The Group's revenue consists of the following:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Sales of goods	貨品銷售	1,979,423	2,231,275
Service income	服務收入	56,563	42,038
Rental income	租金收入	37,646	51,718
Total revenue	收入總額	2,073,632	2,325,031

The Group's businesses are managed according to the nature of their operations and the products and services they provide.

4 重要會計推算及判斷(續)

(g) 物業、廠房及設備之可使用年期及折舊支出

本集團之管理層釐定其物業、廠房及設備之估計可使用年期，以及有關折舊費用。該估計乃根據性質及功能類似之物業、廠房及設備之實際可使用年期之過往經驗計算。實際經濟年期或與估計可使用年期不同。定期檢討可導致可使用年期改變，未來期間之折舊支出亦因而出現變動。

5 收入及分部資料

本集團之收入包括如下：

本集團按其營運性質及所提供之產品及服務管理其業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (“CODM”) that are used to making strategic decisions. The CODM is identified as the Executive Directors of the Company. The Executive Directors consider the business from a customer perspective and assess the performance of the operating segments based on the segment revenue and segment results for the purposes of allocating resources and assessing performance. These reports are prepared on the same basis as these consolidated financial statements. The CODM considers the Group operates predominantly in three operating segments:

- (i) Construction materials business;
- (ii) Building and design solutions (“BDS”) business; and
- (iii) Property investment and project management business.

The CODM assesses the performance of operating segments based on a measure of profit before income tax.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Segment assets by geographical market consist primarily of property, plant and equipment, investment properties, right-of-use assets, intangible assets, investments accounted for using the equity method, prepayments, deposits and other receivables. They exclude financial instruments and deferred income tax assets.

Capital expenditure comprises additions to investment properties and property, plant and equipment for the Year.

During the Year, the management has grouped the financial result of Engineering Plastics Business segment into unallocated due to the scaling down of its operation.

5 收入及分部資料(續)

管理層已根據主要營運決策者(「主要營運決策者」)審閱用以制定策略性決定之報告釐定營運分部。主要營運決策者界定為本公司執行董事。執行董事從客戶角度考量業務，並根據分部收入及分部業績以評估經營分部表現，從而配置資源及評估績效。此等報告與此綜合財務報表基於同一基準編製。主要營運決策者認為本集團主要經營三個營運分部：

- (i) 建築材料業務；
- (ii) 建築產品及設計方案(「建築產品及設計方案」)業務；及
- (iii) 房地產投資及項目管理業務。

主要營運決策者按稅前溢利的計量評估營運分部表現。

向主要營運決策者匯報的對外收入，其計量方法與此綜合財務報表一致。

按地域市場劃分之分部資產主要包括物業、廠房及設備、投資物業、使用權資產、無形資產、以權益法入賬之投資、預付款項、按金及其他應收賬款。金融工具及遞延所得稅資產則不包括在此分部資產。

於本年度，資本開支包括新增之投資物業以及物業、廠房及設備。

於本年度，由於縮減工程塑膠業務分部之營運規模，管理層已將其財務業績歸入未分配項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Analysis of the Group's results by business segment for the year ended 31st March 2021 is as follows:

5 收入及分部資料(續)

本集團於截至二零二一年三月三十一日止年度按業務分部之業績分析如下：

		Construction materials business 建築材料業務 HK\$'000 千港元	BDS business 建築產品及設計方案業務 HK\$'000 千港元	Property investment and project management business 房地產投資及項目管理業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收入					
– Recognised at a point in time	– 在某一時點確認	1,660,669	313,867	—	4,887	1,979,423
– Recognised over time	– 在一段時間內確認	—	—	56,563	—	56,563
– Rental income	– 租金收入	93	—	37,553	—	37,646
		1,660,762	313,867	94,116	4,887	2,073,632
Operating profit/(loss)	經營溢利/(虧損)	55,722	38,854	51,473	(50,049)	96,000
Finance income	財務收入	917	41	105	47	1,110
Finance costs	財務費用	(15,931)	(4,663)	(39,432)	(3,998)	(64,024)
Share of results of investments accounted for using the equity method	應佔按權益法入賬之投資業績	—	—	(19,724)	—	(19,724)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	40,708	34,232	(7,578)	(54,000)	13,362
Other gains/(losses) – net	其他收益/(虧損) – 淨額					
– Impairment of property, plant and equipment	– 物業、廠房及設備減值	—	—	—	(572)	(572)
– Others	– 其他	276	955	2,352	5,056	8,639
		276	955	2,352	4,484	8,067
Fair value loss on investment properties	投資物業之公允價值虧損	—	—	(8,362)	—	(8,362)
Capital expenditure	資本開支	275	316	1,595	8	2,194
Depreciation and amortisation	折舊及攤銷	(5,089)	(5,786)	(1,630)	(13,632)	(26,137)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Analysis of the Group's results by business segment for the year ended 31st March 2020 is as follows:

5 收入及分部資料(續)

本集團於截至二零二零年三月三十一日止年度按業務分部之業績分析如下：

		Construction materials business 建築材料業務 HK\$'000 千港元	BDS business 建築產品及設計方案業務 HK\$'000 千港元	Property investment and project management business 房地產投資及項目管理業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收入					
– Recognised at a point in time	– 在某一時點確認	1,864,565	275,915	—	90,795	2,231,275
– Recognised over time	– 在一段時間內確認	—	—	42,038	—	42,038
– Rental income	– 租金收入	215	—	51,503	—	51,718
		1,864,780	275,915	93,541	90,795	2,325,031
Operating profit/(loss)	經營溢利/(虧損)	38,526	30,250	57,852	(121,816)	4,812
Finance income	財務收入	847	65	47	257	1,216
Finance costs	財務費用	(31,176)	(4,210)	(38,615)	(5,615)	(79,616)
Share of results of investments accounted for using the equity method	應佔以權益法入賬之投資業績	—	—	(12,947)	—	(12,947)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	8,197	26,105	6,337	(127,174)	(86,535)
Other (losses)/gains – net	其他(虧損)/收益—淨額					
– Impairment of property, plant and equipment	– 物業、廠房及設備減值	—	—	—	(20,000)	(20,000)
– Others	– 其他	6,756	2,675	2,355	(1,896)	9,890
		6,756	2,675	2,355	(21,896)	(10,110)
Fair value (loss)/gain on investment properties	投資物業之公允價值(虧損)/收益	(843)	—	755	—	(88)
Capital expenditure	資本開支	5,780	237	1,539	2,096	9,652
Depreciation and amortisation	折舊及攤銷	(5,735)	(6,393)	(2,780)	(50,849)	(65,757)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

The Group is domiciled in Hong Kong and Mainland China. Analysis of the Group's revenue by geographical market is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Hong Kong	香港	1,393,815	1,725,744
Mainland China	中國內地	679,817	599,287
		2,073,632	2,325,031

Non-current assets, other than financial instruments and deferred income tax assets, by geographical market is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Hong Kong	香港	394,128	405,817
Mainland China	中國內地	1,434,069	1,333,430
		1,828,197	1,739,247

(a) Revenue recognition in relation to contract liabilities

As at 31st March 2021, contract liabilities included receipts in advance and deferred revenue amounting to HK\$53,537,000 (2020: HK\$57,258,000).

5 收入及分部資料(續)

本集團於香港及中國內地營運。本集團之收入按地域市場分析如下：

除金融工具及遞延所得稅資產外之非流動資產按地域市場分類如下：

(a) 有關合約負債之收入確認

於二零二一年三月三十一日，計入預收款項之合約負債及遞延收入之金額為53,537,000港元(二零二零年：57,258,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(a) Revenue recognition in relation to contract liabilities (Continued)

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward receipts in advance and deferred revenue:

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue recognised that was included in the receipts in advance and deferred revenue at the beginning of the year	57,258	33,992

(b) Unsatisfied long-term contract

The following table shows unsatisfied performance obligations resulting from fixed-price long-term sales contracts recognised at a point in time:

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Aggregate amount of the transaction price allocated to long-term sales contracts that are partially or fully unsatisfied as at 31st March	409,094	—

Management expects that 93.4% of the transaction price (HK\$382,297,000) allocated to unsatisfied performance obligations as of 31st March 2021 will be recognised as revenue during the next reporting period. The remaining 6.6% (HK\$26,797,000) will be recognised in the 2022/23 financial year.

All other contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5 收入及分部資料(續)

(a) 有關合約負債之收入確認(續)

下表顯示於本報告期間有關期初之預收款項及遞延收入確認為收入的金額。

(b) 未履行之長期合約

下表顯示於某一個時間點確認之固定價格長期銷售合約所產生之未履行之履約義務：

管理層預計，截至二零二一年三月三十一日分撥至未履行之履約義務之成交價之93.4%(382,297,000港元)將在下一個報告期確認為收入。剩餘的6.6%(26,797,000港元)將在二零二二/二零二三財政年度確認。

全部其他合約之期限為一年或以下。根據香港財務報告準則第15號之容許，分撥至該等未履行之合約之成交價並無須披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OTHER GAINS/(LOSSES) – NET

6 其他收益／(虧損) – 淨額

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Net exchange gains	淨匯兌收益	277	2,096
Impairment losses on property, plant and equipment (Note 14)	物業、廠房及設備減值虧損 (附註14)	(572)	(20,000)
Gain on modification of lease	租賃修訂之收益	2,865	109
Loss on disposal of a subsidiary and an associate (Note 38)	出售一間附屬公司及 一間聯營公司之虧損(附註38)	—	(41)
Penalty income from tenants in relation to early termination of rental agreements	來自租戶提前終止 租賃協議之 罰款收入	2,402	2,022
Sundry income	雜項收入	3,095	5,704
		8,067	(10,110)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EXPENSES BY NATURE

Expenses included in “cost of sales”, “selling and distribution expenses”, “(impairment loss on)/reversal of financial assets – net” and “general and administrative expenses” are analysed as follows:

7 按性質劃分之支出

計入「銷售成本」、「銷售及分銷支出」、「金融資產減值(虧損)/撥回一淨額」及「一般及行政支出」內的支出，其分析如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cost of finished goods sold	製成品銷售成本	1,703,668	1,992,552
Reversal of impairment of inventories	存貨減值撥回	(1,825)	(2,229)
Provision for onerous contracts (Note 31)	有償契約之撥備 (附註31)	33,280	—
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備之折舊 (附註14)	13,046	40,669
Depreciation of right-of-use assets (Note 16)	使用權資產之折舊 (附註16)	12,308	23,979
Loss/(gain) on disposals of property, plant and equipment (Note 36(b))	出售物業、廠房及設備之 虧損/(收益)(附註36(b))	145	(48)
Amortisation of intangible assets (Note 17)	無形資產之攤銷 (附註17)	783	1,109
Employee benefit expenses (Note 8)	僱員福利支出(附註8)	98,603	120,574
Expenses relating to short-term or low-value leases (Note 16)	有關短期或低價值租賃之支出 (附註16)	946	3,125
Property tax for investment properties	投資物業之物業稅	7,160	7,239
Provision for/(reversal of) impairment of trade and bill receivables – net (Note 26)	應收賬款及票據減值 撥備/(撥回)一淨額 (附註26)	293	(3,020)
Auditor's remuneration	核數師酬金		
– Audit services	– 核數服務	2,650	2,738
– Non-audit services	– 非核數服務	116	194
Legal and professional fees	法律及專業費用	3,393	6,432
Freight charges	運費	63,654	65,983
Storage and handling charges	倉存及處理費	7,487	8,405
Others	其他	31,630	42,319
Total	總額	1,977,337	2,310,021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

8 僱員福利支出(包含董事酬金)

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Salaries and allowances (Note a)	薪金及津貼(附註a)	74,045	89,404
Bonus	花紅	14,202	15,264
Pension costs	退休金成本		
– defined contribution plans (Note b)	– 界定供款計劃(附註b)	2,863	6,357
Share-based payment	以股份為基礎之支付	—	1,996
Welfare and benefits	福利及利息	7,493	7,553
		98,603	120,574

Note:

(a) During the year ended 31st March 2021, wage subsidies of HK\$3,632,000 and HK\$5,596,000 granted from the Employment Support Scheme under Anti-Epidemic Fund was recognised in "cost of sales" and "general and administrative expenses" respectively and had been offset with the employee benefit expenses.

(b) The Group maintains two defined contribution pension schemes for its employees in Hong Kong, the ORSO Scheme and the MPF Scheme. The assets of these schemes are held separately from those of the Group under independently administered funds.

Under the ORSO Scheme, each of the Group and its employees make monthly contribution to the scheme at 5% (2020: 5%) of the employees' salary. The unvested benefits of employees who have terminated employment could be utilised by the Group to reduce its future contributions.

Under the MPF Scheme, each of the Group and its employees make monthly contributions to the scheme at 5% (2020: 5%) of the employee's relevant income, as defined in the Hong Kong Mandatory Provident Fund Scheme Ordinance. Both the Group's and the employee's contributions are subject to a cap of HK\$1,500 per month. The contributions are fully and immediately vested for the employees.

附註：

(a) 截至二零二一年三月三十一日止年度，防疫抗疫基金下的保就業計劃所授出的工資補貼3,632,000港元及5,596,000港元，已分別於「銷售成本」及「一般及行政支出」中確認，並已抵銷相應的僱員福利支出。

(b) 本集團持有兩個界定退休金供款計劃予香港之僱員，即公積金計劃及強積金計劃。此兩個計劃之資產均與本集團之資產分開持有，並由獨立基金管理。

根據公積金計劃，本集團及其僱員須各自按該僱員薪金之5% (二零二零年：5%)向該計劃作每月供款。終止僱用之僱員未歸屬之利益均由本集團用作減少未來供款。

根據強積金計劃，本集團及其僱員須各自按香港強制性公積金計劃條例所界定按該僱員有關收入之5% (二零二零年：5%)向該計劃作每月供款。本集團及其僱員之供款上限均為每月1,500港元(供款悉數及即時歸屬予僱員)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

Note: (Continued)

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement plans for employees of its subsidiaries established in Mainland China. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The Group has no further obligations for the actual payment of pensions or post-retirement benefits beyond these contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

During the year ended 31st March 2021, the aggregate amount of the Group's contributions to the aforementioned pension schemes was approximately HK\$4,888,000 (2020: HK\$6,357,000), net of forfeited contributions of approximately HK\$2,025,000 (2020: HK\$233,000). As at 31st March 2021 and 2020, there is no unutilised forfeited contribution which could be utilised to reduce future contributions of the Group.

9 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The remuneration of every Director for the year ended 31st March 2021 is set out below:

Name	Fees	Salaries and allowances	Discretionary bonuses (Note)	Employer's contribution to a retirement benefit scheme	Total
名稱	酬金	薪金及津貼	酌情花紅 (附註)	僱主對退休福利計劃之供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Executive Directors					
Mr. Yao Cho Fai Andrew	—	5,118	1,950	18	7,086
Mr. Lau Chi Chiu	—	1,413	—	40	1,453
Independent Non-executive Directors					
Mr. Tam King Ching Kenny	225	—	—	—	225
Mr. Xu Lin Bao	207	—	—	—	207
Mr. Yeung Wing Sun Mike	180	—	—	—	180
Mr. Li Yinquan	180	—	—	—	180
	792	6,531	1,950	58	9,331

8 僱員福利支出(包含董事酬金)(續)

附註：(續)

誠如中國內地規則及法規所規定，本集團須為其設立於中國內地之附屬公司僱員提供國家資助退休計劃供款。僱員有權獲得退休金，金額參照僱員退休時之基本薪金及服務年期按有關政府法規計算得出。除該等供款外，本集團毋須另行支付任何實際退休金或退休後福利。該等國家資助退休計劃須負責向退休僱員支付全部退休金。

截至二零二一年三月三十一日止年度，本集團對上述退休金計劃作出之供款總額約為4,888,000港元(二零二零年：6,357,000港元)，扣除沒收供款約2,025,000港元(二零二零年：233,000港元)。於二零二一年及二零二零年三月三十一日，並無未動用已沒收供款可用作減少本集團未來之供款。

9 董事及高級管理人員酬金

(a) 董事酬金

截至二零二一年三月三十一日止年度，每位董事薪酬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

The remuneration of every Director for the year ended 31st March 2020 is set out below:

Name	Fees	Salaries and allowances	Discretionary bonuses (Note)	Employer's contribution to a retirement benefit scheme	Total
名稱	酬金	薪金及津貼	酌情花紅 (附註)	僱主對退休福利計劃之供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Executive Directors					
執行董事					
Mr. Yao Cho Fai Andrew	—	5,449	1,950	18	7,417
Mr. Lau Chi Chiu	—	1,237	102	61	1,400
Independent Non-executive Directors					
獨立非執行董事					
Mr. Tam King Ching Kenny	225	—	—	—	225
Mr. Xu Lin Bao	207	—	—	—	207
Mr. Yeung Wing Sun Mike	180	—	—	—	180
Mr. Li Yinquan	180	—	—	—	180
	792	6,686	2,052	79	9,609

Note:

The Executive Directors are entitled to discretionary bonuses which are determined with reference to their performance and the performance of the Group.

No incentive payment as an inducement for joining the Group or compensation for loss of office was paid to any Director during the years ended 31st March 2021 and 2020. Also, no Directors waived their emoluments during the years ended 31st March 2021 and 2020.

9 董事及高級管理人員酬金(續)

(a) 董事酬金(續)

截至二零二零年三月三十一日止年度，每位董事薪酬如下：

附註：

執行董事可收取酌情花紅，花紅參考其表現及本集團表現釐定。

於截至二零二一年及二零二零年三月三十一日止年度，概無已付酬金予任何董事以作鼓勵加入本集團或離職補償。此外，並無董事於截至二零二一年及二零二零年三月三十一日止年度放棄其酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

(b) Directors' retirement benefits

None of the Directors received or will receive any retirement benefits during the years ended 31st March 2021 and 2020.

(c) Directors' termination benefits

None of the Directors received or will receive any termination benefits during the years ended 31st March 2021 and 2020.

(d) Consideration provided to third parties for making available of directors' services

During the years ended 31st March 2021 and 2020, no consideration was paid by the Company to any third parties for making available of directors' services.

(e) Information about loans, quasi-loans and other dealing arrangements in favour of directors, bodies corporate controlled by and/or any entities connected with such directors

During the years ended 31st March 2021 and 2020, there are no loans, quasi-loans and other dealing arrangements in favour of Directors, bodies corporate controlled by and any entities connected with such Directors.

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a Director of the Company has a material interest, whether directly or indirectly, subsisted at the end of 31st March 2021 and 2020 or at any time during the years ended 31st March 2021 and 2020.

9 董事及高級管理人員酬金(續)

(b) 董事退休福利

概無董事於截至二零二一年及二零二零年三月三十一日止年度已收取或將收取任何退休福利。

(c) 董事終止僱傭福利

概無董事於截至二零二一年及二零二零年三月三十一日止年度已收取或將收取任何終止僱傭福利。

(d) 就獲提供之董事服務向第三方支付之代價

於截至二零二一年及二零二零年三月三十一日止年度，本公司概無就獲提供之董事服務向任何第三方支付代價。

(e) 有關以董事、受該等董事控制之法人團體及／或該等董事之任何關聯實體為受益人之貸款、準貸款及其他交易安排之資料

於截至二零二一年及二零二零年三月三十一日止年度，概無有關以董事、受該等董事控制之法人團體及該等董事之任何關聯實體為受益人之貸款、準貸款及其他交易安排。

(f) 董事於交易、安排或合約中之重大權益

本公司作為訂約方或本公司董事直接或間接擁有重大權益，於二零二一年及二零二零年三月三十一日年末或於二零二一年及二零二零年三月三十一日止年度內任何時間不存在與本集團業務相關的重大交易、安排及合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

(g) Five highest paid individuals

The five individuals with highest emoluments in the Group include one Director (2020: one) whose emoluments are reflected in the analysis presented in Note 9(a) above. The emoluments paid/payable to the remaining four (2020: four) individuals during the year are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	6,987	7,263
Bonus	花紅	3,197	1,930
		10,184	9,193

The emoluments fell within the following bands:

酬金介乎以下範圍：

		Number of individuals 人數	
		2021 二零二一年	2020 二零二零年
- HK\$1,000,001 to HK\$2,000,000	- 1,000,001 港元至 2,000,000 港元	2	2
- HK\$2,000,001 to HK\$3,000,000	- 2,000,001 港元至 3,000,000 港元	1	1
- HK\$3,000,001 to HK\$4,000,000	- 3,000,001 港元至 4,000,000 港元	—	1
- HK\$4,000,001 to HK\$5,000,000	- 4,000,001 港元至 5,000,000 港元	1	—

No emoluments were paid/payable to the five highest paid individuals as an inducement to join the Group or as compensation for loss of office during the year (2020: Same).

本年度並無支付／應付任何酬金予五名最高薪人士以作鼓勵加入本集團或作離職補償(二零二零年：相同)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 FINANCE INCOME AND COSTS

10 財務收入及費用

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Finance income	財務收入		
Interest income:	利息收入：		
– short-term bank deposits	– 短期銀行存款	1,110	1,216
Finance costs	財務費用		
Interest expenses:	利息支出：		
– bank borrowings	– 銀行借貸	(59,719)	(73,981)
– transfer from hedging reserve	– 從對沖儲備中轉出		
– interest rate swaps designated as cash flow hedges (Note 24)	– 指定為現金流對沖之利率掉期(附註24)	(144)	—
– lease liabilities (Note 16)	– 租賃負債(附註16)	(824)	(2,147)
Bank charges	銀行費用	(3,337)	(3,488)
		(64,024)	(79,616)
Net finance costs	財務費用淨額	(62,914)	(78,400)

11 INCOME TAX EXPENSES

11 所得稅支出

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

本集團已按經營所在國家之現行稅率就本年度估計應課稅溢利計算海外溢利之稅項。

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the year.

香港利得稅乃根據本年度估計應課稅溢利按稅率 16.5% (二零二零年：16.5%) 計算。

During the year, subsidiaries established in Mainland China are subject to China corporate income tax at 25% (2020: 25%).

本年度，於中國內地成立之附屬公司按稅率 25% (二零二零年：25%) 繳付中國企業所得稅。

The amount of income tax expense recorded in the consolidated income statement represents:

於綜合損益表中列賬之所得稅支出包括：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current income tax	當期所得稅		
– Hong Kong profits tax	– 香港利得稅	4,129	2,926
– China corporate income tax	– 中國企業所得稅	3,138	808
Deferred income tax (Note 21)	遞延所得稅(附註21)	1,010	(2,118)
Under-provision in prior years	往年撥備不足	1,262	—
		9,539	1,616

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX EXPENSES (CONTINUED)

The tax on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	13,362	(86,535)
Tax calculated at domestic tax rates applicable to profit in the respective countries	按適用於各國溢利所適用之當地稅率計算之稅項	924	(14,304)
Income not subject to tax	毋須課稅之收入	(2,241)	(956)
Expenses not deductible for tax purposes	不可扣稅之支出	2,447	6,234
Tax losses not recognised as deferred income tax assets	並無確認遞延所得稅資產之稅項虧損	7,437	10,992
Deferred income tax liabilities in respect of withholding tax on Mainland China unremitted earnings	就中國內地未分派盈利之預扣稅之遞延所得稅負債	70	(278)
Utilisation of previously unrecognised tax loss	使用先前未確認的稅務虧損	(1,363)	(72)
Under-provision in prior years	往年撥備不足	1,262	—
Derecognition of tax losses previously recognised	終止確認先前未曾確認的稅項虧損	1,003	—
Income tax expenses	所得稅支出	9,539	1,616

11 所得稅支出(續)

本集團除稅前溢利／(虧損)之稅項與按綜合實體溢利適用之加權平均稅率計算之理論金額有所差異，詳情如下：

12 DIVIDENDS

No final dividend was paid or proposed for shareholders of the Company for the years ended 31st March 2021 and 2020. A special dividend for the year ended 31st March 2021 of HK1.00 cent (2020: Nil) per ordinary share, totally approximately HK\$6,412,000 has been recommended by the Board and is subject to approval by shareholders at the forthcoming annual general meeting of the Company.

The proposed special dividend for the year ended 31st March 2021 in the amount of approximately HK\$6,412,000 is calculated on the basis of 641,232,315 shares in issue as at 25th June 2021.

12 股息

截至二零二一年及二零二零年三月三十一日止年度，並無向本公司股東派付或建議派付末期股息。董事會建議派付截至二零二一年三月三十一日止年度特別股息每股普通股1.00港仙(二零二零年：無)，總額約為6,412,000港元，惟須於本公司即將舉行的股東週年大會上獲股東批准。

截至二零二一年三月三十一日止年度建議特別股息的金額約6,412,000港元，乃按二零二一年六月二十五日已發行641,232,315股股份計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Basic

Basic earnings/(loss) per ordinary share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		2021 二零二一年	2020 二零二零年
Profit/(loss) attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利／(虧損) (千港元)	1,673	(90,309)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數 (千股)	641,232	641,232
Basic earnings/(loss) per ordinary share (HK cent(s))	每股普通股基本溢利／(虧損) (港仙)	0.26	(14.08)

(b) Diluted

Diluted earnings/(loss) per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares arising from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Diluted earnings per ordinary share for the years ended 31st March 2021 and 2020 equal to basic earnings per ordinary share as there were no potentially dilutive ordinary shares as at both year end.

13 每股普通股盈利／(虧損)

(a) 基本

每股普通股基本溢利／(虧損)乃按本公司擁有人應佔溢利／(虧損)除以本年度已發行普通股的加權平均數計算。

(b) 攤薄

每股普通股的攤薄溢利／(虧損)乃按假設具潛在攤薄性質之普通股獲全數轉換而相應調整發行在外普通股之加權平均數計算。本公司具潛在攤薄性質之普通股因購股權而產生，其計算根據尚未行使購股權所附認購權之貨幣價值作出，用以釐定原應以公允價值(釐定為本公司股份之全年平均市場股價)認購之股份數目。按上述方法計算的股份數目與假設行使購股權而發行的股份數目進行比較。截至二零二一年及二零二零年三月三十一日止年度，由於該兩個年度年末並無具潛在攤薄性質之普通股，每股普通股的攤薄溢利相等於每股普通股的基本溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvement, furniture and equipment 租賃物業 裝修、傢俬 及設備 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2019	於二零一九年四月一日					
Cost	成本	162,914	60,896	59,211	19,144	302,165
Accumulated depreciation	累計折舊	(102,761)	(53,777)	(19,724)	(9,136)	(185,398)
Net book amount	賬面淨額	60,153	7,119	39,487	10,008	116,767
Year ended 31st March 2020	截至二零二零年 三月三十一日止年度					
	三月三十一日止年度	60,153	7,119	39,487	10,008	116,767
Additions	添置	—	2,701	5,194	275	8,170
Disposals	出售	—	(14)	—	(74)	(88)
Disposal of a subsidiary	出售一間附屬公司	—	(268)	(7,634)	(7,124)	(15,026)
Depreciation	折舊	(32,445)	(2,982)	(4,149)	(1,093)	(40,669)
Impairment loss (Note ii)	減值虧損(附註ii)	(20,000)	—	—	—	(20,000)
Currency translation differences	貨幣匯兌 差額	—	(69)	—	(106)	(175)
Closing net book amount	期末賬面淨額	7,708	6,487	32,898	1,886	48,979
At 31st March 2020	於二零二零年三月三十一日					
Cost	成本	162,914	59,726	48,979	6,976	278,595
Accumulated depreciation	累計折舊	(155,206)	(53,239)	(16,081)	(5,090)	(229,616)
Net book amount	賬面淨額	7,708	6,487	32,898	1,886	48,979

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

14 物業、廠房及設備(續)

		Buildings	Leasehold improvement, furniture and equipment 租賃物業裝修、傢俬及設備	Machinery	Motor vehicles	Total
		樓宇	樓宇	機器	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31st March 2021	截至二零二一年三月三十一日止年度					
Opening net book amount	期初賬面淨額	7,708	6,487	32,898	1,886	48,979
Additions	添置	—	637	27	—	664
Disposals	出售	—	(140)	—	(140)	(280)
Government Subsidy (Note i)	政府補助(附註i)	—	—	(1,052)	—	(1,052)
Depreciation	折舊	(5,409)	(2,901)	(4,023)	(713)	(13,046)
Impairment loss (Note ii)	減值虧損(附註ii)	—	—	(572)	—	(572)
Transfer from investment properties (Note 15)	自投資物業轉撥(附註15)	6,861	—	—	—	6,861
Currency translation differences	貨幣匯兌差額	(3)	48	—	83	128
Closing net book amount	期末賬面淨額	9,157	4,131	27,278	1,116	41,682
At 31st March 2021	於二零二一年三月三十一日					
Cost	成本	169,775	57,417	47,859	5,950	281,001
Accumulated depreciation and impairment	累計折舊及減值	(160,618)	(53,286)	(20,581)	(4,834)	(239,319)
Net book amount	賬面淨額	9,157	4,131	27,278	1,116	41,682

Depreciation expense of approximately HK\$3,451,000 (2020: HK\$3,558,000) was charged to "cost of sales" and approximately HK\$9,595,000 (2020: HK\$37,111,000) was charged to "general and administrative expenses" in the consolidated income statement.

折舊支出約3,451,000港元(二零二零年: 3,558,000港元)及約9,595,000港元(二零二零年: 37,111,000港元)分別於綜合損益表之「銷售成本」及「一般及行政支出」中扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Note:

- (i) There are no unfulfilled conditions or other contingencies attaching to the grants.
- (ii) During the year ended 31st March 2021, the company has recognised HK\$572,000 impairment loss of certain specific machinery. While during the year ended 31st March 2020, due to the adverse global economic performance, management considered there were indicators of impairment of the Group's Tsing Yi plant and thus undertaken an assessment on the impairment of the related property, plant and equipment. Based on the forecast utilisation of the Group's Tsing Yi plant to reflect the then performance and business outlook, the estimated recoverable amounts of certain property, plant and equipment were below its carrying amounts and an impairment charge of HK\$20,000,000 was recognised in "other gains/(losses) – net" for the year ended 31st March 2020.

14 物業、廠房及設備(續)

附註：

- (i) 有關補助概無附帶尚未履行的條件或其他或有事項。
- (ii) 截至二零二一年三月三十一日止年度，本公司對若干特定機器確認減值損失572,000港元。而截至二零二零年三月三十一日止年度，由於全球經濟表現不振，管理層認為本集團青衣廠房有出現減值之跡象，因此就有關物業、廠房及設備進行減值評估。根據本集團青衣廠房預測之使用率以反映當期表現及業務展望，若干物業、廠房及設備之估計可收回金額低於其賬面值，並已於截至二零二零年三月三十一日止年度之「其他收益／(虧損)－淨額」確認減值支出20,000,000港元。

15 INVESTMENT PROPERTIES

15 投資物業

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At fair value	按公允價值		
At beginning of year	於年初	1,324,824	1,413,227
Capitalised subsequent expenditure	其後開支撥充資本	1,530	1,482
Transfer to property, plant and machinery (Note 14)	轉撥至物業、廠房及機器(附註14)	(6,861)	—
Fair value loss on investment properties, net	投資物業之公允價值虧損淨額	(8,362)	(88)
Currency translation differences	貨幣匯兌差額	111,451	(89,797)
At end of year	於年末	1,422,582	1,324,824

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (CONTINUED)

15 投資物業(續)

(i) Amount recognised in consolidated income statement for investment properties as follows:

(i) 於綜合損益表中確認之投資物業金額如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Rental income	租金收入	37,646	51,718
Direct operating expenses from properties that generated rental income	來自產生租金收入之物業之直接經營開支	(11,706)	(8,547)
		25,940	43,171

(ii) Non-current assets pledged as security

Investment property of approximately HK\$1,421,966,000 (2020: HK\$1,324,256,000) was pledged as collaterals for certain of the Group's bank borrowings of approximately HK\$411,621,000 (Note 32) (2020: bank borrowings and bill payables of approximately HK\$436,942,000 and HK\$109,100,000 respectively).

(ii) 質押非流動資產

投資物業約1,421,966,000港元(二零二零年：1,324,256,000港元)已作為本集團若干銀行貸款約411,621,000港元(附註32)(二零二零年：銀行借貸約436,942,000港元及應付票據約109,100,000港元)之抵押品質押。

(iii) Valuation technique

As at 31st March 2021, investment properties of approximately HK\$1,422,582,000 (2020: HK\$1,324,824,000) were stated at open market value based on valuations assessed by an independent professional qualified valuer and reviewed by the Directors.

(iii) 估值技術

於二零二一年三月三十一日，投資物業約1,422,582,000港元(二零二零年：1,324,824,000港元)乃由董事按獨立專業合資格估值師評估之估值以公開市值列示及由董事審閱。

The following table analyses the investment properties carried at fair value, by valuation method.

下表以估值法分析以公允價值列賬之投資物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (CONTINUED)

(iii) Valuation technique (Continued)

Fair value hierarchy

		Fair value measurement at 31st March 2021 using 於二零二一年三月三十一日 使用下列項目進行之公允價值計量		
Description	描述	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs
		於活躍市場 同等資產 之報價 (Level 1) (第一層) HK\$'000 千港元	重大其他 可觀察 輸入數據 (Level 2) (第二層) HK\$'000 千港元	重大 不可觀察 輸入數據 (Level 3) (第三層) HK\$'000 千港元
Recurring fair value measurement – Commercial units – Mainland China	經常性公允價值 計量 – 商業單元 – 中國內地	—	—	1,422,582

15 投資物業(續)

(iii) 估值技術(續)

公允價值等級

		Fair value measurement at 31st March 2020 using 於二零二零年三月三十一日 使用下列項目進行之公允價值計量		
Description	描述	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs
		於活躍市場 同等資產 之報價 (Level 1) (第一層) HK\$'000 千港元	重大其他 可觀察 輸入數據 (Level 2) (第二層) HK\$'000 千港元	重大 不可觀察 輸入數據 (Level 3) (第三層) HK\$'000 千港元
Recurring fair value measurement – Commercial units – Mainland China	經常性公允價值 計量 – 商業單元 – 中國內地	—	—	1,324,824

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (CONTINUED)

15 投資物業(續)

(iii) Valuation technique (Continued)

(iii) 估值技術(續)

Fair value measurement using significant unobservable inputs (Level 3)

使用重大不可觀察輸入數據之公允價值計量(第三層)

		Mainland China 中國內地 HK\$'000 千港元
As at 1st April 2020	於二零二零年四月一日	1,324,824
Capitalised subsequent expenditure	其後開支撥充資本	1,530
Transfer to property, plant and machinery (Note 14)	轉撥至物業、廠房及 機器(附註14)	(6,861)
Fair value loss on investment properties	投資物業之公允價值虧損	(8,362)
Currency translation differences	貨幣匯兌差額	111,451
As at 31st March 2021	於二零二一年三月三十一日	1,422,582
Total unrealised loss for the year included in the consolidated income statement for assets held at 31st March 2021	於二零二一年三月三十一日 所持資產於本年度計入綜合損益表 之未變現虧損總額	(8,362)
As at 1st April 2019	於二零一九年四月一日	1,413,227
Capitalised subsequent expenditure	其後開支撥充資本	1,482
Fair value loss on investment properties	投資物業之公允價值虧損	(88)
Currency translation differences	貨幣匯兌差額	(89,797)
As at 31st March 2020	於二零二零年三月三十一日	1,324,824
Total unrealised loss for the year included in the consolidated income statement for assets held at 31st March 2020	於二零二零年三月三十一日 所持資產於本年度計入綜合損益表 之未變現虧損總額	(88)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (CONTINUED)

(iii) Valuation technique (Continued)

Fair value measurement using significant unobservable inputs (Level 3) (Continued)

Information about fair value measurements using significant unobservable inputs (Level 3) for the investment properties in Mainland China are as follows:

15 投資物業(續)

(iii) 估值技術(續)

使用重大不可觀察輸入數據之公允價值計量(第三層)(續)

有關就中國內地的投資物業使用重大不可觀察輸入數據(第三層)之公允價值計量之資料如下：

Fair value (HK\$'000) 公允價值 (千港元)	Valuation technique 估值技術	Unobservable inputs 不可觀察 輸入數據	Range of unobservable inputs 不可觀察 輸入數據範圍	Relationship of unobservable inputs to fair value 不可觀察輸入數據與 公允價值之關係
As at 31st March 2021 於二零二一年三月三十一日				
1,422,582	Income capitalisation approach 收益資本化法	Adjusted market yields 經調整市場 收益率	4.00% to 5.00% 4.00%至5.00%	The higher the adjusted yields, the lower the fair value 經調整收益率越高， 公允價值越低
	Direct comparison approach 直接比較法	Adjusted units' rates 經調整單位價格	Office: RMB46,500/ square meter 辦公樓： 人民幣46,500元/ 平方米 Car park: RMB300,000/ space 停車場： 人民幣300,000元/車位	The higher the adjusted units' rates, the higher the fair value 經調整單位價格越高， 公允價值越高
As at 31st March 2020 於二零二零年三月三十一日				
1,324,824	Income capitalisation approach 收益資本化法	Adjusted market yields 經調整市場 收益率	4.00% to 5.00% 4.00%至5.00%	The higher the adjusted yields, the lower the fair value 經調整收益率越高， 公允價值越低
	Direct comparison approach 直接比較法	Adjusted units' rates 經調整單位價格	Office: RMB46,744/ square meter 辦公樓： 人民幣46,744元/ 平方米 Car park: RMB300,000/ space 停車場： 人民幣300,000元/車位	The higher the adjusted units' rates, the higher the fair value 經調整單位價格越高， 公允價值越高

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (CONTINUED)

(iii) Valuation technique (Continued)

Valuation processes of the investment properties

The Group engages external, independent and qualified valuer to determine the fair value of the investment properties at the end of each financial year. As at 31st March 2021, the fair value of the investment properties owned by the Group was determined by Knight Frank Petty Limited (2020: Same).

The Group's finance department reviews the valuations performed by Knight Frank Petty Limited for financial reporting purpose. These valuation results are then reported to the Group's management for discussions and review in relation to the valuation processes and the reasonableness of valuation results.

The main Level 3 input used by the Group is derived and evaluated as follows:

Adjusted market yields

The adjusted market yields have been determined by making reference to the investment returns implied from recent sale transactions, with adjustments to reflect the differences between the comparables and the investment properties in terms of location, building quality and other factors.

Adjusted units' rates

The adjusted units' rates have been determined by making reference to the comparable market transactions of similar properties, with adjustments to reflect the differences between the comparables and the investment properties in terms of time, location, environment and other factors.

15 投資物業(續)

(iii) 估值技術(續)

投資物業之估值程序

本集團委聘外部獨立及合資格估值師釐定於各財政年度末投資物業之公允價值。於二零二一年三月三十一日，由本集團擁有之投資物業之公允價值已由萊坊測計師行有限公司釐定(二零二零年：相同)。

本集團之財務部門會為財務報告目的所需，檢討由萊坊測計師行有限公司作出之評估。有關估值結果其後將向本集團管理層匯報，以就估值程序及估值結果的合理性進行討論及檢討。

本集團使用的主要第三層輸入來源及評估如下：

經調整市場收益率

經調整市場收益率乃經參考近期銷售交易隱含投資回報(經調整以反映可比較物業與投資物業所在位置、樓宇質量及其他因素方面之差異)予以釐定。

經調整單位價格

經調整單位價格乃經參考相近投資物業之可比較市場成交(經調整以反映可比較物業與投資物業所在時間、位置、環境及其他因素方面之差異)予以釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 LEASES

This note provides information for leases where the group is a lessee.

(i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Right-of-use assets	使用權資產		
Land use rights	土地使用權	8,615	8,817
Sites, outlets, offices and warehouses	工地、商店、辦公室 及貨倉	4,638	23,273
		13,253	32,090
Lease liabilities	租賃負債		
Current	流動	4,528	23,693
Non-current	非流動	1,991	3,499
		6,519	27,192

Additions to the right-of-use assets during the year ended 31st March 2021 were HK\$3,064,000 (2020:HK\$ 12,849,000).

16 租賃

本附註提供租賃(當本集團為承租人)之資料。

(i) 於綜合財務狀況表確認之金額

綜合財務狀況表呈列以下與租賃相關之款項：

截至二零二一年三月三十一日止年度使用權資產添置為3,064,000港元(二零二零年：12,849,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 LEASES (CONTINUED)

(ii) Measurement of right-of-use assets

The recognised right-of-use assets relate to the following types of assets:

16 租賃(續)

(ii) 使用權資產計量

已確認的使用權資產與下列資產類別相關：

		Land use rights 土地使用權 HK\$'000 千港元	Sites, shops, offices and warehouses 工地、商舖、辦公室及貨倉 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As 1st April 2019	於二零一九年四月一日	9,019	46,374	55,393
Additions	添置	—	12,849	12,849
Depreciation	折舊	(202)	(23,777)	(23,979)
Modification of lease contracts (Note)	租賃合約修訂(附註)	—	(11,845)	(11,845)
Exchange differences	匯兌差額	—	(328)	(328)
At 31st March 2020 and 1st April 2020	於二零二零年三月三十一日及二零二零年四月一日	8,817	23,273	32,090
Additions	添置	—	3,064	3,064
Depreciation	折舊	(202)	(12,106)	(12,308)
Modification of lease contracts (Note)	租賃合約修訂(附註)	—	(9,666)	(9,666)
Exchange differences	匯兌差額	—	73	73
At 31st March 2021	於二零二一年三月三十一日	8,615	4,638	13,253

Note: During the year, the Group has entitled rental concession from the landlords. For a lease modification that is not accounted for as separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets. Any differences between the adjustments of lease liabilities and right-of-use assets are recognised in "other gains/(losses) – net" in the consolidated income statement (Note 6).

附註：年內，本集團享有來自業主的租金寬減。對於不作為一項單獨租賃進行會計處理之租賃修訂，在修訂的生效日期，本集團根據經修訂租賃的租期，通過使用經修訂貼現率對經修訂租賃款項進行貼現以重新計量租賃負債。本集團通過對相關使用權資產進行相應調整，對租賃負債進行重新計量。租賃負債與使用權資產調整之間的任何差額於綜合損益表「其他收益／(虧損) – 淨額」中確認(附註6)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 LEASES (CONTINUED)

(iii) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

	Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Depreciation of right-of-use assets			
Land use rights		202	202
Sites, outlets, offices and warehouses		12,106	23,777
	7	12,308	23,979
Interest expense for lease liabilities	10	824	2,147
Expenses relating to short-term leases	7	946	3,125

The total cash outflow for leases for the year ended 31st March 2021 was HK\$12,118,000 (31st March 2020: HK\$25,774,000).

(iv) The Group's leasing activities and how these are accounted for

The Group leases various sites, retail outlets, offices and warehouses. Rental contracts are typically made for fixed periods of 1 year to 3 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. Leased assets may not be used as security for borrowing purposes.

16 租賃(續)

(iii) 於綜合損益表確認之金額

綜合損益表呈列以下與租賃相關之款項：

租賃於截至二零二一年三月三十一日止年度之現金流出總額為12,118,000港元(二零二零年三月三十一日：25,774,000港元)。

(iv) 本集團之租賃活動及其會計方式

本集團租賃各類工地、零售商舖、辦公室及倉庫。租賃合約一般按固定期限一至三年訂立。

租賃條款按個別基準協商，且包含各種不同條款及條件。租賃協議並無施加任何契約，惟租賃資產不得用作借貸之抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 INTANGIBLE ASSETS

17 無形資產

		Goodwill	Distribution rights	Customer contracts (Note i)	Total
		商譽	分銷權	客戶合約 (附註 i)	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1st April 2019	於二零一九年四月一日				
Cost	成本	13,158	7,939	4,703	25,800
Accumulated amortisation and impairment	累計攤銷及減值	(13,158)	(7,939)	(2,101)	(23,198)
Net book amount	賬面淨額	—	—	2,602	2,602
Year ended 31st March 2020	截至二零二零年三月三十一日止年度				
Opening net book amount	期初賬面淨額	—	—	2,602	2,602
Amortisation	攤銷	—	—	(1,109)	(1,109)
Closing net book amount	期末賬面淨額	—	—	1,493	1,493
At 31st March 2020	於二零二零年三月三十一日				
Cost	成本	13,158	7,939	4,703	25,800
Accumulated amortisation and impairment	累計攤銷及減值	(13,158)	(7,939)	(3,210)	(24,307)
Net book amount	賬面淨額	—	—	1,493	1,493
Year ended 31st March 2021	截至二零二一年三月三十一日止年度				
Opening net book amount	期初賬面淨額	—	—	1,493	1,493
Amortisation	攤銷	—	—	(783)	(783)
Closing net book amount	期末賬面淨額	—	—	710	710
At 31st March 2021	於二零二一年三月三十一日				
Cost	成本	13,158	7,939	4,703	25,800
Accumulated amortisation and impairment	累計攤銷及減值	(13,158)	(7,939)	(3,993)	(25,090)
Net book amount	賬面淨額	—	—	710	710

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 INTANGIBLE ASSETS (CONTINUED)

(i) Customer contracts

The customer contracts were acquired as part of a business combination, and are recognised at their fair value at the date of acquisition and are subsequently amortised based on the timing of projected cash flows of the contracts over their estimate useful lives.

Amortisation expense of customer contracts has been included in the “general and administrative expenses” in the consolidated income statement.

17 無形資產(續)

(i) 客戶合約

客戶合約乃作為業務合併的一部分而收購，並於收購日期按其公允價值確認，其後根據估計可使用年內合約內預計現金流之時間攤銷。

客戶合約攤銷支出已計入綜合損益表中的「一般行政及管理費用」。

18 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

18 金融工具分類

本集團持有以下金融工具：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本列賬的金融資產		
– Trade and other receivables (excluding non-financial assets)	– 應收賬款及 其他應收賬款 (不包括非金融資產)	388,477	383,847
– Pledged bank deposits	– 已抵押銀行存款	54,008	9,137
– Cash and cash equivalents	– 現金及現金等值	119,098	120,045
Financial assets at fair value through other comprehensive income	按公允價值計入其他全面收入之 金融資產	4,203	62
Financial assets at fair value through profit or loss	按公允價值計入損益之 金融資產	—	15,820
		565,786	528,911
Financial Liabilities	金融負債		
Liabilities at amortised cost	按攤銷成本列賬之負債		
– Borrowings	– 借貸	1,454,642	1,415,638
– Trade and bill payables	– 應付賬款及票據	245,354	166,929
– Other payables (excluding non-financial liabilities)	– 其他應付賬款 (不包括 非金融負債)	35,899	36,597
– Lease liabilities	– 租賃負債	6,519	27,192
Derivative financial instruments	衍生金融工具	1,084	—
		1,743,498	1,646,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 SUBSIDIARIES

Details of the principal subsidiaries as at 31st March 2021 are as follows:

19 附屬公司

於二零二一年三月三十一日之主要附屬公司之詳情如下：

Name of entity 實體名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務 及經營地點
			2021 二零二一年	2020 二零二零年	
Asia Infrastructure Resources Group Limited 亞洲基建資源集團有限公司	Cayman Islands, limited liability company 開曼群島, 有限責任公司	HK\$0.2 0.2港元	100%	100%	Investment holding in Hong Kong 於香港投資控股
Fanrich Consultants (Shanghai) Limited*	Mainland China, limited liability company 中國內地, 有限責任公司	RMB10,000,000 人民幣10,000,000元	70%	42%	Provision of investment consultancy services in Mainland China 於中國內地提供投資諮詢服務
Hongkong and Shanghai Land Capital Ltd. 滬港地產資本有限公司	Cayman Islands, limited liability company 開曼群島, 有限責任公司	US\$5 5美元	100%	60%	Fund Management outside Hong Kong and Mainland China 於香港及中國內地以外地區 從事基金管理
Hongkong and Shanghai Land Group Limited 滬港地產集團有限公司	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	US\$1 1美元	100%	100%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
HSL Asset Management (HK) Limited 滬港資產管理(香港)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1港元	100%	60%	Provision of management services in Hong Kong 於香港提供管理服務
HSL Investment Advisory (HK) Limited 滬港投資諮詢(香港)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	HK\$1 1港元	100%	100%	Provision of investment advisory services in Hong Kong 於香港提供投資諮詢服務
Plentiful Praise Limited 頌裕有限公司	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	US\$100 100美元	62%	62%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 實體名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務 及經營地點
			2021 二零二一年	2020 二零二零年	
Shanghai Bao Shun Chang International Trading Co., Ltd.* 上海寶順昌國際貿易有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB26,700,000 (2020: RMB27,500,000) 人民幣26,700,000元 (二零二零年： 人民幣27,500,000元)	83.3%	80.9%	Stockholding and trading of steel in Mainland China 於中國內地存銷及買賣鋼材
Top Bloom Group Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1 1美元	100%	100%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
Van Shung Chong (B.V.I.) Limited (i)	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$6 6美元	100%	100%	Investment holding in Hong Kong 於香港投資控股
Van Shung Chong Hong Limited 萬順昌行有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2,000 ordinary and HK\$10,000,000 non-voting deferred 2,000港元普通股 及10,000,000港元 無投票權遞延股份	100%	100%	Provision of management services in Hong Kong 於香港提供管理服務
VSC Building Products Company Limited 萬順昌建築材料有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Trading of sanitary wares, kitchen cabinets and kitchen cabinet installation in Hong Kong 於香港買賣衛浴潔具及廚櫃 以及安裝廚櫃
VSC Building Products (Macau) Company Limited 萬順昌建築材料(澳門)有限公司	Macau, limited liability company 澳門，有限責任公司	MOP\$30,000 澳門幣30,000元	100%	100%	Trading of sanitary wares in Macau 於澳門買賣衛浴潔具
VSC Construction Steel Solutions Limited	Hong Kong, limited liability company 香港，有限責任公司	HK\$156,568,000 156,568,000港元	100%	100%	Provision of steel processing services in Hong Kong 於香港主要從事鋼鐵加工服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 實體名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務 及經營地點
			2021 二零二一年	2020 二零二零年	
VSC Steel Company Limited 萬順昌鋼鐵有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$38,000 ordinary and HK\$20,000,000 non-voting deferred 38,000港元普通股 及20,000,000港元 無投票權遞延股份	100%	100%	Stockholding and trading of steel in Hong Kong 於香港存銷及買賣鋼材
VSC Steel Processing Holdings Limited 萬順昌鋼材加工控股有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$1 1港元	100%	100%	Investment holding in Hong Kong, and provision of logistic and management service of steel 於香港投資控股及為鋼材 提供物流及管理服務
VSC Steel Processing Limited 萬順昌鋼材加工有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$1 1港元	100%	100%	Principally engaged in the operation of the land situated in Tsing Yi 主要經營位於青衣之土地
上海个盈置業有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB429,130,000 人民幣429,130,000元	100%	100%	Holding property in Mainland China 於中國內地持有物業
上海北盈置業有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB92,835,165 人民幣92,835,165元	100%	100%	Holding property in Mainland China 於中國內地持有物業
上海盈蕃資產管理有限公司	Mainland China, limited liability company 中國內地，有限責任公司	HK\$20,000,000 20,000,000港元	100%	60%	Provision of asset and investment management services in Mainland China 於中國內地提供資產及 投資管理服務
上海新施房地產經紀有限公司	Mainland China, limited liability company 中國內地，有限責任公司	US\$1,500,000 1,500,000美元	100%	60%	Property agent in Mainland China 於中國內地為物業代理

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 實體名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Percentage of equity interest attributable to the Company 本公司應佔 股本權益百分比		Principal activities and place of operations 主要業務 及經營地點
			2021 二零二一年	2020 二零二零年	
利尚派國際貿易(上海)有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	US\$6,500,000 6,500,000美元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣衛浴潔具
萬順昌(上海)企業管理有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	US\$7,280,000 7,280,000美元	100%	100%	Provision of management service and trading of sanitary wares and kitchen cabinets in Mainland China 於中國內地提供管理服務 以及買賣衛浴潔具及廚櫃
武漢三金建材有限公司	Mainland China, limited liability company 中國內地, 有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣衛浴潔具

Note:

- (i) The shares of Van Shung Chong (B.V.I.) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.

The above list includes the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

* For identification only

附註：

- (i) Van Shung Chong (B.V.I.) Limited之股份由本公司直接持有。其他附屬公司之股份則間接持有。

以上所列乃董事認為對本集團之年度業績具主要影響或構成本集團淨資產重大部分之本公司附屬公司。董事認為列出其他附屬公司之詳情會令資料過於冗長。

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Set out below are the associates and joint ventures of the Group as at 31st March 2021 and 2020. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

Details of the principal investments in associates and joint ventures as at 31st March 2021 and 2020 are as follows:

20 以權益法入賬之投資

以下載列本集團於二零二一年及二零二零年三月三十一日之聯營公司及合營公司。以下所列實體僅具有普通股之股本，由本集團直接持有。

於二零二一年及二零二零年三月三十一日於聯營公司及合營公司之主要投資詳情如下：

Name of entity 實體名稱	Place of business/country establishment/incorporation 營業地點/ 註冊成立國家	% of ownership interest 擁有權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法	Carrying amount 賬面值	
		2021 二零二一年 %	2020 二零二零年 %			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		百分比	百分比				
HSL Shanghai Office Partners I Limited ("HSO") and its subsidiaries (Collectively "HSO Group") HSL Shanghai Office Partners I Limited (「HSO」)及其附屬公司 (統稱「HSO集團」)	Mainland China/ British Virgin Islands 中國內地/ 英屬處女群島	15%	15%	Joint venture (i) 合營公司(i)	Equity method 權益法	282,091	266,209
Skyline Holdings (BVI) Limited ("Skyline") and its subsidiaries (Collectively "Skyline Group") Skyline Holdings (BVI) Limited (「Skyline」)及其附屬公司 (統稱「Skyline集團」)	Mainland China/ British Virgin Islands 中國內地/ 英屬處女群島	5%	5%	Associate (ii) 聯營公司(ii)	Equity method 權益法	55,339	47,614
Immaterial as below: 以下項目為不重大：							
China Able Limited ("China Able") China Able Limited (「China Able」)	Mainland China/ British Virgin Islands 中國內地/ 英屬處女群島	Deregistered 已註銷	33.33%	Associate (iii) 聯營公司(iii)	Equity method 權益法	—	—
Total investments accounted for using the equity method 以權益法入賬的投資總額						337,430	313,823

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Notes:

- (i) HSO Group is principally engaged in property investment and project management business in Mainland China and is owned as to 15% by Plentiful Praise Limited ("Plentiful") (an indirect 62% owned subsidiary of the Company) and 85% by Reco Wisteria Private Limited ("RECO") (an independent third party). As at 31st March 2021, Plentiful has contributed capital, aggregated to US\$36,909,000 (2020: Same). An indirect subsidiary of the Company has entered into a management service agreement with HSO for providing management service to its properties. The management service income is disclosed in related parties transaction (Note 40).
- (ii) Skyline Group is principally engaged in property investment and project management business in Mainland China and is owned as to 95% by Apollo Skyline Holding Limited ("Apollo") (an independent third party) and 5% by Top Bloom Group Limited ("Top Bloom") (an indirect wholly-owned subsidiary of the Company). As at 31st March 2021, Top Bloom has contributed capital, aggregated to US\$7,645,000, equivalent to approximately HK\$60,114,000 (2020: US\$6,086,000, equivalent to approximately HK\$47,614,000). An indirect subsidiary of the Company has entered into a management service agreement with Skyline for providing management service. The management service income is disclosed in related parties transaction (Note 40).
- (iii) China Able was engaged in the property business. It is a contractual joint venture which is held in equal shares among Fit Team Holdings Limited, an indirect wholly-owned subsidiary of the Company, Nanyang Industrial (China) Limited, an independent third party, and Marvel Champ Investments Limited, another independent third party. During the year ended 31st March 2021, China Able remained inactive and deregistered in the British Virgin Islands. The Group has shared the losses of this associate to the extent of the Group's interest in this associate.
- (iv) As of 31st March 2021, Skyline had capital commitments of HK\$38,945,000 (2020: Nil) while HSO did not have any significant capital commitments (2020: HK\$4,664,000).

20 以權益法入賬之投資(續)

附註：

- (i) HSO集團主要於中國內地從事房地產投資及項目管理業務，其由頌裕有限公司(「頌裕」，由本公司擁有62%之間接附屬公司)擁有15%及由Reco Wisteria Private Limited(「RECO」，屬獨立第三方)擁有85%。於二零二一年三月三十一日，頌裕已合共出資36,909,000美元(二零二零年：相同)。本公司的一間間接附屬公司已與HSO訂立管理服務協議，為其物業提供管理服務。管理服務收入於關聯方交易中披露(附註40)。
- (ii) Skyline集團主要於中國內地從事房地產投資及項目管理業務，其由Apollo Skyline Holding Limited(「Apollo」，屬獨立第三方)擁有95%及由Top Bloom Group Limited(「Top Bloom」，為本公司間接全資附屬公司)擁有5%。於二零二一年三月三十一日，Top Bloom已合共出資7,645,000美元(相當於約60,114,000港元)(二零二零年：6,086,000美元，相當於約47,614,000港元)。本公司的一間間接附屬公司已與Skyline訂立管理服務協議，以提供管理服務。管理服務收入於關聯方交易中披露(附註40)。
- (iii) China Able從事房地產業務。其為本公司一間間接全資附屬公司Fit Team Holdings Limited、獨立第三方南洋工業(中國)有限公司及另一獨立第三方Marvel Champ Investments Limited以共同持有等額股份之一間合營公司。截至二零二一年三月三十一日止年度，China Able暫無業務且於英屬處女群島撤銷註冊。本集團已就此聯營公司之權益分攤此聯營公司之虧損。
- (iv) 於二零二一年三月三十一日，Skyline具有38,945,000港元之資本承擔(二零二零年：無)，而HSO則無任何重大資本承擔(二零二零年：4,664,000港元)。

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綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

The movements of interests in associates and joint ventures are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At beginning of year	於年初	313,823	299,747
Share of loss of investments accounted for using the equity method	應佔按權益法入賬之投資虧損	(19,724)	(12,947)
Investment in Skyline (Note)	於Skyline之投資(附註)	12,500	47,614
Currency translation differences	貨幣匯兌差額	30,831	(20,591)
At end of year	於年末	337,430	313,823

Note:

On 27th November 2019, Top Bloom, Apollo and Skyline entered into a framework agreement ("Framework Agreement") for the purpose of acquiring 100% of equity interests in Shanghai Skyway Grand Hotel Co., Ltd. which held majority of the gross floor area of Great Wall Financial Building (also known as Central Park • Huangpu). Pursuant to the Framework Agreement, Apollo subscribed 95 shares and Top Bloom subscribed 4 shares of Skyline, together with the 1 share held by Top Bloom before the subscription, Skyline is then owned as to 95% by Apollo and 5% by Top Bloom.

Apollo and Top Bloom committed to make a contribution to Skyline in the form of shareholder loans of US\$190 million and US\$10 million, respectively. During the year ended 31st March 2021, Apollo and Top Bloom have together contributed US\$29,610,000, equivalent to approximately HK\$229,544,000 (2020: US\$115,638,000, equivalent to approximately HK\$904,661,000) and US\$1,559,000, equivalent to approximately HK\$12,500,000 (2020: US\$6,086,000, equivalent to approximately HK\$47,614,000) into Skyline, by way of interest-free shareholder loans, respectively. These shareholder loans are interest free and the repayment of which requires an unanimous approval of all directors of Skyline. As such, these shareholder loans are regarded as part of the investment in the associate.

The acquisition of equity interest in Shanghai Skyway Grand Hotel Co., Ltd. was completed in June 2020.

20 以權益法入賬之投資(續)

於聯營公司及合營公司之權益變動如下：

附註：

於二零一九年十一月二十七日，Top Bloom、Apollo與Skyline訂立框架協議(「框架協議」)，用於收購上海斯格威大酒店有限公司(其持有長城金融大廈(又名中港匯·黃浦)之大部分建築面積)之100%股權。根據框架協議，Apollo及Top Bloom分別認購Skyline之95股股份及4股股份，連同Top Bloom於認購前所持有之1股股份，Skyline其後分別由Apollo及Top Bloom擁有95%及5%。

Apollo與Top Bloom承諾分別以股東貸款形式向Skyline注資190,000,000美元及10,000,000美元。於截至二零二一年三月三十一日止年度，Apollo與Top Bloom已分別以免息股東貸款之形式共同向skyline注資29,610,000美元，相等於約229,544,000港元(二零二零年：115,638,000美元，相等於約904,661,000港元)及1,559,000美元，相等於約12,500,000港元(二零二零年：6,086,000美元，相等於約47,614,000港元)。該等股東貸款為免息，而還款須獲Skyline全體董事一致同意。因此，該等股東貸款被視為於聯營公司投資之一部分。

已於二零二零年六月完成收購上海斯格威大酒店有限公司之股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a joint venture and an associate

The tables below provide summarised financial information for the joint venture and the associate that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture and associate and not the Group's share of those amounts.

20 以權益法入賬之投資(續)

合營公司及聯營公司財務資料概要

下表提供對本集團而言屬重要之合營公司及聯營公司之財務資料概要。所披露之資料僅反映呈列於相關合營公司及聯營公司財務報表內之金額，而非本集團之應佔金額。

		HSO Group (Note (i)) HSO集團(附註(i))		Skyline Group (Note (ii)) Skyline集團(附註(ii))		Total 合共	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Summarised statement of financial position	財務狀況表概要						
Cash and cash equivalents	現金及現金等值	10,717	9,907	173,758	717	184,475	10,624
Other current assets	其他流動資產	87,370	93,531	58,931	—	146,301	93,531
Total current assets	流動資產總額	98,087	103,438	232,689	717	330,776	104,155
Financial liabilities and total current liabilities	金融負債及總流動負債	(97,261)	(72,317)	(102,799)	—	(200,060)	(72,317)
Investment properties	投資物業	4,205,565	3,878,505	1,586,043	—	5,791,608	3,878,505
Other non-current assets	其他非流動資產	10	5	2,196,435	951,558	2,196,445	951,563
Total non-current assets	非流動資產總額	4,205,575	3,878,510	3,782,478	951,558	7,988,053	4,830,068
Other non-current liabilities	其他非流動負債	(2,325,792)	(2,134,905)	(2,821,101)	—	(5,146,893)	(2,134,905)
Net assets	資產淨額	1,880,609	1,774,726	1,091,267	952,275	2,971,876	2,727,001

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

20 以權益法入賬之投資(續)

Summarised financial information for a joint venture and an associate (Continued)

合營公司及聯營公司財務資料概要(續)

		HSO Group (Note (i)) HSO集團(附註(i))		Skyline Group (Note (ii)) Skyline集團(附註(ii))		Total 合共	
		2021	2020	2021	2020	2021	2020
		二零二一年 HK\$'000 千港元	二零二零年 HK\$'000 千港元	二零二一年 HK\$'000 千港元	二零二零年 HK\$'000 千港元	二零二一年 HK\$'000 千港元	二零二零年 HK\$'000 千港元
Summarised statement of comprehensive income	全面損益表概要						
Revenue	收入	127,444	109,505	75,487	—	202,931	109,505
Fair value loss on investment properties	投資物業之公允價值虧損	(4,999)	(1,914)	(8,348)	—	(13,347)	(1,914)
Finance income	財務收入	407	782	592	—	999	782
Finance cost	財務費用	(117,403)	(125,699)	(71,461)	—	(188,864)	(125,699)
Loss before tax	除稅前虧損	(66,047)	(86,791)	(210,747)	—	(276,794)	(86,791)
Income tax credit	所得稅抵免	1,250	478	10,655	—	11,905	478
Loss for the year	年度虧損	(64,797)	(86,313)	(200,092)	—	(264,889)	(86,313)
Currency translation differences	貨幣匯兌差額	170,680	(137,274)	104,589	—	275,269	(137,274)
Total comprehensive income/ (loss) for the year	年度全面收入/(虧損)總額	105,883	(223,587)	(95,503)	—	10,380	(223,587)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a joint venture and an associate (Continued)

Reconciliation of summarised financial information for individually material joint venture and associate

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in the joint venture and the associate.

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Summarised financial information	財務資料概要		
Net assets at beginning of year	於年初之資產淨額	2,727,001	1,998,313
Capital injection by shareholders (Note (iii))	股東之注資 (附註(iii))	250,000	952,275
Loss for the year	年度虧損	(264,889)	(86,313)
Currency translation differences	貨幣匯兌差額	275,269	(137,274)
Net assets at end of year	於年末之資產淨額	2,987,381	2,727,001
Investments accounted for using the equity method – Carrying value	使用權益法入賬之投資 – 賬面值	337,430	313,823

Notes:

- (i) HSO engages external, independent and qualified valuer to determine the fair value of the investment properties at the end of the financial year. As at 31st March 2021, the fair value of the investment property was determined by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (2020: Same).

At 31st March 2021, temporary differences relating to the undistributed profits of HSO's subsidiaries in the PRC amounted to HK\$202,612,000 (2020: HK\$190,205,000). Deferred tax liabilities of HK\$10,131,000 (2020: HK\$9,510,000) have not been recognised in its consolidated statement of financial position in respect of the withholding tax that would be payable on the distribution of these retained profits as HSO controls the dividend policy of its PRC subsidiaries and it has been determined that it is probable that such retained profits will not be distributed in the foreseeable future.

- (ii) The financial year of this associate is not coterminous with that of the Group and the financial statements used for equity accounting are for the 12 months period ended 31st December 2020. This associate uses 31st December as its financial year end, which is conformed with its holding company's reporting date. Subsequent to the financial year ended 31st December 2020 and before the Group's year end date of 31st March 2021, Top Bloom has further injected US\$100,000 (equivalent to HK\$776,000) to Skyline which contributed to the net assets shared by the Group as at 31st March 2021.

20 以權益法入賬之投資(續)

合營公司及聯營公司財務資料概要(續)

個別重大合營公司及聯營公司之財務資料概要對賬

所呈報財務資料概要與本集團於合營公司及聯營公司之權益之賬面金額對賬。

附註：

- (i) HSO 委聘外部獨立合資格估值師，以釐定於各財政年度終投資物業之公允價值。於二零二一年三月三十一日，投資物業之公允價值由仲量聯行企業評估及諮詢有限公司釐定(二零二零年：相同)。

於二零二一年三月三十一日，HSO於國內之附屬公司涉及未分派溢利之暫時性差額為202,612,000港元(二零二零年：190,205,000港元)。由於HSO控制該等附屬公司的股息政策，且其已決定在可見將來極可能不派發該等保留溢利，導致並未確認可能因分派該等保留溢利所應付預扣稅項而涉及的遞延稅項負債10,131,000港元(二零二零年：9,510,000港元)。

- (ii) 該聯營公司的財政年度與本集團不同，其財務報表乃採用權益會計法，涵蓋截至二零二零年十二月三十一日止十二個月期間。該聯營公司採用十二月三十一日作為其財政年度年結日，與其控股公司的報告日期一致。繼截至二零二零年十二月三十一日止財政年度後及於本集團截至二零二一年三月三十一日止年度前，Top Bloom已向Skyline進一步注資100,000美元(相等於776,000港元)，導致於二零二一年三月三十一日本集團分佔資產淨額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a joint venture and an associate (Continued)

Reconciliation of summarised financial information for individually material joint venture and associate (Continued)

Notes: (Continued)

Skyline engages external, independent and qualified valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, to determine the fair value of the investment properties as at 31st December 2020 (the end of financial year) and 31st March 2021. No significant change in fair value during the subsequent period to 31st March 2021.

- (iii) During the year ended 31st March 2021, Top Bloom and Apollo made a capital injection in the form of shareholder loans for Skyline, totalled to US\$31,169,000 (equivalent to HK\$250,000,000).

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES)

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

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deferred income tax assets:	遞延所得稅資產：		
- Deferred income tax assets expected to be recovered after 12 months	- 預期將於十二個月後收回之遞延所得稅資產	36,306	39,737
- Deferred income tax assets expected to be recovered within 12 months	- 預期將於十二個月內收回之遞延所得稅資產	13,020	13,367
		49,326	53,104
Deferred income tax liabilities:	遞延所得稅負債：		
- Deferred income tax liabilities expected to be settled after 12 months	- 預期將於十二個月後清償之遞延所得稅負債	(94,081)	(89,541)
Net deferred income tax liabilities	遞延所得稅負債淨額	(44,755)	(36,437)

20 以權益法入賬之投資(續)

合營公司及聯營公司財務資料概要(續)

個別重大合營公司及聯營公司之財務資料概要對賬(續)

附註：(續)

Skyline 委聘外部獨立及合資格估值師仲量聯行企業評估及諮詢有限公司釐定於二零二零年十二月三十一日(財政年度末)及二零二一年三月三十一日投資物業的公允價值。於截至二零二一年三月三十一日的後續期間，公允價值並無重大變動。

- (iii) 截至二零二一年三月三十一日止年度，Top Bloom 及 Apollo 以股東貸款形式向 Skyline 合共注資 31,169,000 美元(相等於 250,000,000 港元)。

21 遞延所得稅資產/(負債)

當具有將即期所得稅資產與即期所得稅負債抵銷之合法強制執行權，以及當同一稅務機關向該應課稅實體或不同應課稅實體就遞延所得稅資產及遞延所得稅負債徵收所得稅，其中有關結餘擬按淨額基準清償時，遞延所得稅資產與負債方可互相抵銷。抵銷金額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

The movements in net deferred income tax liabilities are as follows:

21 遞延所得稅資產／(負債)(續)

遞延所得稅負債淨額變動如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At beginning of year	於年初	(36,437)	(44,430)
(Charged)/credit to the consolidated income statement (Note 11)	已於綜合損益表中 (扣除)／計入(附註11)	(1,010)	2,118
Currency translation differences	貨幣匯兌差額	(7,308)	5,875
At end of year	於年末	(44,755)	(36,437)

The movements in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

本年度遞延所得稅資產及負債(並無計及同一稅務司法權區內之結餘抵銷)之變動如下：

Deferred income tax assets:

遞延所得稅資產：

		Cumulative tax losses 累計 稅項虧損 HK\$'000 千港元	Decelerated depreciation 減慢折舊 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2019	於二零一九年四月一日	55,310	4,649	650	60,609
(Charged)/credited to the consolidated income statement	已於綜合損益表中 (扣除)／計入	(4,574)	4,757	402	585
Currency translation differences	貨幣匯兌 差額	(424)	—	—	(424)
At 31st March 2020	於二零二零年三月三十一日	50,312	9,406	1,052	60,770
(Charged)/credited to the consolidated income statement	已於綜合損益表中 (扣除)／計入	(2,090)	335	(539)	(2,294)
Currency translation differences	貨幣匯兌 差額	443	—	—	443
At 31st March 2021	於二零二一年三月三十一日	48,665	9,741	513	58,919

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

21 遞延所得稅資產／(負債)(續)

Deferred income tax liabilities:

遞延所得稅負債：

		Investment properties 投資物業 HK\$'000 千港元	Accelerated depreciation 加速折舊 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2019	於二零一九年四月一日	(99,173)	(5,563)	(303)	(105,039)
Credited to the consolidated income statement	已於綜合損益表中計入	22	1,233	278	1,533
Currency translation differences	貨幣匯兌差額	6,299	—	—	6,299
At 31st March 2020	於二零二零年三月三十一日	(92,852)	(4,330)	(25)	(97,207)
Credited/(charged) to the consolidated income statement	已於綜合損益表中計入／(扣除)	2,090	696	(1,502)	1,284
Currency translation differences	貨幣匯兌差額	(7,751)	—	—	(7,751)
At 31st March 2021	於二零二一年三月三十一日	(98,513)	(3,634)	(1,527)	(103,674)

As at 31 March 2021, investment properties located in the Mainland China amounted to HK\$1,422,582,000 (2020: HK\$1,324,824,000) are held by certain subsidiaries with a business model to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rates and the tax bases that are consistent with the expected manner of recovery of the investment properties.

於二零二一年三月三十一日，由若干附屬公司持有位於中國內地之投資物業合計1,422,582,000港元(二零二零年：1,324,824,000港元)，其業務模式為隨時間耗用投資物業絕大部分經濟利益，而非通過物業出售。本集團計量該等投資物業遞延稅項之暫時差額，使用與投資物業預期回本狀況一致的稅率及稅基。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DEFERRED INCOME TAX ASSETS/ (LIABILITIES) (CONTINUED)

At 31 March 2021, temporary differences relating to the undistributed profits of subsidiary companies amounted to HK\$270,768,000 (2020: HK\$258,893,000). Deferred tax liabilities of HK\$13,538,000 (2020: HK\$12,945,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of these subsidiary companies and it has been determined that it is probable that such retained profits will not be distributed in the foreseeable future.

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31st March 2021, the deferred income tax assets recognised from tax losses of approximately HK\$42,200,000 (2020: HK\$45,706,000) can be carried forward indefinitely. The remaining tax losses of approximately HK\$6,465,000 (2020: HK\$4,606,000) will expire in five years from the year they were incurred.

The Group did not recognise deferred income tax assets of approximately HK\$53,388,000 (2020: HK\$47,533,000) and approximately HK\$5,979,000 (2020: HK\$7,066,000) in respect of tax losses amounting to approximately HK\$323,565,000 (2020: HK\$288,076,000) that can be carried forward indefinitely and approximately HK\$23,916,000 (2020: HK\$28,263,000) that will be expired in five years from the year they were incurred respectively.

21 遞延所得稅資產／(負債)(續)

於二零二一年三月三十一日，附屬公司所涉及及未分派溢利之暫時性差額為270,768,000港元(二零二零年：258,893,000港元)。由於本集團控制該等附屬公司的股息政策，且其已決定在可見將來極可能不派發該等保留溢利，導致並未確認可能因分派該等保留溢利所應付稅項而涉及的遞延稅項負債13,538,000港元(二零二零年：12,945,000港元)。

遞延所得稅資產乃因應相關稅務利益透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零二一年三月三十一日，已就稅項虧損確認之遞延所得稅資產約42,200,000港元(二零二零年：45,706,000港元)可以無限期結轉。餘下稅項虧損約6,465,000港元(二零二零年：4,606,000港元)將於產生年度起五年後失效。

本集團並無就約323,565,000港元(二零二零年：288,076,000港元)之稅項虧損確認約53,388,000港元(二零二零年：47,533,000港元)之遞延所得稅資產，該金額可以無限期結轉，及約23,916,000港元(二零二零年：28,263,000港元)之稅項虧損確認約5,979,000港元(二零二零年：7,066,000港元)之遞延所得稅資產，其將於產生年度起五年後失效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

22 按公允價值計入其他全面收入之金融資產

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At beginning of year	於年初	62	144
Addition	添置	3,145	—
Change in fair value recognised in other comprehensive income (Note 35)	於其他全面收入中確認之公允價值變動(附註35)	996	(82)
At end of year	於年末	4,203	62

Financial asset at fair value through other comprehensive income, which is stated at fair value and denominated in HK\$, represents shares listed on The Stock Exchange of Hong Kong Limited.

按公允價值計入其他全面收入之金融資產按公允價值列賬並以港元計值，指於香港聯合交易所有限公司上市之股份。

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23 按公允價值計入損益之金融資產

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Structured bank products, at quoted price (Note)	結構性銀行產品報價(附註)	—	15,820

Note:

The investments in structured bank products were denominated in RMB. Changes in fair value were recognised in "other gains/(losses) – net" in the consolidated income statement. As at 31st March 2020, RMB11,000,000, equivalent to approximately HK\$12,001,000, was pledged as collateral for the Group's bill payables

附註：

結構性銀行產品投資以人民幣計值。公允價值變動於綜合損益表「其他收益／(虧損)－淨額」中確認。於二零二零年三月三十一日，人民幣11,000,000元(相當於約12,001,000港元)已作為本集團應付票據之抵押品作質押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 DERIVATIVE FINANCIAL INSTRUMENTS

24 衍生金融工具

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current liability	流動負債		
Interest rate swaps – cash flow hedges, at market value	利率掉期 – 現金流量對沖，按市值	1,084	—

As at 31st March 2021, the notional principal amounts of the outstanding interest rate swap contracts were HK\$128,000,000, which has been designated as the hedging instrument for the committed interest payment of bank loan. Gains and losses recognised in the hedging reserve in equity (Note 35) will be continuously released to the consolidated income statement until the settlement of the interest.

於二零二一年三月三十一日，未結算的利率掉期合約之名義本金額為128,000,000港元，已被指定為銀行貸款承諾利息支付的對沖工具。於權益中之對沖儲備中確認的收益及虧損(附註35)將不斷轉撥至綜合損益表，直至利息結算為止。

(i) Fair value measurement

For information about the fair value measurement of the derivative financial instruments, please refer to Note 3.3 to the financial statements.

(i) 公允價值計量

有關衍生金融工具公允價值計量之資料，請參閱財務報表附註3.3。

(ii) Hedging reserves

The Group's hedging reserves disclosed in Note 35 to the financial statements relate to the following hedging instruments:

(ii) 對沖儲備

本集團於財務報表附註35中披露之對沖儲備與以下對沖工具有關：

		Interest rate swaps 利率掉期 HK\$'000 千港元
At beginning of year	於年初	—
Add: Change in fair value of hedging instrument recognised in other comprehensive income	加：於其他全面收入中確認之對沖工具公允價值變動	1,228
Less: Transfer from hedging reserve to profit or loss – included in finance cost (Note 10)	減：從對沖儲備轉撥至損益 – 計入財務費用(附註10)	(144)
At end of year	於年末	1,084

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 INVENTORIES

25 存貨

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Finished goods	製成品	441,927	349,751
Work in progress	在製品	1,145	5,108
		443,072	354,859

The costs of inventories recognised as expenses and included in "cost of sales" in the consolidated income statement amounted to approximately HK\$1,703,668,000 (2020: HK\$1,992,552,000).

The Group made inventory provision for obsolete inventories and write-down of the inventories to net realisable value. As at 31st March 2021, there is a provision of HK\$10,937,000 (2020: HK\$12,452,000) netted off with the inventories in the consolidated statement of financial position. A reversal of provision for impairment of inventories of HK\$1,825,000 (2020: HK\$2,229,000) was included in "cost of sales" in the consolidated income statement.

約1,703,668,000港元(二零二零年: 1,992,552,000港元)之存貨成本已確認為支出，並已計入綜合損益表之「銷售成本」中。

本集團就過時存貨計提存貨撥備並將存貨撇減至可變現淨值。於二零二一年三月三十一日，一項撥備10,937,000港元(二零二零年: 12,452,000港元)抵銷綜合財務狀況表中的存貨。存貨減值撥備撥回1,825,000港元(二零二零年: 2,229,000港元)已計入綜合損益表之「銷售成本」中。

26 TRADE AND BILL RECEIVABLES

26 應收賬款及票據

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade receivables	應收賬款	365,806	302,689
Bill receivables	應收票據	18,799	75,148
Less: Provision for impairment	減: 減值撥備	(20,791)	(18,905)
Trade and bill receivables - net	應收賬款及票據—淨額	363,814	358,932

Sales are either covered by letters of credit or open account with credit terms of 0 to 90 days.

銷售均以信用證或具信貸期之記賬方式進行，信貸期介乎0至90日不等。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 TRADE AND BILL RECEIVABLES (CONTINUED)

Ageing analysis of trade and bill receivables by invoice date is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 to 60 days	0至60日	282,560	276,458
61 to 120 days	61至120日	45,458	42,819
121 to 180 days	121至180日	14,490	20,419
181 to 365 days	181至365日	16,762	14,668
Over 365 days	超過365日	25,335	23,473
		384,605	377,837
Less: Provision for impairment	減：減值撥備	(20,791)	(18,905)
		363,814	358,932

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristics and the aging from billing. See Note 3.1(b) for further information about expected credit loss provision.

26 應收賬款及票據(續)

應收賬款及票據根據發票日期之賬齡分析如下：

本集團符合香港財務報告準則第9號採用簡化法計提預期信貸虧損，其中允許就應收賬款使用全期預期虧損撥備。對計量預期信貸虧損，此等應收賬款已按共同信貸風險特性及票據賬齡歸類。有關預期信貸虧損撥備之進一步資料見附註3.1(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 TRADE AND BILL RECEIVABLES (CONTINUED)

Movements on the provision for impairment of trade and bill receivables are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At beginning of year	於年初	18,905	23,214
Provision for/(reversal of) impairment, net	減值撥備／ (撥回)淨額	293	(3,020)
Write off during the year as uncollectible	年內撇銷為 不可收回	(16)	(281)
Currency translation differences	貨幣匯兌差額	1,609	(1,008)
At end of year	於年末	20,791	18,905

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2021.

The carrying amounts of net trade and bill receivables were denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
RMB	人民幣	135,742	158,292
HK\$	港元	228,061	197,931
US\$	美元	—	2,654
Other	其他	11	55
		363,814	358,932

26 應收賬款及票據(續)

應收賬款及票據之減值撥備變動如下：

應收賬款及票據淨額之賬面金額與其於二零二一年三月三十一日之公允價值相若。

應收賬款及票據淨額之賬面金額以下列貨幣計值：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

27 預付款項、按金及其他應收賬款

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Prepayments for purchases	預付採購款項	72,314	52,490
Rental and other deposits	租金及其他按金	14,425	14,670
Value-added tax recoverable	可收回增值稅	14,615	22,476
Others	其他	10,238	10,245
		111,592	99,881
Less: Non-current	減：非即期	(12,540)	(18,038)
Current	即期	99,052	81,843

The carrying amounts of financial assets in deposits and other receivables approximated their fair values as at 31st March 2021 and 2020 and were denominated in the following currencies:

於按金及其他應收賬款內之金融資產之賬面金額與其於二零二一年及二零二零年三月三十一日之公允價值相若，並以下列貨幣計值：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
RMB	人民幣	8,257	8,908
HK\$	港元	16,127	15,512
US\$	美元	279	495
		24,663	24,915

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS

28 已抵押銀行存款／現金及現金等值

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash on hand	手頭現金	215	147
Cash at bank	銀行存款	172,891	113,527
Short-term bank deposits	短期銀行存款	—	15,508
		173,106	129,182
Less: Pledged bank deposits	減：已抵押銀行存款	(54,008)	(9,137)
Cash and cash equivalents	現金及現金等值	119,098	120,045

Pledged bank deposits and cash and cash equivalents were denominated in the following currencies:

已抵押銀行存款及現金及現金等值以下列貨幣計值：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	79,936	75,965
RMB	人民幣	81,752	20,069
US\$	美元	11,376	33,106
Others	其他	42	42
		173,106	129,182

The carrying amounts of pledged bank deposits and cash and cash equivalents approximated their fair values as at 31st March 2021 and 2020.

已抵押銀行存款及現金及現金等值之賬面金額與其於二零二一年及二零二零年三月三十一日之公允價值相若。

The effective interest rate on the bank deposit is 1.06% (2020: 1.75%) per annum. These deposits have an average maturity of 28 days (2020: 17 days).

銀行存款之實際利率為每年1.06%（二零二零年：1.75%）。該等存款的平均到期日為28日（二零二零年：17日）。

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綜合財務報表附註

28 PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS (CONTINUED)

As at 31st March 2021, the Group's bank deposits of approximately HK\$54,008,000 (2020: HK\$9,137,000) were pledged as collateral for the Group's bill payables.

As at 31st March 2021, pledged bank deposits and cash and bank deposits totalling approximately HK\$80,713,000 (2020: HK\$18,556,000) and HK\$1,972,000 (2020: HK\$901,000) were kept in banks in Mainland China and denominated in RMB and HKD respectively. These funds are not freely convertible in the international market with exchange rate determined by the People's Bank of China.

29 TRADE AND BILL PAYABLES

Payment terms with suppliers are either on letters of credit or open account with credit period of 30 to 120 days.

Ageing analysis of trade and bill payables by invoice date is as follows:

28 已抵押銀行存款／現金及現金等值(續)

於二零二一年三月三十一日，本集團的銀行存款約為54,008,000港元(二零二零年：9,137,000港元)已抵押作為本集團應付票據之抵押品。

於二零二一年三月三十一日，已抵押銀行存款以及現金及銀行存款合共約80,713,000港元(二零二零年：18,556,000港元)及1,972,000港元(二零二零年：901,000港元)存於中國內地銀行並分別以人民幣及港元計值。此等貨幣並不能在國際市場自由兌換及其匯率由中國人民銀行釐定。

29 應付賬款及票據

與供應商之付款條款均以信用證或具信貸期之記賬方式進行，信貸期介乎30至120日不等。

應付賬款及票據根據發票日期之賬齡分析如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 to 60 days	0至60日	244,911	166,472
61 to 120 days	61至120日	196	185
121 to 180 days	121至180日	30	70
181 to 365 days	181至365日	33	—
Over 365 days	超過365日	184	202
		245,354	166,929

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綜合財務報表附註

29 TRADE AND BILL PAYABLES (CONTINUED)

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2021. They were denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
RMB	人民幣	94,590	95,700
HK\$	港元	8,765	3,119
US\$	美元	137,147	68,110
EUR	歐元	4,852	—
		245,354	166,929

29 應付賬款及票據(續)

應付賬款及票據之賬面金額與其於二零二一年三月三十一日之公允價值相若。應付賬款及票據以下列貨幣計值：

30 ACCRUED LIABILITIES AND OTHER PAYABLES

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Accrual for employee benefit expenses	應計僱員福利支出	12,087	10,235
Accrual for operating expenses	應計經營支出	21,859	21,921
Rental deposits received	已收租賃按金	14,040	14,676
Value-added tax payables	應付增值稅	2,381	1,495
		50,367	48,327
Less: Non-current	減：非即期	(11,147)	(11,144)
Current	即期	39,220	37,183

30 應計負債及其他應付賬款

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 ACCRUED LIABILITIES AND OTHER PAYABLES (CONTINUED)

The carrying amounts of financial liabilities in accrued liabilities and other payables approximated their fair values as at 31st March 2021 and 2020 and were denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	10,418	12,476
RMB	人民幣	25,481	24,121
		35,899	36,597

30 應計負債及其他應付賬款(續)

於應計負債及其他應付賬款內之金融負債之賬面金額與其於二零二一年及二零二零年三月三十一日之公允價值相若，並以下列貨幣計值：

31 PROVISIONS

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Provision for onerous contracts	有償契約之撥備	33,280	—
Others	其他	2,018	4,025
		35,298	4,025

31 撥備

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 PROVISIONS (CONTINUED)

Movements on the Group's provision are as follows:

		Onerous contracts 有償契約 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2019	於二零一九年四月一日	—	—	—
Additional provision during the year	年內額外撥備	—	4,025	4,025
At 31st March 2020	於二零二零年三月三十一日	—	4,025	4,025
Additional provision during the year	年內額外撥備	33,280	—	33,280
Utilisation	使用	—	(2,007)	(2,007)
At 31st March 2021	於二零二一年三月三十一日	33,280	2,018	35,298

31 撥備(續)

本集團撥備之變動如下：

32 BORROWINGS

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current	即期		
– Trust receipts bank loans (i)	– 信託收據銀行貸款 (i)	546,798	480,312
– Short-term bank loans (i)	– 短期銀行貸款 (i)	62,699	22,911
– Current portion of long-term bank loans, secured (ii)	– 部分即期長期銀行貸款，有抵押 (ii)	48,834	57,332
– Other loan (iii)	– 其他貸款 (iii)	16,562	—
		674,893	560,555
Non-current	非即期		
– Long-term bank loans, secured (ii)	– 長期銀行貸款，有抵押 (ii)	779,749	855,083
Total borrowings	借貸總額	1,454,642	1,415,638

32 借貸

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 BORROWINGS (CONTINUED)

Notes:

- (i) As at 31st March 2021 and 2020, trust receipts bank loans and short-term bank loans were secured by corporate guarantee.
- (ii) As at 31st March 2021, the long-term bank loans of approximately HK\$411,621,000 (2020: HK\$436,942,000) were secured by the pledge of the Group's investment property of approximately HK\$1,421,966,000 (2020: HK\$1,317,928,000) (Note 15) and corporate guarantee. The remaining long-term bank loans of approximately HK\$416,962,000 (2020: HK\$475,473,000) were secured by corporate guarantee and Group's equity interests in certain subsidiaries.
- (iii) As at 31st March 2021, the other loan is denominated in RMB, unsecured and due on 31st July 2021. The loan bears fixed interest rate at 6% per annum.

The maturity of the Group's borrowings in accordance with the repayment schedule:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within one year	1年內	674,893	560,555
Between one and two years	1至2年	63,659	47,300
Between two and five years	2至5年	716,090	807,783
		1,454,642	1,415,638

Borrowings were denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	836,093	710,716
RMB	人民幣	490,882	459,853
US\$	美元	127,667	244,361
Others	其他	—	708
		1,454,642	1,415,638

32 借貸(續)

附註：

- (i) 於二零二一年及二零二零年三月三十一日，信託收據銀行貸款及短期銀行貸款以公司擔保作抵押。
- (ii) 於二零二一年三月三十一日，約411,621,000港元(二零二零年：436,942,000港元)之長期銀行貸款由本集團投資物業約1,421,966,000港元(二零二零年：1,317,928,000港元)(附註15)作質押及企業擔保。剩餘約416,962,000港元(二零二零年：475,473,000港元)之長期銀行貸款由企業擔保及由本集團於若干附屬公司的權益作抵押。
- (iii) 於二零二一年三月三十一日，其他貸款以人民幣計值，為無抵押，且於二零二一年七月三十一日到期。該貸款按固定年利率6%計息。

本集團借貸基於還款時間表之到期情況如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 BORROWINGS (CONTINUED)

The effective interest rates of borrowings (per annum) at the reporting dates are as follows:

		2021 二零二一年	2020 二零二零年
RMB	人民幣	5.9%	5.9%
HK\$	港元	3.2%	4.3%
US\$	美元	2.7%	4.5%

All the Group's borrowings as at 31st March 2021 and 2020 are on floating rate basis and the carrying amounts of the borrowings approximated their fair values.

The Group has the following floating rate undrawn borrowing facilities:

32 借貸(續)

於報告日，借貸之實際利率(每年)如下：

於二零二一年及二零二零年三月三十一日，本集團之所有借貸均按浮動利率計息及借貸之賬面金額與其公允價值相若。

本集團有以下未提取之浮息借貸融資：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
- expiring within one year	- 一年內到期	505,587	745,445
- expiring beyond one year	- 一年後到期	86,000	60,820
		591,587	806,265

33 SHARE CAPITAL

		Authorised (Ordinary shares of HK\$0.10 each) 法定 (每股0.10港元之普通股)		Issued and fully paid (Ordinary shares of HK\$0.10 each) 已發行及繳足 (每股0.10港元之普通股)	
		Number of shares '000 千股	Nominal value HK\$'000 千港元	Number of shares '000 千股	Nominal value HK\$'000 千港元
As at 31st March 2021 and 2020	於二零二一年及 二零二零年三月三十一日	1,000,000	100,000	641,232	64,123

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 SHARE OPTIONS

The existing share option scheme of the Company (the “2011 Share Option Scheme”) was adopted by the Company at the annual general meeting held on 11th August 2011. The 2011 Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date (i.e. 11th August 2011) and will expire on 10th August 2021. The 2011 Share Option Scheme may grant options to any person being an employee, agent, consultant or representative (including Executive Directors and Independent Non-Executive Directors) of the Group to subscribe for shares in the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time, excluding for the shares issued on the exercise of options. The exercise price will be determined by the Board of Directors of the Company and must be at least the highest of (i) the closing price of the Company’s shares quoted on The Stock Exchange of Hong Kong Limited on the date of grant of the options, which must be a business day; (ii) the average closing price of the Company’s shares quoted on The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant of the options; and (iii) the nominal value of the Company’s shares of HK\$0.10 each.

34 購股權

本公司現有購股權計劃(「二零一一年購股權計劃」)由本公司於二零一一年八月十一日舉行的股東週年大會上獲採納。二零一一年購股權計劃之有效期自採納日期(即二零一一年八月十一日)起計，為期十年，並將於二零一一年八月十日屆滿。二零一一年購股權計劃可授予任何人士(即本集團之僱員、代理人、顧問或代表(包括執行董事及獨立非執行董事))購股權以認購本公司之股份，但最多為本公司不時已發行股本之30%，但不包括因行使購股權而發行之股份。行使價將由本公司董事會釐定及最少必須以下列最高者為準：(i)本公司股份於授出購股權日期(必須為營業日)在香港聯合交易所有限公司所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個營業日在香港聯合交易所有限公司所報之平均收市價；及(iii)本公司股份面值每股0.10港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 SHARE OPTIONS (CONTINUED)

Movements of share options for the year ended 31st March 2021 were as follows:

34 購股權(續)

截至二零二一年三月三十一日止年度之購股權變動如下：

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share (i)	As at 1st April 2020	Granted	Cancelled/lapsed	Exercised	As at 31st March 2021
授予日期	有效期	每股行使價	每股行使價(i) 經調整	於二零二零年 四月一日	授予	註銷/失效	已行使	於二零二一年 三月三十一日
		HK\$ 港元	HK\$ 港元	'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	0.928	0.928	2,100	—	—	—	2,100
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至二零二三年十一月二十六日	1.300	1.043	1,246	—	—	—	1,246
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	0.670	0.537	2,344	—	—	—	2,344
				5,690	—	—	—	5,690

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 SHARE OPTIONS (CONTINUED)

Movements of share options for the year ended 31st March 2020 were as follows:

34 購股權(續)

截至二零二零年三月三十一日止年度之購股權變動如下：

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share (i)	As at 1st April 2019	Granted	Cancelled/lapsed	Exercised	As at 31st March 2020
授予日期	有效期	每股行使價	每股行使價(i)	於二零一九年四月一日	授予	註銷/失效	已行使	於二零二零年三月三十一日
		HK\$	HK\$	'000	'000	'000	'000	'000
		港元	港元	千股	千股	千股	千股	千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	0.928	0.928	3,100	—	(1,000)	—	2,100
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至二零二三年十一月二十六日	1.300	1.043	1,246	—	—	—	1,246
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	0.670	0.537	2,344	—	—	—	2,344
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至二零一九年十月十二日	0.504	0.404	12,206	—	(12,206)	—	—
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至二零一九年九月十七日	0.586	0.470	625	—	(625)	—	—
				19,521	—	(13,831)	—	5,690

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 SHARE OPTIONS (CONTINUED)

Note:

- (i) The exercise prices and number of share options granted prior to 17th December 2014 under the 2011 Share Option Scheme were adjusted for the open offer completed in December 2014.

No options were exercised (2020: Nil) and lapsed (2020: 13,831,000 shares) during the year ended 31st March 2021.

No share options were granted during the year ended 31st March 2021 (2020: Nil).

34 購股權(續)

附註：

- (i) 於二零一四年十二月十七日前根據二零一一年購股權計劃授出之購股權行使價及數目已就二零一四年十二月完成之公开发售作出調整。

於截至二零二一年三月三十一日止年度，概無購股權獲行使(二零二零年：無)及失效(二零二零年：13,831,000股股份)。

截至二零二一年三月三十一日止年度，概無授出任何購股權(二零二零年：無)。

35 RESERVES

35 儲備

		Share premium	Share option reserve	Capital redemption reserve (ii)	Statutory reserves (i)	Capital reserve	Hedge reserve	Other reserve	Financial assets at FVOCI reserve	Cumulative foreign currency translation reserve	Retained earnings	Total
		股份溢價	購股權儲備	資本贖回儲備 (ii)	法定儲備 (i)	資本儲備	對沖儲備	其他儲備	按公允價值計入其他全面收入之金融資產儲備	累計外幣匯兌調整	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1st April 2019	於二零一九年四月一日	426,253	7,191	80,624	18,023	58,355	—	(15,703)	(345)	(2,155)	350,741	922,984
Loss for the year	年度虧損	—	—	—	—	—	—	—	—	—	(90,309)	(90,309)
Other comprehensive income/(loss)	其他全面收益/(虧損)	—	—	—	—	—	—	—	—	—	—	—
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	—	—	(80,042)	—	(80,042)
Change in financial assets at FVOCI (Note 22)	按公允價值計入其他全面收入之金融資產之變動(附註22)	—	—	—	—	—	—	—	(82)	—	—	(82)
Transaction with owners in their capacity as owners	與擁有人以其擁有人身份進行的交易	—	—	—	—	—	—	—	—	—	—	—
Appropriation of statutory reserves	提撥法定儲備	—	—	—	45	—	—	—	—	—	(45)	—
Share-based payment	以股份為基礎之支付	—	1,996	—	—	—	—	—	—	—	—	1,996
Lapse of share options	購股權失效	—	(1,336)	—	—	—	—	—	—	—	1,336	—
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	—	—	—	—	—	—	—	(12,825)	(12,825)
At 31st March 2020	於二零二零年三月三十一日	426,253	7,851	80,624	18,068	58,355	—	(15,703)	(427)	(82,197)	248,898	741,722

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 RESERVES (CONTINUED)

35 儲備(續)

		Share premium	Share option reserve	Capital redemption reserve (ii)	Statutory reserves (i)	Capital reserve	Hedge reserve	Other reserve	Financial assets at FVOCI reserve	Cumulative foreign currency translation reserve	Retained earnings	Total
		股份溢價	購股權儲備	資本贖回儲備 (ii)	法定儲備 (i)	資本儲備	對沖儲備	其他儲備	按公允價值計入其他全面收入之金融資產儲備	累計外幣匯兌儲備	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1st April 2020	於二零二零年四月一日	426,253	7,851	80,624	18,068	58,355	—	(15,703)	(427)	(82,197)	248,898	741,722
Profit for the year	年內溢利	—	—	—	—	—	—	—	—	—	1,673	1,673
Other comprehensive income/(loss)	其他全面收入/(虧損)	—	—	—	—	—	—	—	—	—	—	—
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	—	—	101,009	—	101,009
Change in financial assets at FVOCI (Note 22)	按公允價值計入其他全面收入之金融資產之變動(附註22)	—	—	—	—	—	—	—	996	—	—	996
Net fair value change of cash flow hedge	現金流量對沖之公允價值變動淨額	—	—	—	—	—	(1,084)	—	—	—	—	(1,084)
Transaction with owners in their capacity as owners	與擁有人以其擁有人身份進行的交易	—	(6,794)	—	—	5,762	—	—	—	—	1,032	—
Lapse of share options	購股權失效	—	—	—	—	—	—	—	—	—	—	—
Change of ownership interest in subsidiaries	於附屬公司的擁有權權益變動	—	—	—	—	(24,363)	—	3,558	—	—	—	(20,805)
Share repurchase of non-controlling interests	非控制性權益之股份贖回	—	—	—	1,283	(10)	—	—	—	—	(1,186)	87
Appropriation of statutory reserves	提撥法定儲備	—	—	—	39	—	—	—	—	—	(39)	—
At 31st March 2021	於二零二一年三月三十一日	426,253	1,057	80,624	19,390	39,744	(1,084)	(12,145)	569	18,812	250,378	823,598

Notes:

- (i) Statutory reserves represent enterprise expansion reserve fund and general reserve fund set up by certain subsidiaries in Mainland China. As stipulated by regulations in Mainland China, the subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior year losses) to the enterprise expansion reserve fund and general reserve fund, at rates determined by their respective boards of Directors. The general reserve fund may be used for making up losses and increasing capital, while the enterprise expansion reserve fund may be used for increasing capital.
- (ii) The capital redemption reserve has been established upon repurchase of shares.

附註：

- (i) 法定儲備即由中國內地若干附屬公司設立之企業發展儲備基金及一般儲備基金。按照中國內地法規訂明，於中國內地成立及經營之附屬公司須於其除稅後溢利(經抵銷過往年度虧損)撥出部分至企業發展儲備基金及一般儲備基金，比率乃由其各自董事會釐定。一般儲備基金可用作抵銷虧損及增加股本，而企業發展儲備基金可用作增加股本。
- (ii) 資本贖回儲備已於購回股份時設立。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 CONSOLIDATED STATEMENT OF CASH FLOWS

36 綜合現金流量表

(a) Reconciliation of profit/(loss) before income tax to net cash generated from operations is as follows:

(a) 除所得稅前溢利／(虧損)與經營所得之現金淨額對賬如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	13,362	(86,535)
Share of results of investments accounted for using the equity method	應佔按權益法入賬之投資之業績	19,724	12,947
Interest income	利息收入	(1,110)	(1,216)
Interest expenses	利息支出	64,024	79,616
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	13,046	40,669
Depreciation of right-of-use assets	使用權資產之折舊	12,308	23,979
Loss/(gain) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	145	(48)
Gain on modification of lease	租賃修訂之收益	(2,865)	(109)
Unrealised exchange gain	未變現匯兌收益	(817)	(2,963)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	—	41
Impairment losses of property, plant and equipment	物業、廠房及設備之減值虧損	572	20,000
Amortisation of intangible assets	無形資產之攤銷	783	1,109
Fair value loss on investment properties	投資物業之公允價值虧損	8,362	88
Provision/(reversal of) for impairment of trade and bill receivables – net	應收賬款及票據減值撥備／(撥回) – 淨額	293	(3,020)
Reversal of impairment of inventories – net	存貨減值撥回 – 淨額	(1,825)	(2,229)
Share-based payment	以股份為基礎之支付	—	1,996
Provision for onerous contracts	有償契約之撥備	33,280	—
Operating profit before working capital changes	營運資金變動前之經營收益	159,282	84,325
– Inventories	– 存貨	(78,589)	(67,303)
– Trade and bill receivables	– 應收賬款及票據	6,810	111,405
– Prepayments, deposits and other receivables	– 預付款項、按金及其他應收賬款	(4,163)	34,613
– Trade and bill payables	– 應付賬款及票據	70,314	(14,467)
– Receipts in advance and deferred revenue	– 預收款項及遞延收入	(6,506)	23,340
– Accrued liabilities and other payables	– 應計負債及其他應付賬款	(2,500)	(9,829)
Net cash generate from operations	經營所得之現金淨額	144,648	162,084

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

36 綜合現金流量表(續)

(b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

(b) 於綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Net book amount (Note 14)	賬面淨額(附註14)	280	88
(Loss)/gain on disposals of property, plant and equipment (Note 7)	出售物業、廠房及設備之(虧損)/收益(附註7)	(145)	48
Sales proceeds of disposals of property, plant and equipment	出售物業、廠房及設備之銷售所得款項	135	136

(c) Reconciliation of liabilities from financing activities

(c) 融資活動之負債對賬

		Liabilities from financing activities 融資活動負債			Total 總額 HK\$'000 千港元
		Borrowing due within 1 year 一年內 到期之借貸 HK\$'000 千港元	Borrowing due after 1 year 一年後 到期之借貸 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	
Net debt as at 31st March 2019	於二零一九年三月三十一日之淨債務	787,710	704,839	50,275	1,542,824
Proceeds from bank borrowings	銀行借貸所得款項	24,002	446,766	—	470,768
Repayment of bank borrowings	償還銀行借貸	(87,469)	(247,240)	—	(334,709)
Net decreased in trust receipt bank loans	信託收據銀行貸款淨額減少	(178,606)	—	—	(178,606)
Additions	添置	—	—	12,849	12,849
Interest expenses on lease liabilities	租賃負債之利息支出	—	—	2,147	2,147
Payment for lease liabilities	租賃負債付款	—	—	(25,774)	(25,774)
Other non-cash movements	其他非現金變動	20,504	(19,634)	(11,954)	(11,084)
Foreign exchange adjustments	外匯調整	(5,586)	(29,648)	(351)	(35,585)
Net debt as at 31st March 2020	於二零二零年三月三十一日之淨債務	560,555	855,083	27,192	1,442,830

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

36 綜合現金流量表(續)

(c) Reconciliation of liabilities from financing activities (Continued)

(c) 融資活動之負債對賬(續)

		Liabilities from financing activities 融資活動負債			
		Borrowing due within 1 year 一年內 到期之借款 HK\$'000 千港元	Borrowing due after 1 year 一年後 到期之借款 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Net debt as at 31st March 2020	於二零二零年 三月三十一日之淨債務	560,555	855,083	27,192	1,442,830
Proceeds from borrowings	借貸所得 款項	69,019	171,000	—	240,019
Repayment of bank borrowings	償還銀行 借貸	(79,616)	(230,000)	—	(309,616)
Net decreased in trust receipt bank loans	信託收據銀行貸款 淨額減少	66,486	—	—	66,486
Additions	添置	—	—	3,064	3,064
Interest expenses on lease liabilities	租賃負債之 利息支出	—	—	824	824
Payment for lease liabilities	租賃負債 付款	—	—	(12,118)	(12,118)
Other non-cash movements	其他非現金 變動	48,834	(47,980)	(12,531)	(11,677)
Foreign exchange adjustments	外匯 調整	9,615	31,646	88	41,349
Net debt as at 31st March 2021	於二零二一年 三月三十一日之淨債務	674,893	779,749	6,519	1,461,161

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 TRANSACTION WITH NON-CONTROLLING INTEREST

(a) Acquisition of remaining 40% equity interests in Hongkong and Shanghai Land Capital Ltd. and HSL Capital Holdings Limited

On 4th December 2020, the Group acquired the remaining 40% of the issued shares of Hongkong and Shanghai Land Capital Ltd. and HSL Capital Holdings Limited (Together the “HSL Group”) at a consideration of HK\$20,000,000. The differences between the amount by which the non-controlling interests are adjusted to reflect the changes in interests in the HSL Group of HK\$4,523,000 and the consideration paid is recognised as Capital reserve, totalling to HK\$24,363,000.

(b) Deemed acquisition of Shanghai Bao Shun Chang International Trading Co., Ltd

On 18th January 2021 Shanghai Bao Shun Chang International Trading Co., Ltd (“BSC”), a 80.9% owned subsidiary of the Company, had repurchased from two of the shareholders of their 2.9% equity interests in BSC at a consideration of RMB2,182,000 (equivalent to approximately HK\$2,614,000). Upon the completion of the transaction, the Group shareholding in BSC increased from 80.9% to 83.3%. The differences between the amount by which the non-controlling interests are adjusted to reflect the changes in interests in BSC of HK\$2,701,000 and the consideration paid resulting in net increases in reserves of HK\$87,000.

(c) Acquisition of remaining 40% equity interests in China Sources Technology Limited

On 1st April 2020, VSC China Property Limited, a wholly-owned subsidiary, acquired the entire issued shares of China Sources Technology Limited at a consideration of US\$1. Upon the completion of the transaction, the Group deemed to acquire the remaining 40% equity interest in China Sources Technology Limited and the differences between the amount by which the non-controlling interests are adjusted to reflect the changes in interests of HK\$3,664,000 and the consideration paid is recognised as Other reserve, totalling to HK\$3,558,000.

37 與非控制性權益之交易

(a) 收購 Hongkong and Shanghai Land Capital Ltd. 及滬港資本控股有限公司餘下 40% 的股權

於二零二零年十二月四日，本集團以代價 20,000,000 港元收購 Hongkong and Shanghai Land Capital Ltd. 及滬港資本控股有限公司(統稱「HSL 集團」)餘下的 40% 已發行股份。調整非控股性權益以反映於 HSL 集團權益變動而作出的金額 4,523,000 港元與已付代價的差額已確認為資本儲備，總額為 24,363,000 港元。

(b) 視作收購上海寶順昌國際貿易有限公司

於二零二一年一月十八日，上海寶順昌國際貿易有限公司(「寶順昌」)(本公司擁有 80.9% 權益之附屬公司)以代價人民幣 2,182,000 元(相當於約 2,614,000 港元)自兩名股東購回彼等於寶順昌擁有的 2.9% 股權。交易完成後，本集團於寶順昌的股權由 80.9% 增加至 83.3%。調整非控股性權益以反映於寶順昌權益變動而作出的金額 2,701,000 港元與已付代價的差額致使儲備淨增長 87,000 港元。

(c) 收購 China Sources Technology Limited 餘下 40% 的股權

於二零二零年四月一日，全資附屬公司 VSC China Property Limited 以代價 1 美元收購 China Sources Technology Limited 的全部已發行股份。交易完成後，本集團被視為收購 China Sources Technology Limited 餘下 40% 的股權，且調整非控股性權益以反映權益變動而作出的金額 3,664,000 港元與已付代價的差額已確認為其他儲備，總額為 3,558,000 港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 TRANSACTION WITH NON-CONTROLLING INTEREST (CONTINUED)

The effect on the equity attributable to the owners of the Group during the year is summarised as follows:

37 與非控制性權益的交易(續)

年內本集團擁有人應佔權益的影響概述如下：

		2021 二零二一年 HK\$'000 千港元
Carrying amount of non-controlling interest acquired	所收購非控制性權益之賬面值	1,842
Consideration paid to non-controlling interests	已付非控制性權益代價	(22,614)
Exchange difference	匯兌差額	54
Excess of consideration paid recognised in reserves within equity	權益內儲備中確認已支付代價之差額	(20,718)

There were no transactions with non-controlling interests for the year ended 31st March 2020.

截至二零二零年三月三十一日止年度，概無與非控制性權益進行任何交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 DISPOSALS

(a) Disposal of He Tai Steel Co., Limited (“He Tai”)

On 17th April 2019, Green Success Global Limited (“Green Success”), an indirect wholly-owned subsidiary of the Company, and an independent third party entered into a sales and purchase agreement pursuant to which the independent third party agreed to acquire and Green Success agreed to sell the entire issued share capital of He Tai, which is principally engaged in trading of recycling steel in Hong Kong, at a consideration of HK\$15,000,000. A loss on disposal of He Tai of HK\$41,000 was recognised for the year ended 31st March 2020.

Upon completion of the transfer of shares of He Tai from Green Success to the independent third party on 30th April 2019, He Tai ceased to be an indirect wholly-owned subsidiary of the Company.

An analysis on loss on disposal of He Tai is as follows:

38 出售

(a) 出售和泰鋼鐵有限公司(「和泰」)

於二零一九年四月十七日，本公司之間接全資附屬公司Green Success Global Limited（「Green Success」）與獨立第三方訂立買賣協議，據此，獨立第三方已同意收購而Green Success亦已同意出售和泰（主要於香港從事買賣回收鋼鐵）全部已發行股本，代價為15,000,000港元。出售和泰之虧損41,000港元已於截至二零二零年三月三十一日止年度內確認。

自Green Success於二零一九年四月三十日完成將和泰之股份轉讓至獨立第三方後，和泰不再為本公司之間接全資附屬公司。

出售和泰之虧損分析如下：

		HK\$'000 千港元
Consideration received as at disposal date:	於出售日期之已收代價：	
– Cash received	– 已收現金	15,000
– Direct expenses	– 直接支出	(15)
		14,985
Assets:	資產：	
– Property, plant and equipment	– 物業、廠房及設備	(15,026)
Total identifiable net assets disposed	已售可識別資產淨值總額	(15,026)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(41)
An analysis on net cash flows arising from the disposal:	因出售產生的現金流淨值分析如下：	
Net cash consideration	現金淨值代價	15,000
Less:	減：	
Deposit received	已收按金	(1,500)
Direct expenses paid	已付直接支出	(15)
Net cash inflow from the disposal of a subsidiary	出售一間附屬公司之現金流入淨額	13,485

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 DISPOSALS (CONTINUED)

(b) Disposal of Changshu Baoshunchang Steel Processing Co., Ltd (“Changshu Baoshunchang”)

On 26th July 2019 and 30th September 2019, WS Holdings Limited, VSC (China) Investments Limited, indirect wholly-owned subsidiaries of the Company, and BSC (together as “Vendors”) and a third party and a Director of a subsidiary of the Company (together as “Buyers”) entered into sales and purchase agreements pursuant to which the Buyers agreed to acquire and the Vendors agreed to sell an aggregate of 59.99% equity interests in Changshu Baoshunchang, an associate of the Company, at consideration of US\$2 and RMB1 respectively. The carrying amount of the investment in this associate as at 31st March 2019 was nil. The transfer of 59.99% equity interest in this associate was completed on 8th November 2019.

39 COMMITMENTS

(a) Commitments under operating leases

(i) Lessor

The Group leases investment properties under non-cancellable operating lease agreements. The lease agreements are renewable at the end of the lease period at market rate.

Total commitments receivable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Not later than one year	未逾1年	25,235	22,493

38 出售(續)

(b) 出售常熟寶順昌鋼材加工有限公司 (「常熟寶順昌」)

於二零一九年七月二十六日及二零一九年九月三十日，WS Holdings Limited、萬順昌（中國）投資有限公司（為本公司間接全資附屬公司）及寶順昌（統稱「賣方」）與一名第三方及一名本公司附屬公司的董事（統稱「買方」）訂立買賣協議，據此，買方同意收購，而賣方同意出售於常熟寶順昌（為本公司之聯營公司）合共59.99%之股本權益，代價分別為2美元及人民幣1元。於二零一九年三月三十一日，該聯營公司之投資賬面值為零。轉讓該聯營公司之59.99%權益已於二零一九年十一月八日完成。

39 承擔

(a) 營業租賃承擔

(i) 出租人

本集團根據不可撤銷之營業租約出租投資物業。租約可在租期屆滿後以市場租值續簽。

就出租物業而訂立之多份不可撤銷營業租約之應收承擔總額分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 COMMITMENTS (CONTINUED)

(a) Commitments under operating leases (Continued)

(ii) Lessee

The Group leases various retail shops, offices, warehouses and sites under non-cancellable operating lease agreements. The majority of lease agreements are renewable at the end of the lease period at market rate. See Note 16 for further information.

Total commitments payable under various non-cancellable operating lease agreements in respect of short-term and low-value leases are analysed as follows:

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Not later than one year	781	54

(b) Capital commitments

Significant commitment contracted for at the end of the reporting period but not recognised as liability and capital commitment is as follows:

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Contracted but not provided for renovation work for an investment property	39	62
Commitment to provide funding for associate's capital commitments, if called	18,313	30,348
	18,352	30,410

39 承擔(續)

(a) 營業租賃承擔(續)

(ii) 承租人

本集團根據不可撤銷之營業租約承租多個零售商舖、辦公室、貨倉及工地。大部分租約可在租期屆滿後以市場租值續簽。進一步資料見附註16。

就不同短期及低價值租賃而訂立之各份不可撤銷營業租約之應付承擔總額分析如下：

(b) 資本承擔

於報告期末已訂約但尚未確認為負債及資本承擔之重大承擔如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 RELATED PARTY TRANSACTIONS

40 關聯方交易

(a) Related parties balance and transactions

(a) 關聯方結餘及交易

Balances with related parties

與關聯方之結餘

		Notes	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
Deferred revenue	遞延收入			
– a joint venture	– 一間合營公司	(i)	5,979	5,962
– an associate	– 一間聯營公司	(ii)	1,114	—
			7,093	5,962

The balances with the related parties are included in “Receipt in advances and deferred revenue” and denominated in US\$.

與關聯方之結餘計入「預收款項及遞延收入」，並以美元計值。

Transaction with related parties

與關聯方之交易

The following is a summary of significant related party transactions, which were carried out in the normal course of the Group's business:

於本集團正常業務過程中進行之重大關聯交易概要如下：

		Notes	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
Management fee income for services provided to	管理費收入為提供服務予			
– a joint venture	– 一間合營公司	(i)	23,843	35,703
– an associate	– 一間聯營公司	(ii)	26,923	—
			50,766	35,703
Sales of goods to:	銷售貨品予：			
– an associate	– 一間聯營公司	(iii)	—	6,365
			—	6,365
Purchase of goods from:	購買貨品自：			
– an associate	– 一間聯營公司	(iv)	—	15,178
Rental expense paid to a joint venture	付予一間合營公司之租金支出	(v)	—	1,045

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Related parties balance and transactions (Continued)

Transaction with related parties (Continued)

Notes:

- (i) During the year ended 31st March 2021, asset management services were provided by an indirect subsidiary of the Company to HSL Shanghai Office Partners I Limited, a joint venture of the Group, at prices mutually agreed by both parties.
- (ii) During the year ended 31st March 2021, asset management services were provided by indirect subsidiaries of the Company to Skyline Holdings (BVI) Limited, an associate of the Group, at prices mutually agreed by both parties.
- (iii) Goods were sold by an indirect subsidiary of the Company to Changshu Baoshunchang Steel Processing Co., Ltd., the then associate of the Group, at prices mutually agreed by both parties.
- (iv) An indirect subsidiary of the Company purchased goods from Changshu Baoshunchang Steel Processing Co., Ltd., the then associate of the Group, at prices mutually agreed by both parties.
- (v) Rental expenses were paid by indirect subsidiaries of the Company to 上海活盈置業有限公司, a subsidiary of HSL Shanghai Office Partners I Limited, for leases of office at prices mutually agreed by both parties.

(b) Key management compensation

40 關聯方交易(續)

(a) 關聯方結餘及交易(續)

與關聯方之交易(續)

附註：

- (i) 於截至二零二一年三月三十一日止年度，由本公司之一間間接附屬公司按雙方同意之價格向本集團一間合營公司HSL Shanghai Office Partners I Limited提供之資產管理服務。
- (ii) 於截至二零二一年三月三十一日止年度，由本公司之間接附屬公司按雙方同意之價格向本集團聯營公司Skyline Holdings (BVI) Limited提供之資產管理服務。
- (iii) 本公司之一間間接附屬公司以雙方同意之價格向本集團前聯營公司常熟寶順昌鋼材加工有限公司出售貨物。
- (iv) 本公司一間間接附屬公司向本集團當時的聯營公司常熟寶順昌鋼材加工有限公司，按雙方同意之價格購買貨品。
- (v) 由本公司間接附屬公司支付予上海活盈置業有限公司(HSL Shanghai Office Partners I Limited之一間附屬公司)之租金支出，按雙方同意之價格提供辦公室租賃。

(b) 主要管理層報酬

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	13,310	13,527
Bonus	花紅	5,147	3,659
Pension costs – defined contribution schemes	退休金成本—界定供款計劃	267	343
		18,724	17,529

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

41 CONTINGENT LIABILITIES

In carrying out the ordinary course of business, the Group is subject to the risk of being named as defendant in legal actions, claims and disputes in connection with its business activities. The nature of the legal proceedings initiated against the Group mainly includes claims for compensation by the Group's existing or former employees for work related injuries. The Group maintains insurance cover and, in the opinion of the Directors, based on current available evidence, any such existing claims and legal proceedings against the Group are not expected to have significant adverse financial impact to the Group as at 31st March 2021.

Other than the above, as at 31st March 2021, the Group did not have any material contingent liability (2020: Nil).

41 或然負債

於日常業務過程中，本集團面對與業務活動相關訴訟、索償及爭議而成為被告之風險。對本集團提出之法律程序性質主要包括本集團現任或前僱員就工傷提出之賠償申索。本集團已投購保險，而根據目前可取得之證據，董事認為任何該等對本集團之現有索償及法律程序於二零二一年三月三十一日預期不會對本集團造成重大不利財務影響。

除上述者外，於二零二一年三月三十一日，本集團並無任何重大或然負債(二零二零年：無)。

42 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

42 本公司財務狀況表及儲備變動

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	667,597	642,820
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	121	92
Cash and cash equivalents	現金及現金等值	328	1,094
		449	1,186
Total assets	總資產	668,046	644,006
Equity	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	64,123	64,123
Reserves	儲備	603,090	579,151
Total equity	權益總額	667,213	643,274
Liabilities	負債		
Current liabilities	流動負債		
Accrued liabilities and other payables	應計負債及其他應付賬款	833	732
Total equity and liabilities	權益及負債總額	668,046	644,006

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

42 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

42 本公司財務狀況表及儲備變動 (續)

(a) Reserve movement of the Company

(a) 本公司儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元 Note (i) 附註(i)	Contributed surplus 繳入盈餘 HK\$'000 千港元 Note (ii) 附註(ii)	Retained earnings 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2019	於二零一九年 四月一日	426,253	2,395	80,624	53,986	30,198	593,456
Loss for the year	年度虧損	—	—	—	—	(1,480)	(1,480)
Lapse of share option	購股權失效	—	(1,336)	—	—	1,336	—
Dividends paid	已付股息	—	—	—	—	(12,825)	(12,825)
At 31st March 2020	於二零二零年 三月三十一日	426,253	1,059	80,624	53,986	17,229	579,151
Profit for the year	年度溢利	—	—	—	—	23,939	23,939
At 31st March 2021	於二零二一年 三月三十一日	426,253	1,059	80,624	53,986	41,168	603,090

Notes:

- (i) The capital redemption reserve has been established upon repurchase of shares.
- (ii) The contributed surplus of the Company represents the difference between the aggregate of the nominal values of the shares of the subsidiaries acquired at the date of acquisition, over the nominal value of the shares of the Company issued in exchange thereof.

In addition to the retained profits, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

附註：

- (i) 資本贖回儲備已於購回股份時設立。
- (ii) 本公司繳入盈餘指於收購日期收購附屬公司之股份面值總額與本公司因此發行以作交換之股份面值兩者間之差額。

除保留溢利外，根據百慕達一九八一年公司法(經修訂)，繳入盈餘亦可分派予股東。然而，倘(i)本公司不能或於繳款後將不能支付到期之負債；或(ii)本公司之可變現資產價值低於其負債及已發行股本及股份溢價賬之總額，則本公司不得自繳入盈餘中宣派或派發股息或作出分派。



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