



WANJIA GROUP
萬嘉集團

Wanjia Group Holdings Limited 萬嘉集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

STOCK CODE 股份代號: 401



Annual Report
2013/14
年報

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Corporate Information 公司資料

EXECUTIVE DIRECTORS

Weng Jiaxing (*Chairman and Chief Executive Officer*)

Chen Yong (*Vice Chairman*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Liang Yichi

Wong Hon Kit (appointed on 11 April 2013)

Zhu Donghai (resigned on 27 February 2014)

Liu Yongping (appointed on 27 February 2014)

COMPLIANCE ADVISOR

Messis Capital Limited

AUTHORISED REPRESENTATIVES

Weng Jiaxing

Tsang Pui Yee

COMPANY SECRETARY

Tsang Pui Yee

AUDIT COMMITTEE

Wong Hon Kit (*Chairman*) (appointed on 11 April 2013)

Liang Yichi

Zhu Donghai (resigned on 27 February 2014)

Liu Yongping (appointed on 27 February 2014)

REMUNERATION COMMITTEE

Wong Hon Kit (*Chairman*) (appointed on 11 April 2013)

Chen Yong

Zhu Donghai (resigned on 27 February 2014)

Liu Yongping (appointed on 27 February 2014)

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Weng Jiaxing (*Chairman*)

Liang Yichi

Wong Hon Kit (appointed on 11 April 2013)

Zhu Donghai (resigned on 27 February 2014)

Liu Yongping (appointed on 27 February 2014)

執行董事

翁加興 (*主席兼行政總裁*)

陳勇 (*副主席*)

獨立非執行董事

梁一池

黃漢傑 (於二零一三年四月十一日獲委任)

朱東海 (於二零一四年二月二十七日辭任)

劉勇平 (於二零一四年二月二十七日獲委任)

合規顧問

大有融資有限公司

授權代表

翁加興

曾沛宜

公司秘書

曾沛宜

審核委員會

黃漢傑 (*主席*) (於二零一三年四月十一日獲委任)

梁一池

朱東海 (於二零一四年二月二十七日辭任)

劉勇平 (於二零一四年二月二十七日獲委任)

薪酬委員會

黃漢傑 (*主席*) (於二零一三年四月十一日獲委任)

陳勇

朱東海 (於二零一四年二月二十七日辭任)

劉勇平 (於二零一四年二月二十七日獲委任)

提名及企業管治委員會

翁加興 (*主席*)

梁一池

黃漢傑 (於二零一三年四月十一日獲委任)

朱東海 (於二零一四年二月二十七日辭任)

劉勇平 (於二零一四年二月二十七日獲委任)

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1902, 19th Floor
101 King's Road
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House,
24 Shedden Road, George Town,
Grand Cayman KY1-1110,
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of Communications Co., Ltd.
20 Pedder Street
Central, Hong Kong

註冊辦事處

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

總辦事處及香港主要營業地點

香港
英皇道101號
19樓1902室

主要股份過戶登記處

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House,
24 Shedden Road, George Town,
Grand Cayman KY1-1110,
Cayman Islands

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

主要往來銀行

交通銀行股份有限公司
香港中環
畢打街20號



Corporate Information 公司資料

AUDITORS

HLB Hodgson Impey Cheng
Certified Public Accountants
31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central, Hong Kong

STOCK CODE

401

WEBSITE

www.wanjia-gp.com

核數師

國衛會計師事務所
香港執業會計師
香港中環
畢打街11號
置地廣場
告羅士打大廈31樓

股份代號

401

網址

www.wanjia-gp.com

On behalf of the board of directors (the “**Board**”) of Wanjia Group Holdings Limited (the “**Company**”), I am pleased to present the audited financial results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2014.

BUSINESS REVIEW

During the year, the Company was spun-off from Hua Xia Healthcare Holdings Limited (“**Hua Xia**”) and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of introduction on 11 October 2013.

The Group continued to focus on pharmaceutical wholesales and distribution business and pharmaceutical retail chain business in the People's Republic of China (the “**PRC**”).

Our Group has a large and broad customer base through our distribution network in Fujian Province in the PRC. Our Group distributes pharmaceutical products to our customers located principally in the Fujian Province and also sells pharmaceutical products in neighboring provinces. Total revenue generated from pharmaceutical wholesales and distribution business for the year ended 31 March 2014 was approximately HK\$1,858.355 million, representing an increase of approximately 11.09% as compared to 2013.

Our Group also operates pharmaceutical retail business through Fujian Huihao Sihai Pharmaceutical Chain Company Limited* (福建惠好四海醫藥連鎖有限責任公司) which was accounted for as one of our subsidiaries. We have an established retail network in Fujian Province in the PRC. At the date of this report, we directly operated 115 retail pharmacies in six prefectural – level districts of the Fujian Province in the PRC under the brand name “*Huihao Sihai*”.

* English translations of official Chinese names are for identification purpose only

本人謹代表萬嘉集團控股有限公司（「**本公司**」）之董事會（「**董事會**」），欣然提呈本公司及其附屬公司（統稱「**本集團**」）截至二零一四年三月三十一日止年度之經審核財務業績。

業務回顧

年內，本公司從華夏醫療集團有限公司（「**華夏**」）分拆並於二零一三年十月十一日以介紹形式於香港聯合交易所有限公司（「**聯交所**」）主板上市。

本集團繼續專注於在中華人民共和國（「**中國**」）經營藥品批發及分銷業務以及藥品零售連鎖業務。

本集團擁有位於中國福建省之分銷網絡為我們帶來廣大之客戶群。本集團向主要位於福建省之客戶分銷藥品，並同時於鄰近省份銷售藥品。截至二零一四年三月三十一日止年度，藥品批發及分銷業務產生之總收益約為1,858,355,000港元，較二零一三年增加約11.09%。

本集團亦透過入賬為本集團附屬公司之一之福建惠好四海醫藥連鎖有限責任公司經營藥品零售業務。本集團已在中國福建省建立零售網絡。於本報告日期，本集團在中國福建省六個地級市，以「*惠好四海*」之品牌名稱直接經營115間零售藥店。

* 中文官方名稱之英文翻譯乃僅供識別

Chairman's Statement

主席報告

The turnover contributed by the pharmaceutical retail business for the year ended 31 March 2014 was approximately HK\$238.100 million, representing an increase of approximately 12.04% as compared to 2013.

FINANCIAL REVIEW

During the year, the Group continued to see increase in our revenue mainly driven by the sales from the pharmaceutical wholesales and distribution in the PRC. Turnover of the Group for the year was approximately HK\$2,096.455 million in comparison with approximately HK\$1,885.369 million in 2013, representing an increase of approximately 11.20% compared with last year. The gross profit of the Group was approximately HK\$189.464 million in comparison with HK\$164.159 million in 2013. The net profit attributable to the owners of the Company was approximately HK\$48.920 million in comparison with HK\$41.763 million in 2013. Our Company has met the profit forecast for the year ended 31 March 2014 for not less than HK\$40 million which disclosed in the Prospectus dated 30 September 2013. The net profit attributable to the owners of the Company yielded an increase of approximately 17.14% compared to that of 2013.

PROSPECTUS

The management of the Group has realised the potential opportunities in the field and continued to address the needs of the market and the public through refined services and quality products.

The pharmaceutical market consolidation has continued at national and local level providing opportunities for companies with large scale operations like the Group. At the same time, competition among the industry is keen. Our group would actively look for further development opportunities made available by the continued healthcare reform. We will also continue further strengthen our drug delivery to hospitals and wholesales segments business and expansion our retails pharmacies in the year 2014/15.

截至二零一四年三月三十一日止年度，藥品零售業務貢獻之營業額約為238,100,000港元，較二零一三年增長約12.04%。

財務回顧

年內，主要受於中國之藥品批發及分銷銷售所帶動，本集團持續錄得收益增加。與二零一三年之約1,885,369,000港元相比較，本集團於本年度之營業額約為2,096,455,000港元，較去年增加約11.20%。本集團之毛利約為189,464,000港元，而二零一三年則為164,159,000港元。本公司擁有人應佔純利約為48,920,000港元，而二零一三年則為41,763,000港元。本公司已達致日期為二零一三年九月三十日之招股書所披露截至二零一四年三月三十一日止年度之溢利預測不少於40,000,000港元。本公司擁有人應佔純利較二零一三年錄得增加約17.14%。

展望

本集團管理層意識到業內之潛在機遇，並繼續透過經改進之服務及優質產品滿足市場及公眾需要。

國家及地方層面之藥品市場整合持續，從而為如本集團之具有大型營運規模之公司提供良機。與此同時，行業中的競爭激烈。於二零一四年／一五年度，本集團將積極尋求由持續的醫療改革提供進一步發展的機會。本集團同時將繼續加強醫院藥品交付及批發分部的業務及擴張零售藥店。

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to the management team and staff for their tireless dedication that helps fuel the Group's healthy development. In addition, I would also like to thank all our shareholders, business partners and customers for their continuous support. We will continue to devote unwavering efforts to reap promising returns for all parties.

Weng Jiaxing

Chairman and Chief Executive Officer

Hong Kong, 25 June 2014

致謝

本人謹代表董事會對管理團隊及員工為本集團穩健發展作出之不懈努力致以誠摯感謝。此外，本人亦對全體股東、業務夥伴及客戶之持續支持表示感謝。本集團將繼續全力以赴，為所有相關人士取得豐厚回報。

主席兼行政總裁

翁加興

香港，二零一四年六月二十五日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL HIGHLIGHTS

Summary of the results of the Group for the financial year ended 31 March 2014 is as follows:

- Total turnover was approximately HK\$2,096.455 million (2013: approximately HK\$1,885.369 million), representing approximately 11.20% of growth over 2013. The rise in the turnover was mainly driven by the sales from the pharmaceutical wholesales and distribution segment due to increase in overall demand for pharmaceutical products and the expansion of the product portfolio.
- Gross profit was approximately HK\$189.464 million (2013: approximately HK\$164.159 million), representing approximately 15.41% of growth over 2013.
- The operating profit was approximately HK\$80.196 million (2013: approximately HK\$64.797 million), representing approximately 23.82% increase as compared to last year.
- Net profit attributable to owners of the Company was approximately HK\$48.920 million (2013: approximately HK\$41.763 million), representing approximately 17.14% increase as compared to the previous year.
- The Group had total cash and cash equivalents of approximately HK\$43.638 million as at 31 March 2014. (31 March 2013: approximately HK\$30.676 million)
- The board does not recommend the payment of a final dividend for the year ended 31 March 2014 (2013: Nil).

財務摘要

本集團截至二零一四年三月三十一日止財政年度之業績概要如下：

- 總營業額約為2,096,455,000港元（二零一三年：約1,885,369,000港元），較二零一三年增長約11.20%。營業額上升主要因藥品之整體需求上升及擴大產品組合而受藥品批發及分銷分類之銷售所帶動。
- 毛利約為189,464,000港元（二零一三年：約164,159,000港元），較二零一三年增長約15.41%。
- 經營溢利約為80,196,000港元（二零一三年：約為64,797,000港元），較上一年度增加約23.82%。
- 本公司擁有人應佔純利約為48,920,000港元（二零一三年：約41,763,000港元），較上一年度增加約17.14%。
- 本集團於二零一四年三月三十一日之總現金及現金等值項目約為43,638,000港元（二零一三年三月三十一日：約30,676,000港元）。
- 董事會並不建議就截至二零一四年三月三十一日止年度派發末期股息（二零一三年：無）。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the year, the Company was spun-off from Hua Xia Healthcare Holdings Limited (“Hua Xia”) and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) by way of introduction on 11 October 2013.

The Group continues to focus on pharmaceutical wholesales and distribution business and pharmaceutical retail chain business in the People’s Republic of China (the “PRC”).

Turnover

Looking back at 2013/14, the Group’s revenue experienced steady growth. The Group recorded revenue of approximately HK\$2,096.455 million (2013: approximately HK\$1,885.369 million) for the year ended 31 March 2014, accounting for an increase of approximately 11.20% over last year. The gross profit margin of the Group was approximately 9%, which maintained at a similar level as in 2013.

Pharmaceutical wholesale and distribution business

The Group has a large and broad customer base through our distribution network in Fujian Province in the PRC. The Group distributes pharmaceutical products to our customers located principally in the Fujian Province and also sells pharmaceutical products in neighboring provinces such as Guangdong, Hunan, Hubei, Jiangxi, Anhui and Zhejiang. Our customers can be categorized into three types namely hospitals and healthcare institutions, distributor customers and end customers such as companies operating pharmaceutical retail chain stores, independent pharmacies, and outpatient departments of community hospitals, healthcare service stations and clinics. The turnover generated from the pharmaceutical wholesale and distribution business amounted to approximately HK\$1,858.355 million (2013: approximately HK\$1,672.848 million), representing approximately 11.09% of growth over 2013 and accounted for approximately 88.64% of the Group’s turnover. The increase was primarily due to the expansion of distribution network and product portfolio.

業務回顧

年內，本公司從華夏醫療集團有限公司（「華夏」）分拆並於二零一三年十月十一日以介紹形式於香港聯合交易所有限公司（「聯交所」）主板上市。

本集團繼續專注於在中華人民共和國（「中國」）經營藥品批發及分銷業務以及藥品零售連鎖業務。

營業額

回顧二零一三年／一四年，本集團之收益取得穩步增長。截至二零一四年三月三十一日止年度，本集團錄得收益約2,096,455,000港元（二零一三年：約1,885,369,000港元），較去年增加約11.20%。本集團之毛利率約為9%，維持在與二零一三年之相若水平。

藥品批發及分銷業務

本集團擁有位於中國福建省之分銷網絡為我們帶來廣大之客戶群。本集團向主要位於福建省之客戶分銷藥品，並同時於廣東、湖南、湖北、江西、安徽及浙江等鄰近省份銷售藥品。我們之客戶可分為三種類型，即醫院及醫療機構、分銷商客戶及終端客戶，例如經營藥品零售連鎖店之公司、獨立藥店、社區醫院之門診部、醫療保健服務站及診所。藥品批發及分銷業務產生之營業額約為1,858,355,000港元（二零一三年：約1,672,848,000港元），較二零一三年增長約11.09%及佔本集團營業額約88.64%。該增加主要因分銷網絡及產品組合擴大所致。

Management Discussion and Analysis

管理層討論及分析

Pharmaceutical retail chain business

The Group operates pharmaceutical retail business through Fujian Huihao Sihai Pharmaceutical Chain Company Limited* (福建惠好四海醫藥連鎖有限責任公司) which was accounted for as one of our subsidiaries. The Group offers a wide variety of products in our retail pharmacies including prescription medicines, over-the-counter medicines, healthcare food products, traditional Chinese medicines, medical supplies and medical devices. During the year, 15 retail pharmacies were opened. The Group seeks to introduce new products and services to meet changing customer preferences and to differentiate the Group from our competitors. The turnover generated from pharmaceutical retail chain business amounted to approximately HK\$238.100 million (2013: approximately HK\$212.521 million), representing approximately 12.04% of growth over 2013. The increase was primarily due to an increase in the number of retail pharmacies.

Since year 2013/14, the China Food and Drug Administration has implemented a new Good Supply Practice ("GSP") in which details information are not yet been clearly disclosed to the public. Therefore only 15 new retail pharmacies are being opened in Fujian Province in the PRC. The expected number of retail pharmacies which are to be open during the period was behind the schedule. We would closely monitor the further development of the new GSP and open our retail pharmacies steadily.

Other revenue

Other revenue, primarily including sundry income, bank interest income, exhibition income and rental income amounted to approximately HK\$7.543 million (2013: approximately HK\$7.729 million) for the year ended 31 March 2014, which maintained at similar level as in 2013.

藥品零售連鎖業務

本集團透過入賬為本集團附屬公司之一之福建惠好四海醫藥連鎖有限責任公司經營藥品零售業務。本集團之零售藥店提供各種產品，包括處方藥、非處方藥、保健食品、傳統中藥、醫療用品及醫療器械。年內，本集團已開設15間零售藥店。本集團力求引進新產品和服務以滿足客戶不斷變化之喜好，並使本集團在競爭對手中脫穎而出。藥品零售連鎖業務產生之營業額約為238,100,000港元（二零一三年：約212,521,000港元），較二零一三年增長約12.04%。該增加主要因零售藥店數目增加所致。

由於二零一三／一四年內，中國食品和藥品管理局已實施了新的質量管理規範（「**質量管理規範**」），其中詳細信息尚未明確向公眾披露。因此於期內，本集團於中國福建省只開設15間新零售藥店。預計在期內開設數目的零售藥店因此落後於預定計劃。我們會密切留意新的質量管理規範的進一步發展，穩步地開設零售藥店。

其他收益

截至二零一四年三月三十一日止年度，其他收益（主要包括雜項收入、銀行利息收入、展會收入及租金收入）約為7,543,000港元（二零一三年：約7,729,000港元），維持在與二零一三年之相若水平。

* English translations of official Chinese names are for identification purpose only

* 中文官方名稱之英文翻譯乃僅供識別

Selling and distribution expenses

Selling and distribution expenses primarily consisted of salaries paid to sales and marketing personnel and rental expenses of retail pharmacies. For the year ended 31 March 2014, selling and distribution expenses amounted to approximately HK\$70.524 million (2013: approximately HK\$61.397 million), representing an increase of approximately 14.87% over the last year. More selling and distribution expense incurred mainly attributable to the increase in both salaries and rental expenses arising from the increase in both the number of sales and marketing personnel employed by the Group and the number of retail pharmacies during the year.

Administrative expenses

Administrative expenses for the year ended 31 March 2014 amounted to approximately HK\$47.033 million (2013: approximately HK\$46.802 million), representing a slightly increase of approximately 0.49% over last year. By excluding the expenses incurred for the listing of Company's shares on the Main Board of the Stock Exchange, the administrative expenses approximately HK\$42.278 million (2013: approximately HK\$40.402 million, excluding the expenses incurred for the listing of shares), representing an increase of approximately 4.64% over the last year. More administrative expenses incurred mainly due to the expansion of the business scale.

Finance costs

For the year ended 31 March 2014, the finance costs of the Group were approximately HK\$6.015 million (2013: approximately HK\$4.090 million), representing a significant increase of approximately 47.07% over the last year. The increase was mainly due to increased average outstanding amounts of bank loans during the year.

Profit attributable to owners of the Company

The Group recorded a profit attributable to owners of the Company of approximately HK\$48.920 million (2013: approximately HK\$41.763 million) during the year ended 31 March 2014, represents an increase about 17.14% compared to last year. The increase was mainly contributed by decrease in listing expenses incurred by the Group compared to last year.

銷售及分銷費用

銷售及分銷費用主要包括支付予銷售及市場營銷人員之薪金及零售藥店之租金開支。截至二零一四年三月三十一日止年度，銷售及分銷費用約為70,524,000港元（二零一三年：約61,397,000港元），較去年增加約14.87%。所產生之更多銷售及分銷費用主要由於年內本集團僱用之銷售及市場營銷人員人數及零售藥店數目均增加導致薪金及租金開支增加所致。

行政開支

截至二零一四年三月三十一日止年度之行政開支約為47,033,000港元（二零一三年：約46,802,000港元），較去年輕微增加約0.49%。倘不計及本公司股份於聯交所主板上市產生之開支，行政開支約為42,278,000港元（二零一三年：約40,402,000港元，不計及股份上市產生之開支），相當於較去年增加約4.64%。產生更多行政開支乃主要由要業務規模擴大所致。

財務費用

截至二零一四年三月三十一日止年度，本集團之財務費用約為6,015,000港元（二零一三年：約4,090,000港元），較去年大幅增加約47.07%。該增幅主要由於年內平均尚未償還銀行貸款金額增加所致。

本公司擁有人應佔溢利

於截至二零一四年三月三十一日止年度內，本集團錄得本公司擁有人應佔溢利約48,920,000港元（二零一三年：約41,763,000港元），較去年增加約17.14%。該增加乃主要由於本集團產生之上市開支較去年減少。

Management Discussion and Analysis

管理層討論及分析

OUTLOOK AND FUTURE PROSPECTUS

The management of the Group has realised the potential opportunities in the field and continued to address the needs of the market and the public through refined services and quality products.

The pharmaceutical market consolidation has continued at national and local level providing opportunities for companies with large scale operations like the Group. At the same time, competition among the industry is keen. Our group would actively look for further development opportunities made available by the continued healthcare reform. We will also continue further strengthen our drug delivery to hospitals and wholesales segments business and expansion of retails pharmacies in the year 2014/15.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had total cash and cash equivalents of approximately HK\$43.638 million as at 31 March 2014 (2013: approximately HK\$30.676 million). The Group recorded total current assets of approximately HK\$621.814 million as at 31 March 2014 (2013: approximately HK\$581.707 million) and total current liabilities of approximately HK\$386.996 million as at 31 March 2014 (2013: approximately HK\$1,257.722 million). The current ratio of the Group, calculated by dividing the current assets by the current liabilities, was approximately 1.607 as at 31 March 2014 (2013: approximately 0.463).

As at 31 March 2014, the Group's gearing ratio was approximately 4% based on outstanding debts (comprising bank borrowings) less cash and cash equivalents over total equity (including all capital and reserves attributable to owners of the Company) (2013: approximately 15%).

前景及未來展望

本集團管理層意識到業內之潛在機遇，並繼續透過經改進之服務及優質產品滿足市場及公眾需要。

國家及地方層面之藥品市場整合持續，從而為如本集團之具有大型營運規模之公司提供良機。與此同時，行業中的競爭激烈。於二零一四年／一五年度，本集團將積極尋求由持續的醫療改革提供進一步發展的機會。本集團同時將繼續加強醫院藥品交付及批發分部之業務及擴張零售藥店。

流動資金及財務資源

本集團於二零一四年三月三十一日之總現金及現金等值項目約為43,638,000港元（二零一三年：約30,676,000港元）。本集團於二零一四年三月三十一日錄得流動資產總值約621,814,000港元（二零一三年：約581,707,000港元），以及於二零一四年三月三十一日錄得流動負債總額約386,996,000港元（二零一三年：約1,257,722,000港元）。本集團於二零一四年三月三十一日之流動比率（按流動資產除以流動負債計算）約為1.607（二零一三年：約0.463）。

於二零一四年三月三十一日，本集團根據尚未償還債務（包括銀行借款）減現金及現金等值項目除以總權益（包括本公司擁有人應佔所有資本及儲備）計算之資產負債比率約為4%（二零一三年：約15%）。

CAPITAL COMMITMENTS

As at 31 March 2014 and 2013, the Group had no material capital commitment.

ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save for the Group Reorganisation as described in note 2 to the consolidated financial statements and those described in the Listing Document, there was no material acquisition or disposal of subsidiaries and associated companies by the Company during the year under review.

CONTINGENT LIABILITIES

As at 31 March 2014 and 2013, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the directors to be pending or threatened against any member of the Group.

FOREIGN EXCHANGE RISK

Since almost all transactions of the Group are denominated in Renminbi and Hong Kong dollars and most of the bank deposits are being kept in Renminbi and Hong Kong dollars to minimize exposure to foreign exchange risk, the directors consider that the Group's risk exposure to currency fluctuations to be minimal.

Therefore, the Group had not implemented any formal hedging or other alternative policies to deal with such exposure during the year.

資本承擔

於二零一四年及二零一三年三月三十一日，本集團並無重大資本承擔。

收購及出售附屬公司

除綜合財務報表附註2所述之集團重組及上市文件所述者外，於回顧年度內，本公司並無重大收購或出售附屬公司及聯營公司。

或然負債

於二零一四年及二零一三年三月三十一日，本集團成員公司概無涉及任何重大訴訟或仲裁，且就董事所知，本集團任何成員公司亦無尚未了結或可能面臨威脅之重大訴訟或索償。

外匯風險

由於本集團絕大部份交易均以人民幣及港元計價，而大部分銀行存款均以人民幣及港元存置，藉此盡量減低外匯風險，故董事認為本集團之外匯波動風險極微。

因此，年內，本集團並無實施任何正式對沖或其他替代政策以應付有關風險。

Management Discussion and Analysis

管理層討論及分析

CHARGES ON GROUP'S ASSETS

As at 31 March 2014, the Group had bank borrowings outstanding balances and bill payables of approximately HK\$88.088 million and HK\$36.070 million respectively. The Group's pledged bank deposits, prepaid lease payments and investment properties of approximately HK\$17.431 million, HK\$1.979 million and HK\$8.306 million respectively, were pledged as collateral to secure banking facilities granted to the Group.

SEGMENT INFORMATION

During the year, the revenue of the Group was principally generated from: (1) pharmaceutical wholesale and distribution business and (2) pharmaceutical retail chain business in PRC. Financial information in respect of these operations is presented in Note 8 to the consolidated financial statements.

CAPITAL STRUCTURE

As at 31 March 2014, the total issued share capital of the Company was approximately HK\$6.484 million representing 648,405,300 ordinary shares. As at 31 March 2013, the share capital of the Group represents the issued share capital of the Company, Luxuriant Expand Global Investments Limited and Timely Hero Enterprises Limited prior to completion of Reorganisation.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2014, the Group had 1,176 (2013: 1,204) full time employees (including directors) as shown in the following table:

Number of Staff

員工人數	Location	地點
8	Hong Kong	香港
1,168	PRC	中國

本集團資產抵押

於二零一四年三月三十一日，本集團之尚未償還銀行借款結餘及應付票據分別約為88,088,000港元及36,070,000港元。本集團之已抵押銀行存款、預付租賃款項及投資物業分別約17,431,000港元、1,979,000港元及8,306,000港元已被抵押作抵押品以擔保授予本集團之銀行融資。

分類資料

年內，本集團之收益主要來自：於中國之(1)藥品批發及分銷業務及(2)藥品零售連鎖業務。有關該等業務之財務資料載於綜合財務報表附註8。

股本架構

於二零一四年三月三十一日，本公司之已發行股本總額約為6,484,000港元，相當於648,405,300股普通股。於二零一三年三月三十一日，本集團之股本相當於重組完成前本公司、茂加環球投資有限公司及時雄企業有限公司之已發行股本。

僱員及薪酬政策

於二零一四年三月三十一日，本集團聘有1,176名(二零一三年：1,204名)全職僱員(包括董事)，詳情載於下表：

Management Discussion and Analysis

管理層討論及分析

For the year ended 31 March 2014, staff costs (including directors emoluments) amounted to approximately HK\$60.670 million (2013: approximately HK\$53.333 million). The Group remunerates its employees based on individual performance and qualification. Apart from the basic remuneration, staff benefits include the contribution to the Mandatory Provident Fund Scheme, discretionary bonus and medical coverage in Hong Kong; and basic insurance for the elderly, basic medical insurance, work injury insurance and unemployment insurance to the employees in the PRC.

SUBSEQUENT EVENTS

Completion of the proposed acquisition

On 9 April 2014, Fujian Province Fuzhou City Huihao Pharmaceutical Co. Limited (“**Fuzhou Huihao**”), a wholly owned subsidiary (the “**Purchaser**”) and Hui Hao Yi Yao (Xiamen) Company Limited (formerly name as Xiamen Hui Sheng Yi Yao Company Limited), a PRC pharmaceutical wholesale and distribution corporation, entered into an arrangement agreement in relation to the conditional acquisition 60% of net assets value of Hui Hao Yi Yao (Xiamen) Company Limited (the “**Proposed Acquisition**”) by the Purchaser. The consideration of acquisition is approximately RMB4.945 million (equivalent to approximately HK\$6.204 million). Upon completion of the Proposed Acquisition, Hui Hao Yi Yao (Xiamen) Company Limited will become a 60% owned subsidiary of the Purchaser. The acquisition was completed on 23 April 2014 with all the conditions precedent under the arrangement agreement being fulfilled.

After the acquisition, the Company has engaged an independent qualified professional valuer to measure the fair value of the property, plant and equipment on the completion date. Since the valuation is still in progress, the Company is unable to measure any possible goodwill or gain from bargain purchase as at the date of completion. Therefore, the directors considered that it is not practicable to disclose the financial information of Hui Hao Yi Yao (Xiamen) Company Limited on the completion date at this stage.

Legal proceedings

On 12 April 2014, Fuzhou Huihao as plaintiff initiated legal proceedings against a customer at the People’s Court of Minhou County for a sale and purchase agreement in which the amount is not material.

Save as disclosed above, there was no other significant event took place subsequent to the end of the reporting period.

截至二零一四年三月三十一日止年度，員工成本（包括董事酬金）約為60,670,000港元（二零一三年：約53,333,000港元）。本集團根據僱員之個別表現及資歷釐定僱員薪酬。除基本薪酬外，於香港之員工福利亦包括強制性公積金計劃供款、酌情花紅及醫療保險，而中國內地員工則享有基本長者保險、基本醫療保險、工傷保險及失業保險。

結算日後事項

完成建議收購事項

於二零一四年四月九日，一間全資附屬公司福建省福州市惠好藥業有限公司（「**福州惠好**」）（「**買方**」）與一間中國藥品批發及分銷公司惠好醫藥（廈門）有限公司（前稱為廈門暉晟醫藥有限公司）訂立安排協議，內容有關買方有條件收購惠好醫藥（廈門）有限公司之60%資產淨值（「**建議收購事項**」）。收購事項之代價約為人民幣4,945,000元（相當於約6,204,000港元）。於建議收購事項完成後，惠好醫藥（廈門）有限公司將成為由買方擁有60%權益之附屬公司。收購事項已於二零一四年四月二十三日於安排協議項下之所有先決條件已獲達成下完成。

於收購後，本公司已委聘獨立合資格估值師計量於完成日期之物業、廠房及設備之公平值。由於估值仍在進行中，本公司無法計量於完成日期之任何可能商譽或議價購買收益。因此，董事認為於現階段披露惠好醫藥（廈門）有限公司於完成日期之財務資料乃不切實際。

法律訴訟

於二零一四年四月十二日，福州惠好（作為原告）就一份買賣協議於閩侯縣人民法院向一名客戶提出法律訴訟，其訴訟金額並不重大。

除上文所披露者外，於報告期末後概無發生其他重大事項。

Directors' and Senior Management's Profiles 董事及高級管理人員簡歷

EXECUTIVE DIRECTORS

Mr. Weng Jiaying ("Mr. Weng"), aged 38, joined our Group in 2004 as the Chairman of Hui Hao (HK) Group Limited ("**Hui Hao Hong Kong**") and was appointed as an executive Director on 9 July 2012. He was responsible for exploring investment opportunities in the PRC, formulating business strategies and overseeing the entire business operation of our Group. Mr. Weng was admitted to the 2008 Executive Master of Business Administration (EMBA) course administered by Xiamen University in December 2007. Mr. Weng has not less than 8 years of managerial experience in pharmaceutical businesses. Prior to joining our Group, Mr. Weng was the General Manager of Fujian Huihao Pharmaceutical Chain Company Limited ("**FHP Chain**") from 2003 to 2004 where he was responsible for the entire business operation of FHP Chain. Mr. Weng had been an executive director of Hua Xia Healthcare Holdings Limited ("**Hua Xia**") during the period from 25 April 2006 to 1 August 2007 and from 26 March 2010 to 28 December 2012. Save that Mr. Weng is a nephew of Mr. Yung Kwok Leong, a substantial shareholder and an executive director of Hua Xia, being a Controlling Shareholder, and a brother of Mr. Weng Jiale (翁加樂), the controlling shareholder of Fujian Huihao Pharmaceutical Company Limited ("**FHP Company**") and FHP Chain, both being landlords of certain premises leased by our Group, Mr. Weng is not related to other Shareholders and our Directors. Save as disclosed above, Mr. Weng did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

執行董事

翁加興先生 (「翁先生」)，38歲，於二零零四年加入本集團，成為惠好(香港)醫藥集團有限公司(「**惠好香港**」)之主席，並於二零一二年七月九日獲委任為執行董事。彼負責在中國尋求投資機會，制訂業務策略及監管本集團之整體業務營運。二零零七年十二月，廈門大學錄取翁加興先生入讀二零零八屆高級管理人員工商管理碩士課程。翁先生在醫藥業務方面擁有一些不少於八年管理經驗。加入本集團前，翁先生自二零零三年至二零零四年任福建惠好醫藥連鎖有限公司(「**福建惠好醫藥連鎖**」)之總經理，負責福建惠好醫藥連鎖之整體業務營運。翁先生於二零零六年四月二十五日至二零零七年八月一日及二零一零年三月二十六日至二零一二年十二月二十八日期間曾任華夏醫療集團有限公司(「**華夏**」)之執行董事。翁先生為本公司控股股東華夏之主要股東兼執行董事翁國亮先生之侄兒，以及為福建惠好藥業有限公司(「**福建惠好公司**」)及福建惠好醫藥連鎖之控股股東翁加樂先生之胞兄，而彼等均為本集團若干租賃物業之業主，除此之外，翁先生與其他股東及本公司董事均無關連。除上文披露者外，翁先生於過往三年內並無於證券於香港或海外之任何證券市場上市之任何其他公眾公司擔任任何董事職務。

Directors' and Senior Management's Profiles 董事及高級管理人員簡歷

Mr. Chen Yong ("Mr. Chen"), aged 43 joined our Group as the Director of President's Office of Huihao Hong Kong in July 2006 and was appointed as an executive Director on 4 September 2012. In May 2008, Mr. Chen became the Managing Director of Fujian Huihao Sihai Pharmaceutical Chain Company Limited# (福建惠好四海醫藥連鎖有限公司) ("Huihao Sihai") and was responsible for the overall operation and management of the Company. He became Vice Chairman of our Group in June 2011. He has a master of Business Administration degree in Fudan University (上海復旦大學). Prior to joining our Group, Mr. Chen was the Assistant to Managing Director and the manager of the investment development department of Shanghai Cheung Kong New Hope Enterprise Company Limited# (上海張江新希望企業有限公司) from 8 October 2002 to 5 December 2005 and he was responsible for assisting the managing director in setting direction and goals of business operation as well as managing investment projects.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liang Yichi ("Mr. Liang"), aged 62, joined our Group as an independent non-executive Director on 4 September 2012. Mr. Liang is formerly the vice-president of Fujian University of Traditional Chinese Medicine (in September 2012, retired from the position as vice president) and currently a tutor to master students of Chinese Medicines and a tutor of the integration of traditional and western medicine (first-tier subject) doctor's degree of the Fujian University of Traditional Chinese Medicine. Mr. Liang was recognized by the Ministry of Personnel of the PRC# (中華人民共和國人事部) as a young and middle-aged expert in outstanding contribution# (中青年有突出貢獻專家) in 1989.

陳勇先生 (「陳先生」)，43歲，於二零零六年七月加入本集團，成為惠好香港之總裁辦公室主任，並於二零一二年九月四日獲委任為執行董事。於二零零八年五月，陳先生成為福建惠好四海醫藥連鎖有限公司 (「惠好四海」) 之董事總經理，負責該公司之整體營運及管理。彼於二零一一年六月成為本集團副主席，持有上海復旦大學之工商管理碩士學位。加入本集團前，陳先生於二零零二年十月八日至二零零五年十二月五日任上海張江新希望企業有限公司董事總經理助理兼投資開發部經理，負責協助董事總經理制定業務營運之方向及目標，以及管理投資項目。

獨立非執行董事

梁一池先生 (「梁先生」)，62歲，於二零一二年九月四日加入本集團，成為獨立非執行董事。梁先生原為福建中醫藥大學副校長 (二零一二年九月到齡退出副校長崗位)，現為福建中醫藥大學教授、中醫藥學碩士生導師及中西醫結合學 (一級學科) 博士生導師。梁先生於一九八九年獲中華人民共和國人事部認定為中青年有突出貢獻專家。

English translations of official Chinese names are for identification purpose only.

Directors' and Senior Management's Profiles 董事及高級管理人員簡歷

Mr. Wong Hon Kit ("Mr. Wong"), aged 47, joined our Group as an independent non-executive Director on 11 April 2013. Mr. Wong obtained a Diploma in Accounting from Hong Kong Shue Yan College in July 1991 and is currently a Certified Public Accountant in Hong Kong. He was admitted as an associate member of the Hong Kong Society of Accountant (now known as Hong Kong Institute of Certified Public Accountants) and the Association of International Accountants in the United Kingdom in March 2000 and October 1999, respectively. Mr. Wong is currently Responsible Officer of Greater China Paxwell Limited. He has over 10 years' experience in working as chief financial officer, company secretary and/or director in listed companies in Hong Kong where he was involved in the finance and company secretarial matters and has handled a number of corporate finance transactions such as mergers and acquisitions, capital fund raising activities, corporate restructuring and corporate transactions. Mr. Wong was an executive director of Chanceton Financial Group Limited (stock code: 8020) during the period from 21 September 2011 to 1 December 2011, which is listed on GEM. Mr. Wong has also been appointed as a non-executive director of the Shaanxi Northwest New Technology Industry Company Limited (stock code: 8258) since 14 September 2012. Save as disclosed above, Mr. Wong did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

黃漢傑先生（「黃先生」），47歲，於二零一三年四月十一日加入本集團，成為獨立非執行董事。黃先生於一九九一年七月獲香港樹仁學院頒授會計文憑，現為香港執業會計師。於二零零零年三月及一九九九年十月，彼分別加入成為香港會計師公會會員及英國國際會計師公會會員。黃先生現為大中華栢盛有限公司之負責人員。彼擁有超過10年於香港上市公司出任財務總監、公司秘書及／或董事之經驗。期間，他曾參與有關財務及公司秘書事宜，亦曾處理若干企業融資交易，如併購、集資活動、企業重組及企業交易。黃先生於二零一一年九月二十一日至二零一一年十二月一日期間擔任川盟金融集團有限公司（股份代號：8020）之執行董事，該公司於創業板上市。自二零一二年九月十四日起，黃先生亦獲委任為陝西西北新技術實業股份有限公司（股份代號：8258）之非執行董事。除上文披露者外，黃先生於過往三年內並無於證券於香港或海外之任何證券市場上市之任何其他公眾公司擔任任何董事職務。

Directors' and Senior Management's Profiles 董事及高級管理人員簡歷

Dr. Liu Yongping ("Dr. Liu"), aged 58, is a practicing solicitor in Hong Kong and a consultant of a firm of solicitors in Hong Kong. Dr. Liu has more than 20 years of experience in the capital market and merger and acquisition legal services sector. Dr. Liu graduated from the University of London with a master's degree in law in 1987 and from the University of Oxford with a doctor's degree in philosophy in 1994. Apart from his appointment with the Company, Dr. Liu has been acting as an independent non-executive director of Yue Da Mining Holdings Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock code: 629), since June 2010. Dr. Liu has also been acting as an independent non-executive director of China Forestry Holdings Limited, a company listed on the main board of the Stock Exchange (Stock Code: 930), since September 2012. During August 2011 and October 2012, Dr. Liu acted as an independent non-executive director of JF Household Furnishings Limited, a company listed on the main board of the Stock Exchange (Stock Code: 776). Save as disclosed above, Dr. Liu did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

SENIOR MANAGEMENT

Ms. Xiang Zheng ("Ms. Xiang"), aged 52, is the General Manager of Fujian Province Fuzhou City Huihao Pharmaceutical Co. Ltd# (福建省福州市惠好藥業有限公司) ("Fuzhou Huihao"). Ms. Xiang was graduated from The Open University of Fujian# (福建廣播電視大學) majoring in Business Administration, and has more than 20 years of operational management experience in the pharmaceutical industry. Ms. Xiang joined our Group in December 2008. Prior to joining our Group, Ms. Xiang worked in Fujian Sanming Medicine Shareholding Co., Ltd.# (福建三明醫藥股份有限公司), a state-owned pharmaceutical enterprise in Sanming from 1992 to 2008, where she served as salesperson, manager of pharmaceutical department, manager of medical devices department and vice general manager, and was mainly responsible for managing the sales business.

劉勇平博士 (「劉博士」), 58歲, 為香港執業律師並為一間香港律師事務所之顧問。劉博士在資本市場及併購法律服務行業擁有逾20年經驗。劉博士於一九八七年畢業於倫敦大學, 獲頒法學碩士學位, 並於一九九四年畢業於牛津大學, 獲頒哲學博士學位。除於本公司之委任外, 劉博士自二零一零年六月起一直擔任悅達礦業控股有限公司 (一間於香港聯合交易所有限公司 (「聯交所」) 主板上市之公司 (股份代號: 629)) 之獨立非執行董事。劉博士自二零一二年九月起亦一直擔任中國森林控股有限公司 (一間於聯交所主板上市之公司 (股份代號: 930)) 之獨立非執行董事。劉博士於二零一一年八月至二零一二年十月期間曾擔任捷豐家居用品有限公司 (一間於聯交所主板上市之公司 (股份代號: 776)) 之獨立非執行董事。除上文所披露者外, 劉博士於過往三年內並無於證券於香港或海外之任何證券市場上市之任何其他公眾公司擔任任何董事職務。

高級管理人員

項征女士 (「項女士」), 52歲, 福建省福州市惠好藥業有限公司 (「福州惠好」) 總經理, 項女士畢業於福建廣播電視大學工商管理專業, 擁有逾20年之醫藥行業經營管理經驗。項女士於二零零八年十二月加入本集團。加入本集團前, 項女士於一九九二年至二零零八年先後在三明一間國有醫藥企業福建三明醫藥股份有限公司工作, 先後擔任業務員、藥品部經理、藥械部經理及副總經理, 主要負責銷售業務管理。

Directors' and Senior Management's Profiles 董事及高級管理人員簡歷

Mr. Luo Xintian ("Mr. Luo"), aged 47, is the General Manager of Fujian Huiming Medicine Co. Ltd# (福建省惠明醫藥有限公司) ("Fujian Huiming"). Mr. Luo was graduated from Fujian Pharmaceutical School Adult Technical College# (福建醫藥學校成人中專) majoring in Chinese Medicine, and has more than 25 years of managerial experience in the sales of pharmaceutical products. Mr. Luo joined our Group in November 2008, and has been the general manager of Fujian Huiming since April 2012. Prior to joining our Group, Mr. Luo worked in several state-owned pharmaceutical enterprises in Ninghua County, Jianning County and Sanming City in Fujian Province since 1987 as salesman, deputy manager in procurement department, deputy manager in sales department, assistant to general manager and he was mainly responsible for the management of the procurement and sales of pharmaceutical products.

Mr. Chen Bing ("Mr. B. Chen"), aged 43, is the General Manager of Putian Huihao Medicine Co. Ltd# (福建莆田惠好醫藥有限公司) ("Putian Huihao"). Mr. B. Chen was graduated from Northwest College for Nationalities# (西北民族學院) majoring in Business Enterprise Marketing, and has extensive operational management experience in the pharmaceutical industry. Mr. B. Chen joined our Group in December 2008. Prior to joining our Group, Mr. B. Chen worked in Zhangzhou Biochemistry Pharmaceutical Group Co. Ltd.# (漳州生物化學製藥集團有限公司) as the sales director from 2006 to 2007, responsible for managing the national sales business in the PRC.

Mr. Xu Jiwang ("Mr. Xu"), aged 40, is the General Manager of Huihao Medicine (Quanzhou) Co. Ltd# (惠好醫藥(泉州)有限公司) ("Quanzhou Huihao"). Mr. Xu was graduated from Southwest Jiaotong University# (西南交通大學) specialising in Business Administration and has extensive operational management experience in the pharmaceutical industry. Mr. Xu joined our Group in January 2011. Prior to joining our Group, Mr. Xu worked in Fujian Province Pharmaceutical Limited Liability Company# (福建省醫藥有限責任公司) from August 1994 to November 2010, and served as the sales manager of the company, responsible for managing the sales of pharmaceutical products.

羅新天先生(「羅先生」), 47歲, 福建省惠明醫藥有限公司(「福建惠明」)總經理, 畢業於福建醫藥學校成人中專中藥專業, 擁有逾25年藥品銷售管理經驗。羅先生於二零零八年十一月加入本集團, 自二零一二年四月至今一直擔任福建惠明總經理。加入本集團前, 自一九八七年起, 羅先生在福建省寧化縣、建寧縣及三明市之幾間國有醫藥企業工作, 先後擔任銷售員、採購部副經理、銷售部副經理、總經理助理職務, 主要負責藥品採購及銷售之管理。

陳兵先生(「陳兵先生」), 43歲, 福建莆田惠好醫藥有限公司(「莆田惠好」)總經理, 畢業於西北民族學院工商企業營銷專業, 擁有豐富之醫藥行業經營管理經驗。陳兵先生於二零零八年十二月加入本集團。加入本集團前, 陳兵先生於二零零六年至二零零七年任職於漳州生物化學製藥集團有限公司, 擔任銷售總監, 負責該公司於中國之全國銷售業務管理工作。

許基望先生(「許先生」), 40歲, 惠好醫藥(泉州)有限公司(「泉州惠好」)總經理, 畢業於西南交通大學工商管理專業, 擁有豐富之醫藥行業經營管理經驗。許先生於二零一一年一月加入本集團。加入本集團前, 許先生於一九九四年八月至二零一零年十一月任職於福建省醫藥有限責任公司, 曾擔任公司銷售經理, 負責藥品銷售管理。

Directors' and Senior Management's Profiles 董事及高級管理人員簡歷

Mr. Chen Kaiping (“Mr. K. Chen”), aged 52, is the assistant to General Manager of Fuzhou Huihao and he is responsible for the quality control of the company. Mr. K. Chen was graduated from Fujian Province Pharmaceutical School# (福建省醫藥學校), and is a qualified pharmacist. Prior to joining our Group, Mr. K. Chen worked as manager of the quality control department in FHP Chain and as deputy director of the quality control department in FHP Company during the period from September 2003 to April 2008 and he was responsible for supervising the quality control of pharmaceutical products.

COMPANY SECRETARY

Ms. Tsang Pui Yee (“Ms. Tsang”), aged 39, is appointed as the Company Secretary of our Company on 4 September 2012. Ms. Tsang has worked in various international accounting firms from December 2000 to June 2008. Later in July 2008, Ms. Tsang joined a private company as Accounting Manager before she joined Hua Xia in July 2011. Ms. Tsang has over 8 years of experience in finance, accounting and auditing. Ms. Tsang holds a master's degree in corporate finance from The Hong Kong Polytechnic University and she is a member of the Hong Kong Institute of Certified Public Accountants.

陳開平先生 (「陳開平先生」), 52歲, 福州惠好總經理助理, 負責公司之質量管理。陳開平先生畢業於福建省醫藥學校, 持有執業藥劑師資格。加入本集團前, 陳開平先生自二零零三年九月至二零零八年四月先後擔任福建惠好醫藥連鎖質管部經理及福建惠好藥業公司之質管部副總監, 負責藥品質量監管工作。

公司秘書

曾沛宜女士 (「曾女士」), 39歲, 於二零一二年九月四日獲委任為本公司之公司秘書。曾女士自二零零零年十二月至二零零八年六月於多間國際會計師事務所任職。其後, 於二零一一年七月加入華夏之前, 曾女士於二零零八年七月加盟一間私人公司擔任會計部經理。曾女士於財務、會計及審計方面擁有八年以上經驗。曾女士持有香港理工大學企業融資碩士學位, 並為香港會計師公會會員。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

Wanjia Group Holdings Limited (the “**Company**”) acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders’ value. The Company is also committed to achieving high standard of corporate governance that can properly protect and promote the interests of all shareholders and to enhance corporate value and accountability of the Company.

As the Company was listed on 11 October 2013, the Company had not yet adopted the Corporate Governance Code (the “**CG Code**”) as stated in Appendix 14 of the Rules Governing the Listing Securities on Main Board (the “**Listing Rules**”) of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) during the year ended 31 March 2013.

The Company has adopted the code provisions in the CG Code as its own code of corporate governance. Save as the deviation from the code provision A.2.1, separation of roles of Chairman and Chief Executive Officer pursuant to code provision A.2.1 as disclosed in the section “Chairman and Chief Executive Officer”, the board of directors (the “**Board**”) considers that the Company was in compliance with all applicable code provisions set out in the CG Code from 11 October 2013, being the date of listing of the Company, to the date of this report.

企業管治常規

萬嘉集團控股有限公司（「**本公司**」）確信企業管治為創造股東價值之必要及重要元素之一。本公司亦努力達致高水平之企業管治，以適當保障及提升全體股東利益，同時提高企業價值及本公司之問責性。

由於本公司於二零一三年十月十一日上市，故本公司於截至二零一三年三月三十一日止年度尚未採納香港聯合交易所有限公司（「**聯交所**」）主板證券上市規則（「**上市規則**」）附錄十四所訂明之企業管治守則（「**企業管治守則**」）。

本公司已採納企業管治守則內之守則條文作為其本身企業管治之守則。除如「主席及行政總裁」一節所披露偏離守則條文第A.2.1條，根據守則條文第A.2.1條主席及行政總裁之角色應予以區分外，董事會（「**董事會**」）認為本公司由二零一三年十月十一日（即本公司上市日期）至本報告日期遵守企業管治守則所載之所有適用守則條文。

A. THE BOARD OF DIRECTORS

The overall management of the Company's operation is vested in the Board.

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of all policy matters, overall strategies, internal control and risk management systems, and monitoring of the performance of the senior management. The directors of the Company ("Directors") make decisions objectively in the interests of the Company. Currently, the Board comprises five Directors, including two executive directors and three independent non-executive directors:

Executive Directors

Mr. Weng Jiaying (*Chairman and Chief Executive Officer*)
(appointed on 9 July 2012)

Mr. Chen Yong (*Vice Chairman*)
(appointed on 4 September 2012)

Independent Non-Executive Directors

Mr. Liang Yichi (appointed on 4 September 2012)

Mr. Zhu Donghai (appointed on 4 September 2012 and
resigned on 27 February 2014)

Mr. Wong Hon Kit (appointed on 11 April 2013)

Dr. Liu Yongping (appointed on 27 February 2014)

Their biographical details and relationships among the board members, if any are set out in the section entitled "Directors' and Senior Management's Profile" in the annual report.

A. 董事會

本公司業務之整體管理由董事會負責。

董事會負責監督本公司所有重大事宜，包括制訂及批准所有政策事宜、整體策略、內部監控及風險管理制度，並監察高級管理人員表現。本公司董事（「董事」）須在符合本公司利益之前提下作出客觀決定。目前，董事會由五名董事（包括兩名執行董事及三名獨立非執行董事）組成：

執行董事

翁加興先生（主席兼行政總裁）
（於二零一二年七月九日獲委任）

陳勇先生（副主席）
（於二零一二年九月四日獲委任）

獨立非執行董事

梁一池先生（於二零一二年九月四日
獲委任）

朱東海先生（於二零一二年九月四日
獲委任並於二零一四年二月二十七日
辭任）

黃漢傑先生（於二零一三年四月十一日
獲委任）

劉勇平博士（於二零一四年二月二十七日
獲委任）

彼等之履歷詳情及董事會成員之間之關係（如有）載於年報「董事及高級管理人員簡介」一節。

Corporate Governance Report

企業管治報告

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

Chairman and Chief Executive Officer

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Weng Jiaxing currently serves as the Chairman and Chief Executive Officer of the Company. The Board believes that vesting the roles of the Chairman and the Chief Executive Officer in the same person provides with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

The Company will, from time to time, review the effectiveness of the Group's corporate governance structure and consider whether any changes, including the separation of the roles of the chairman and chief executive officer.

Appointments, Re-election and Removal of Directors

Each of the executive Directors and independent non-executive Directors has entered into a service contract or letter of appointment with the Company for a specific term. Such term is subject to his re-appointment by the Company at an annual general meeting upon such Director's retirement and offering himself for re-election.

In accordance with the Bye-laws of the Company, one-third of the Directors who have been longest in office since their last election or re-election are also subject to retirement by rotation at the annual general meeting. All retiring directors are eligible for re-election.

董事會將實行日常營運、業務策略及本集團業務管理之權力及責任委派予執行董事、高級管理人員，並將若干特定責任委派予董事會轄下委員會。

主席及行政總裁

守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，並不應由同一人兼任。翁加興先生現時出任本公司主席兼行政總裁。董事會相信，由同一人出任主席及行政總裁之職位提供強勢而貫徹之領導，並可有效地計劃及推行業務決定及策略。

本公司將不時檢討本集團之企業管治架構之成效，並考慮是否有必要作出任何變動，包括區分主席及行政總裁之職務。

委任、重選及罷免董事

各執行董事及獨立非執行董事均與本公司訂立有特定期限之服務合約或委任書，惟有關期限須受有關董事退任及願意膺選連任時，於股東週年大會上彼等獲本公司重新委任所規限。

根據本公司之公司細則，自上一次選舉或重選以來任期最長之三分之一之董事亦須在股東週年大會上輪值告退。所有退任董事均符合資格膺選連任。

Independent Non-Executive Directors

In compliance with Rule 3.10 of the Listing Rules, the Company has appointed three independent non-executive Directors, one of whom namely Mr. Wong Hon Kit possesses the appropriate professional qualifications in accounting and financial management. Each of the three independent non-executive Directors has confirmed his independence of the Company and the Company considers each of them to be independent in accordance with the guidelines of assessing independence as set out in Rule 3.13 of the Listing Rules. Each of the three independent non-executive Directors has signed a letter of appointment with the Company for a specific term of three years.

Training and Support for Directors

The Company encourages the Directors to participate in professional development courses and seminars to develop and refresh their knowledge and skills.

Effective from 11 October 2013, the date of listing of the Company, up to the date of this report, regulatory updates and relevant materials on amendments of the Listing Rules have been sent to the Directors for their awareness of the latest development on regulatory requirements. Training records of each Director will also be kept.

獨立非執行董事

本公司已遵守上市規則第3.10條委任三名獨立非執行董事，其中一名（黃漢傑先生）具有會計及財務管理方面之適當專業資格。三名獨立非執行董事各自已確認彼等對本公司之獨立性，而本公司認為根據上市規則第3.13條所載評估獨立性指引，彼等均具備獨立性。三名獨立非執行董事各自已與本公司簽署委任書，特定任期為三年。

董事培訓及支援

本公司鼓勵董事參與專業發展課程及講座，以發展及更新其知識及技能。

由二零一三年十月十一日（本公司上市日期）起至本報告日期，規管更新及上市規則修訂之相關資料已送交董事，令彼等得悉規管規定之最新發展。各董事之培訓記錄亦予以保存。

Corporate Governance Report

企業管治報告

Number of Meetings and Directors' Attendance

CG Code provision A.1.1 prescribes that at least four regular Board meetings should be held each year at approximately quarterly intervals with active participation of a majority of the Directors, either in person or through other electronic means of communication.

Since the Company was listed on 11 October 2013 and up to 31 March 2014, the Board has held six meetings. All executive Directors and independent non-executive Directors attended the meeting. The Board will schedule to have at least four regular meetings in a year.

Attendance record of each director at the meetings of the Board together with the meetings of the Audit, Remuneration and Nomination and Corporate Governance Committee during the period from 11 October 2013 (date of listing) to 31 March 2014 are set out below.

會議次數及董事出席率

企業管治守則條文第A.1.1條規定，每年應最少舉行四次定期董事會會議，大致上每季舉行一次，並由大多數董事（親身出席或通過其他電子通訊方式）積極參與。

自本公司於二零一三年十月十一日上市起至二零一四年三月三十一日，董事會已舉行六次會議。全體執行董事及獨立非執行董事均出席會議。董事會將計劃每年舉行最少四次定期會議。

於截至二零一三年十月十一日（上市日期）起至二零一四年三月三十一日期間內各董事出席董事會會議，連同審核、薪酬及提名及企業管治委員會會議之記錄載列如下。

Attendance/Number of Meetings 出席次數／會議次數

Name of directors	董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination and Corporate Governance Committee 提名及企業管治委員會
Executive directors					
Mr. Weng Jiaying (Chairman and Chief Executive Officer)	翁加興先生 (主席兼行政總裁)	6/6	N/A不適用	N/A不適用	0/0
Mr. Chen Yong (Vice Chairman)	陳勇先生 (副主席)	6/6	N/A不適用	0/0	N/A不適用
Independent non-executive directors					
Mr. Liang Yichi	梁一池先生	6/6	2/2	0/0	0/0
Mr. Wong Hon Kit	黃漢傑先生	6/6	2/2	0/0	0/0
Dr. Liu Yongping *	劉勇平博士*	N/A不適用	N/A不適用	0/0	0/0
Mr. Zhu Donghai **	朱東海先生**	5/6	2/2	0/0	0/0

* No meetings were held after his appointment on 27 February 2014 up to the date of 31 March 2014

** 5 Board meetings and 2 Audit Committee meetings were held prior to his resignation on 27 February 2014

* 於彼於二零一四年二月二十七日獲委任後直至二零一四年三月三十一日概無舉行會議。

** 於彼於二零一四年二月二十七日獲辭任前已舉行五次董事會會議及兩次審核委員會會議。

Directors' and Officers' Insurance

The Company has arranged for appropriate liability insurance for the Directors to cover their liabilities arising out of corporate activities.

Compliance with the Model Code for Directors' Securities Transactions

As the Company was listed on 11 October 2013, the Company had not yet adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") during the year ended 31 March 2013.

The Company has adopted the Model Code as its model code for securities transactions by Directors. Having made specific inquiries, all the Directors confirmed that they have complied with the Model Code from 11 October 2013, being the date of listing of the Company, up to the date of this report.

Board Committees

The Board has established an Audit Committee, Remuneration Committee and Nomination and Corporate Governance Committee (collectively "Board Committees") with defined terms of reference. The terms of reference of the Board Committees are posted on the websites of the Company and the Stock Exchange. The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

董事及高級人員之保險

本公司已安排適當責任保險，供董事應付因公司活動而產生之責任。

遵守董事進行證券交易之標準守則

由於本公司於二零一三年十月十一日上市，於截至二零一三年三月三十一日止年度，本公司尚未採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）。

本公司已採納標準守則作為董事進行證券交易之標準守則。於作出具體查詢後，全體董事確認其由二零一三年十月十一日（本公司上市日期）起至本報告日期已遵守標準守則。

董事委員會

董事會已成立審核委員會、薪酬委員會及提名及企業管治委員會（統稱「董事委員會」），並具有明確職權範圍。董事委員會之職權範圍已於本公司及聯交所網站內刊登。董事委員會已獲提供充裕資源以履行其職責，並在經合理要求後可在適當情況下尋求獨立專業意見，費用由本公司承擔。

Corporate Governance Report

企業管治報告

Audit Committee

The Audit Committee was established on 24 September 2013 with written terms of reference in compliance with Rule 3.2.1 of the Listing Rules and a copy of which is posted on the website of the Company and the Stock Exchange. The Audit Committee's current members include:

Mr. Wong Hon Kit (*Chairman*)
Mr. Liang Yichi
Dr. Liu Yongping

All of the committee members are independent non-executive Directors. The primary duties of the Audit Committee include, but are not limited to:

- (a) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- (b) monitoring integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and if prepared for publication, quarterly reports;
- (c) reviewing the Company's financial controls, internal control and risk management systems;
- (d) reporting to the Board on the matters set out in the code provisions as stated in Appendix 14 to the Listing Rules.

The Audit Committee shall hold at least two regular meetings in a year to review and discuss the interim and annual financial statements of the Company. Additional meetings of the Audit Committee may be held as and when required.

The Audit Committee shall meet with the external auditor at least twice a year. The external auditor may request a meeting if they consider necessary.

審核委員會

審核委員會已於二零一三年九月二十四日成立，並具有符合上市規則第3.2.1條之書面權責範圍，其副本於本公司及聯交所網站刊登。審核委員會之現有成員包括：

黃漢傑先生 (主席)
梁一池先生
劉勇平博士

所有委員會成員均為獨立非執行董事。審核委員會之主要職責包括但不限於：

- (a) 根據適用準則審閱及監督外聘核數師之獨立性及客觀性以及核數程序之有效性；
- (b) 監督本公司財務報表及本公司年度報告及賬目、半年報告及（如編製以供刊發）季度報告之完整性；
- (c) 審閱本公司之財務監控、內部監控及風險管理系統；
- (d) 就上市規則附錄十四所列之守則條文所載之事宜向董事會報告。

審核委員會每年將最少舉行兩次定期會議，以審閱及討論本公司之中期及全年財務報表。審核委員會可於有需要時舉行額外會議。

審核委員會每年與外聘核數師最少開會兩次。外聘核數師可於彼認為有需要時要求開會。

Since the Company was listed on 11 October 2013 and up to 31 March 2014, the Audit Committee held two meetings. The attendance records are set under the section headed “Number of Meetings and Directors’ Attendance” in this report.

The accounts for the year were audited by HLB Hodgson Impey Cheng whose term of office will expire upon the forthcoming annual general meeting. In March 2012, the practice of HLB Hodgson Impey Cheng was reorganised as HLB Hodgson Impey Cheng Limited. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be nominated for appointment as the auditors of the Company at the forthcoming annual general meeting.

Remuneration Committee

The Remuneration Committee was established in 24 September 2013 with written terms of reference in compliance with Rule 3.25 of the Listing Rule and a copy of which is posted on the website of the Company and the Stock Exchange. The Remuneration Committee’s current members include:

Mr. Wong Hon Kit (*Chairman*)
Mr. Chen Yong
Dr. Liu Yongping

The majority of the members are independent non-executive Directors. The Remuneration Committee reviews the remuneration package of the executive Directors, independent non-executive Directors and senior management, and makes appropriate recommendations to the Board. Staff remuneration is determined by the Group’s management by reference to the individual staff’s qualifications, work experience, performance and prevailing market conditions.

自本公司於二零一三年十月十一日上市起至二零一四年三月三十一日，審核委員會已舉行兩次會議。出席紀錄載於本報告「會議次數及董事出席率」一節。

本年度之賬目經由國衛會計師事務所審核，其任期將於即將舉行之股東週年大會上屆滿。自二零一二年三月起，國衛會計師事務所重組為國衛會計師事務所有限公司。審核委員會建議董事會提名國衛會計師事務所有限公司於即將舉行之股東週年大會上獲委任為本公司核數師。

薪酬委員會

薪酬委員會已於二零一三年九月二十四日成立，並具有符合上市規則第3.25條之書面權責範圍，其副本於本公司及聯交所網站刊登。薪酬委員會之現有成員包括：

黃漢傑先生（主席）
陳勇先生
劉勇平博士

大多數委員為獨立非執行董事。薪酬委員會審閱執行董事、獨立非執行董事及高級管理人員之薪酬待遇，並向董事會作出適當建議。員工薪酬由本集團之管理層參考個別員工之資格、工作經驗、表現及現行市況後釐定。

Corporate Governance Report

企業管治報告

The Remuneration Committee shall meet once during the financial year. During the meeting, the Remuneration Committee will review the remuneration packages of the executive Directors, independent non-executive Directors and senior management.

As the Company was listed on 11 October 2013, the Remuneration Committee has not held any meeting up to 31 March 2014.

Nomination and Corporate Governance Committee

The Nomination and Corporate Governance Committee was established in 24 September 2013 with written terms of reference in compliance with paragraph A.5.1 and D.3.1 of Appendix 14 to the Listing Rule and a copy of which is posted on the website of the Company and the Stock Exchange. The Nomination and Corporate Governance Committee's current members include:

Mr. Weng Jiaxing (*Chairman*)

Mr. Liang Yichi

Mr. Wong Hon Kit

Dr. Liu Yongping

The majority of the members are independent non-executive Directors. The primary duties of the nomination and corporate governance committee include, but are not limited to:

- (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;

薪酬委員會於財政年度內須舉行一次會議。薪酬委員會將於會上審閱執行董事、獨立非執行董事及高級管理人員之薪酬待遇。

由於本公司於二零一三年十月十一日上市，故薪酬委員會於截至二零一四年三月三十一日並無舉行任何會議。

提名及企業管治委員會

提名及企業管治委員會已於二零一三年九月二十四日成立，並具有符合上市規則附錄十四第A.5.1及D.3.1段之書面權責範圍，其副本於本公司及聯交所網站刊登。提名及企業管治委員會之現有成員包括：

翁加興先生 (*主席*)

梁一池先生

黃漢傑先生

劉勇平博士

大多數委員為獨立非執行董事。提名及企業管治委員會之主要職責包括但不限於：

- (a) 定期檢討董事會架構、人數及組成（包括技能、知識及經驗），並就任何建議變動向董事會提出建議；

- (b) identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of, individuals nominated for directorship;
- (c) making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman of the Board and the chief executive officer of the Company; and
- (d) keeping the effectiveness of the corporate governance and system of internal controls of the Group.

The Nomination and Corporate Governance Committee shall meet once during the financial year. During the meeting, the Nomination and Corporate Governance Committee will review the structure and composition (including the skills, knowledge and experience) of the Board.

As the Company was listed on 11 October 2013, nomination and selection processes of current Directors were performed by the shareholders/Board at the material time.

Since the Company was listed on 11 October 2013 and up to 31 March 2014, the Nomination and Corporate Governance Committee has not held any meeting.

- (b) 物色具合適資格擔任董事會成員之人選，並選擇提名董事之人選或向董事會推薦有關人選之選擇；
- (c) 就董事委任或重新委任及董事（尤其是董事會主席及本公司行政總裁）繼任計劃之有關事宜向董事會提出建議；及
- (d) 維持本集團之企業管治及內部監控之有效性。

提名及企業管治委員會於財政年度內須舉行一次會議。提名及企業管治委員會將於會上審閱董事會之架構及組成（包括技能、知識及經驗）。

由於本公司於二零一三年十月十一日上市，故現有董事之提名及選任程序均由股東／董事會於相關時間進行。

自本公司於二零一三年十月十一日上市起至二零一四年三月三十一日，提名及企業管治委員會並無舉行會議。

Corporate Governance Report

企業管治報告

Conflict of Interest

If a Director has a conflict of interest in relation to a transaction or proposal to be considered by the Board, the individual is required to declare such interest and to abstain from voting. The matter is considered at a Board meeting attended by Directors who have no material interest in the transaction.

The Group also adopted certain internal control policies to manage potential conflicts of interest.

Company Secretary

Ms. Tsang Pui Yee, the company secretary of the Company, is a full time employee of the Group and has day-to-day knowledge of the Company's affairs. The Company was listed on 11 October 2013. Going forward, the company secretary will duly comply with the relevant professional training requirement under Rule 3.29 of the Listing Rules. The biographical details of the company secretary is set out in the section entitled "Directors and Senior Management Profile" in the annual report.

B. FINANCIAL REPORTING AND INTERNAL CONTROL

Financial Reporting

The Board, supported by the financial controller and the finance and accounts department of the Company are responsible for the preparation of accounts for each financial period which give a true and fair view of the state of affairs of the Group. In preparing the accounts for the year ended 31 March 2014, the Directors have selected suitable accounting policies and applied them consistently, adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, made adjustments and estimates that are prudent and reasonable, and have prepared the accounts on a going concern basis. The Directors are also responsible for keeping proper accounting records which reflect the financial information of the Group with reasonable accuracy.

利益衝突

倘董事於董事會將予考慮之交易或建議中有利益衝突，該名人士須申報有關權益，並放棄投票。有關事項由於交易中並無重大利益之董事出席之董事會會議上審議。

本集團亦採納若干內部監控政策以管理潛在利益衝突。

公司秘書

本公司之公司秘書曾沛宜女士為本集團之全職僱員，並知悉本公司之日常事務。本公司於二零一三年十月十一日上市。展望未來，公司秘書將妥為遵守上市規則第3.29條項下之相關專業培訓規定。公司秘書之詳細履歷載於本年報「董事及高級管理人員簡歷」一節。

B. 財務申報及內部監控

財務申報

董事會在本公司財務總監及財政及會計部支援下，負責編製各財務期間之賬目，以真實公平地反映本集團之事務狀況。於編製截至二零一四年三月三十一日止年度之賬目時，董事已選擇適用之會計政策並貫徹應用、採納適當之香港財務報告準則及香港會計準則、作出審慎而合理之調整及估計，以及按持續經營基準編製賬目。董事亦負責保留適當會計記錄，以在合理準確程度下反映本集團之財務資料。

External Auditor's Remuneration

HLB Hodgson Impey Cheng has been appointed as the Company's external auditor since the Company's incorporation. The Audit Committee has been notified of the nature and the service charges of non-audit services performed by HLB Hodgson Impey Cheng and considered that these non-audit services have no adverse effect on the independence of the auditor. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor.

The remuneration paid to the Company's external auditor, HLB Hodgson Impey Cheng, in respect of audit services and non-audit services for the year ended 31 March 2014 is set out below:

Nature of services	服務性質	Amount (HK\$'000) 金額 (千港元)
Audit services	審核服務	850
Non-audit services	非審核服務	2,169
Total	合計	3,019

The non-audit services fee was related to the listing of the Company's shares incurred during the year.

Internal Control

The Board has the responsibility to maintain an effective internal control system in order to safeguard the Group's assets and shareholders' interests, and review and monitor the effectiveness of the internal control and risk management systems on a regular basis to ensure that the systems in place are adequate.

外聘核數師薪酬

國衛會計師事務所自本公司註冊成立起獲委任為本公司之外聘核數師。審核委員會已獲悉由國衛會計師事務所進行非審核服務之性質及服務費，並認為該等非審核服務對核數師之獨立性並無不利影響。董事會與審核委員會在甄選、委任、辭退或罷免外聘核數師方面並無意見分歧。

截至二零一四年三月三十一日止年度，就審核服務及非審核服務而已付予本公司外聘核數師國衛會計師事務所之薪酬載列如下：

非審核服務費乃與年內產生之本公司股份上市費用有關。

內部監控

董事會負責維持有效之內部監控系統，以保障本集團之資產及股東利益，並定期檢討及監察內部監控及風險管理系統之有效性，確保既有系統足夠。

Corporate Governance Report

企業管治報告

During the year under review, the Company engaged external independent consultants to conduct a review of the internal control system of the Group in order to maintain high standards of corporate governance. The Board has also itself conducted a review of the effectiveness of the internal control system of the Group and is of the view that the Company has taken all reasonable steps to establish a proper internal control system.

C. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information, which enable shareholders and investors to make appropriate investment decisions.

The members of the Board, Board Committees and the external auditor are present to answer shareholders' questions in the annual general meeting of the Company. Meeting circulars are distributed to all shareholders before the annual general meeting and special general meetings in accordance with the timeline requirement as laid down in the Listing Rules and the bye-laws of the Company. All the resolutions proposed to be approved at the general meetings will be taken by poll and poll voting results will be published on the websites of the Stock Exchange and the Company after the meetings.

As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any inquiries.

於回顧年度內，本公司聘用外部獨立顧問，就本集團內部監控系統進行檢討，以維持高水平之企業管治。董事會亦自行檢討本集團內部監控系統之成效，並認為本公司已採取一切合理步驟建立適當之內部監控系統。

C. 與股東及投資者溝通

本公司相信與股東有效溝通對促進投資者關係及對投資者了解本集團之業務表現及策略而言甚為重要。本集團亦深明公司資料透明度及適時披露之重要性，此舉令股東及投資者可作出適當投資決定。

董事會成員、董事委員會委員與外聘核數師出席本公司股東週年大會回答股東提問。大會通函按照上市規則及本公司之公司細則所規定之時限，於股東週年大會及股東特別大會前派發予全體股東。全部提呈並將於股東大會上審批之決議案將以投票方式進行表決，投票結果將於大會後在聯交所及本公司網站內刊登。

作為促進有效溝通之渠道，本集團設有網站，以刊登有關本公司之公佈、財務資料以及其他資料之資料。股東及投資者可以書面方式寄往本公司之主要營業地點，直接向本公司查詢。

D. SHAREHOLDERS' RIGHTS

Shareholders are provided with contact details of the Company, such as telephone number, fax number, email address and postal address, in order to enable them to make any query that they may have with respect to the Company. They can also send their enquiries to the Board through these means. In addition, shareholders can contact the share registrar of the Company, if they have any enquires about their shareholdings.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Stock Exchange and the Company after each shareholder meeting.

Pursuant to the Bye-Laws of the Company, the Board may whenever it thinks fit call special general meetings, and the 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.

E. CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents since incorporation on 9 July 2012 and up to 31 March 2014.

D. 股東權利

本公司向股東提供聯絡資料，如電話號碼、傳真號碼、電郵地址及郵寄地址，以便股東提出任何有關本公司之查詢。彼等亦可以透過此等方法向董事會提出查詢。此外，股東如有任何有關其股權之查詢，可以聯絡本公司之股份過戶登記處。

股東大會上提呈之所有決議案將根據上市規則以投票方式表決，投票結果將於各股東大會結束後於聯交所及本公司網站公佈。

根據本公司之公司細則，董事會可於其認為合適時召開股東特別大會，及任何於遞呈要求日期持有不少於本公司繳足股本（附帶於本公司股東大會表決權利）十分之一之股東，於任何時候均有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中列明之任何事項，而有關大會須於遞呈要求後兩個月內舉行。

E. 憲章文件

自二零一二年七月九日註冊成立起至二零一四年三月三十一日，本公司之憲章文件並無變動。

Report of the Directors

董事會報告

The board of directors (the “**Board**”) of Wanjia Group Holdings Limited (the “**Company**”) has pleasure in presenting to the shareholders of the Company (the “**Shareholders**”) its report together with the audited financial statements of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 March 2014.

DATE OF INCORPORATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands on 9 July 2012 under the Companies Law of the Cayman Islands.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of introduction on 11 October 2013.

PRINCIPAL ACTIVITIES

The Company is an investment holding company while its subsidiaries are principally engaged in pharmaceutical wholesales and distribution and pharmaceutical retail chain business in the People’s Republic of China (the “**PRC**”). Details of the principal activities of its subsidiaries are set out in Note 26 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2014 and the state of the Company’s and the Group’s affairs as at 31 March 2014 are set out in the consolidated financial statements on pages 58 to 187 of this report.

The Board does not recommend the payment of any final dividend for the year ended 31 March 2014.

萬嘉集團控股有限公司(「**本公司**」)之董事會(「**董事會**」)欣然向本公司股東(「**股東**」)提呈其報告連同本公司及其附屬公司(統稱為「**本集團**」)截至二零一四年三月三十一日止年度之經審核財務報表。

註冊成立日期

本公司於二零一二年七月九日根據開曼群島公司法在開曼群島註冊成立及登記為獲豁免有限公司。

本公司股份於二零一三年十月十一日於以介紹方式於香港聯合交易所有限公司(「**聯交所**」)主板上市。

主要業務

本公司為一間投資控股公司，而其附屬公司主要於中華人民共和國(「**中國**」)從事藥品批發及分銷業務及藥品零售連鎖店業務。本公司附屬公司之主要業務詳情載於綜合財務報表附註26。

業績及股息

本集團截至二零一四年三月三十一日之業績及本公司及本集團於二零一四年三月三十一日之事務狀況載於本報告第58至187頁之綜合財務報表。

董事會並不建議派發截至二零一四年三月三十一日止年度之任何末期股息。

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results, assets and liabilities of the Group for the last three financial years, as extracted from the audited consolidated financial statements, is set out on page 188 of this report. The summary does not form part of the audited consolidated financial statements.

INVESTMENT PROPERTIES

The Group did not invest in any investment property during the year. Details of the movements in investment properties of the Group during the year are set out in note 22 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment at cost of approximately HK\$5.263 million during the year. Details of the movements in property, plant and equipment of the Group during the year are set out in note 20 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 36 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 37 to the consolidated financial statements and in the consolidated statement of changes in equity on page 64 respectively.

財務資料概要

摘錄自經審核綜合財務報表之最近三個財政年度之已刊發業績、資產及負債概要載於本報告第188頁。該概要並不構成經審核綜合財務報表之一部份。

投資物業

本集團於年內並無投資任何投資物業。本集團於年內之投資物業變動詳情載於綜合財務報表附註22。

物業、廠房及設備

本集團於年內以約5,263,000港元之成本收購物業、廠房及設備。本集團物業、廠房及設備於年內之變動詳情載於綜合財務報表附註20。

股本

本公司年內之股本變動詳情載於綜合財務報表附註36。

儲備

本公司及本集團年內之儲備變動詳情分別載於綜合財務報表附註37及第64頁之綜合權益變動表內。

Report of the Directors 董事會報告

PRE-EMPTIVE RIGHTS

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

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

During the year ended 31 March 2014, there were no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's largest customer accounted for approximately 8.13% of the Group's turnover and the Group's five largest customers in aggregate accounted for approximately 25.39%.

For the year ended 31 March 2014, the aggregate amount of purchases attributable to the Group's five largest suppliers represented approximately 34.57% of the Group's total value of purchases. The Group's largest supplier accounted for approximately 11.55% of the Group's total value of purchases.

None of the Directors, their associates or any shareholders, which to the knowledge of the Directors own more than 5% of the Company's issued share capital, had any interest in the share capital of the five largest customers and suppliers of the Group.

優先購股權

本公司之組織章程細則或開曼群島法例並無有關本公司須向現有股東按比例提呈新股份之優先購股權之規定。

購買、出售或贖回本公司上市股份

截至二零一四年三月三十一日止年度內，本公司或其任何附屬公司並無購買、出售或贖回本公司之上市證券。

主要客戶及供應商

本集團之最大客戶佔本集團營業額之約8.13%，而本集團之五大客戶合共佔約25.39%。

截至二零一四年三月三十一日止年度，本集團之五大供應商應佔之採購總額佔本集團採購總值之約34.57%。本集團之最大供應商佔本集團採購總值之約11.55%。

董事、彼等之聯繫人士或就董事所知擁有本公司已發行股本超過5%之任何股東，於本集團五大客戶及供應商之股本中概無擁有任何權益。

DIRECTORS

The directors of the Company (the “**Directors**”) during the year and up to the date of this report were:

Executive directors:

Mr. Weng Jiaying (*Chairman and Chief Executive Officer*)
(appointed on 9 July 2012)

Mr. Chen Yong (*Vice Chairman*) (appointed on 4 September 2012)

Independent non-executive directors:

Mr. Liang Yichi (appointed on 4 September 2012)

Mr. Zhu Donghai (appointed on 4 September 2012 and
resigned on 27 February 2014)

Mr. Wong Hon Kit (appointed on 11 April 2013)

Dr. Liu Yongping (appointed on 27 February 2014)

In accordance with Article 84 of the Company’s Articles of Association, Mr. Weng Jiaying and Mr. Chen Yong, the executive directors of the Company, will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting. All other Directors will continue in office.

The biographical details of the directors and senior management are set on pages 16 to 21 of this annual report. Details of the emoluments of the directors and the five highest paid individuals are set out in Notes 14 and 15 to the consolidated financial statements, respectively.

The Company has received, from each of the independent non-executive Directors, a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors are independent.

董事

於年內及截至本報告日期之本公司董事（「董事」）如下：

執行董事：

翁加興先生（主席兼行政總裁）
（於二零一二年七月九日獲委任）

陳勇先生（副主席）
（於二零一二年九月四日獲委任）

獨立非執行董事：

梁一池先生（於二零一二年九月四日獲委任）
朱東海先生（於二零一二年九月四日獲委任及
於二零一四年二月二十七日辭任）

黃漢傑先生（於二零一三年四月十一日
獲委任）

劉勇平博士（於二零一四年二月二十七日
獲委任）

根據本公司之組織章程細則第84條，本公司執行董事翁加興先生及陳勇先生將於應屆股東週年大會上輪值告退，惟符合資格並願意膺選連任。所有其他董事將繼續任職。

董事及高級管理人員履歷詳情載於本年報第16至21頁。董事及五名最高薪酬人士之酬金詳情分別載於綜合財務報表附註14及15。

本公司已自各獨立非執行董事收到根據上市規則第3.13條作出之獨立性確認函。本公司認為所有非執行董事為獨立。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS

Mr. Weng Jiaying, the executive Director of the Company and chairman of the Board has entered into a letter of appointment with the Company for a term of 3 years commencing on 4 September 2012 which will continue thereafter until terminated by either party giving to the other party not less than 3 month's notice in writing.

Mr. Chen Yong has been appointed as an executive Director by way of a letter of appointment with the Company for a terms of 3 year commencing from 4 September 2012 which will continue thereafter until terminated by either party giving to the other party not less than 3 month's notice in writing.

Mr. Liang Yichi and Mr. Zhu Donghai have been appointed as independent non-executive Directors by way of letters of appointment with the Company for a term of 3 years commencing from 4 September 2012 which will continue thereafter until either the independent non-executive Director or the Company may terminate the agreement by giving the other party not less than 3 months' notice in writing.

Mr. Wong Hon Kit has been appointed as independent non-executive Directors by way of letter of appointment with the Company for a term of 3 years commencing from 11 April 2013 which will continue thereafter until either the independent non-executive Director or the Company may terminate the agreement by giving the other party not less than 3 months' notice in writing.

Dr. Liu Yongping has been appointed as independent non-executive Directors by way of letter of appointment with the Company for a term of 3 years commencing from 27 February 2014 which will continue thereafter until either the independent non-executive Director or the Company may terminate the agreement by giving the other party not less than 3 months' notice in writing.

董事服務合約

本公司執行董事兼董事會主席翁加興先生已與本公司簽訂委任書，由二零一二年九月四日起計為期三年，並將於其後續任，直至任何一方發出不於三個月之書面通知終止為止。

陳勇先生已獲本公司以委任書委任為執行董事，自二零一二年九月四日起計為期三年，並將於其後續任，直至任何一方向另外一方發出不於三個月之書面通知終止為止。

梁一池先生及朱東海先生已獲本公司以委任書委任為獨立非執行董事，自二零一二年九月四日起計為期三年，並將於其後續任，直至獨立非執行董事或本公司向另一方發出不於三個月之書面通知終止為止。

黃漢傑先生已獲本公司以委任書委任為獨立非執行董事，自二零一三年四月十一日起計為期三年，並將於其後續任，直至獨立非執行董事或本公司向另一方發出不於三個月之書面通知終止為止。

劉勇平博士已獲本公司以委任書委任為獨立非執行董事，自二零一四年二月二十七日起計為期三年，並將於其後續任，直至獨立非執行董事或本公司向另一方發出不於三個月之書面通知終止為止。

Save as disclosed above, none of the Directors has any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the heading "Continuing connected transactions", no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

REMUNERATION POLICY

The remuneration policy of the employees of the Group is set up by the Remuneration Committee and is based on merit, qualifications and competence of employees.

The remuneration policies of the Directors are decided by the Remuneration Committee having regard to the Group's operating results, individual performance and comparable market statistics.

除上文所披露者外，概無董事與本公司或其任何附屬公司訂立本集團不得於一年內毋須補償（法定補償除外）而終止之服務合約。

董事於重大合約之權益

除標題為「持續關連交易」項下所披露者外，本公司或其任何附屬公司概無訂立於年末時或年內任何時間仍然有效而本公司董事直接或間接擁有重大權益之有關本集團業務之重大合約。

薪酬政策

本集團之僱員薪酬政策乃由薪酬委員會根據僱員之優點、資格及能力制定。

董事之薪酬政策乃由薪酬委員會根據本集團之營運業績、個人表現及可資比較市場統計數據釐定。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

(a) Directors' interests and short positions in the securities of the Company and its associated corporations

As at 31 March 2014, the interests or short positions of the Directors and the chief executives of the Company in the shares of the Company ("Shares"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "SFO")) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

(i) Interest in shares of the Company

Name of director	Nature of interest	Number of shares	Position	Approximate percentage of the total issued shares
董事姓名	權益性質	股份數目	倉位	佔已發行股份總數之概約百分比
Mr. Weng Jiaying 翁加興先生	Personal interest 個人權益	281,250 281,250	Long 好倉	0.04% 0.04%
Mr. Chen Yong 陳勇先生	Personal interest 個人權益	80,000 80,000	Long 好倉	0.01% 0.01%

董事及主要行政人員於本公司及其相聯之法團之股份、相關股份及債權證之權益

(a) 董事於本公司及其相聯法團之證券之權益及淡倉

於二零一四年三月三十一日，本公司董事及主要行政人員在本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之本公司股份（「股份」）、相關股份及債權證中擁有根據證券及期貨條例第XV部第七及第八分部（包括根據證券及期貨條例之該等條文被當作或被視為持有之權益及淡倉），或根據證券及期貨條例第352條須記入當中所指之登記冊之權益或淡倉，或根據上市規則附錄10所載之上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益或淡倉如下：

(i) 本公司之股份權益

(ii) Interest in issued share capital of the Company's associated corporation

(ii) 於本公司相聯法團之已發行股本之權益

Name of director	Name of associated corporation	Capacity/Nature of interest	Number of shares	Position	Approximate percentage of shareholding in the associated corporation's issued share capital 佔相聯法團之已發行股本之股權概約百分比
董事姓名	相聯法團名稱	身份／權益性質	股份數目	倉位	
Mr. Weng Jiaying 翁加興先生	Hua Xia (Note 1) 華夏(附註1)	Beneficial interest 實益權益	8,106,250 8,106,250	Long 好倉	0.70% 0.70%
Mr. Chen Yong 陳勇先生	Hua Xia (Note 1) 華夏(附註1)	Beneficial interest 實益權益	400,000 400,000	Long 好倉	0.03% 0.03%

Note 1: Hua Xia Healthcare Holdings Limited (“Hua Xia”) held the entire issued share capital of Greatly Wealth Global Group Limited (“Greatly Wealth”), a company incorporated in the British Virgin Islands (“BVI”) with limited liability, which is in turn interest in 411,917,648 shares of the Company (representing 63.53% of the issued share capital of the Company). Therefore, Hua Xia is an associated corporation of the Company for the purposes of the SFO.

附註1：華夏醫療集團有限公司(「華夏」)持有於英屬處女群島(「英屬處女群島」)註冊成立之有限公司大發環球集團有限公司(「大發」)之全部已發行股本，而大發環球集團有限公司於411,917,648股本公司股份(相當於本公司已發行股本之約63.53%)中擁有權益。因此，就證券及期貨條例而言，華夏為本公司之相聯法團。

(b) Substantial shareholders' interest and short positions in shares and underlying shares.

As at 31 March 2014, other than the interests of a director or chief executive of the Company as disclosed under the heading “Directors’ and chief executive’s interest in shares, underlying shares and debentures of the Company and its associated corporations” above, the following persons (not being a Director or the chief executive officer of the Company) have an interest or a short position in Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

(b) 主要股東於股份及相關股份之權益及淡倉

於二零一四年三月三十一日，除上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益」一節所披露本公司董事或主要行政人員之權益外，以下人士(本公司之董事或行政總裁除外)於本公司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分部之條文須向本公司及聯交所披露，或直接或間接擁有賦予權利於任何情況下於本集團之任何其他成員公司之股東大會上投票之任何類別股本之10%或以上面值之權益及淡倉：

Report of the Directors

董事會報告

(i) Long position in shares of the Company

(i) 本公司股份之好倉

Name of shareholder	Capacity	Position	Number of shares	Approximate percentage of the total issued shares
股東名稱／姓名	身份	倉位	股份數目	佔已發行股份總數之概約百分比
Hua Xia (Note 1)	Interested in controlled corporation	Long	411,917,648	63.53%
華夏(附註1)	於受控制法團的權益	好倉	411,917,648	63.53%
Greatly Wealth (Note 1)	Beneficial owner	Long	411,917,648	63.53%
大發(附註1)	實益擁有人	好倉	411,917,648	63.53%
Mr. Yung Kwok Leong (Note 2)	Interested in controlled corporation	Long	24,192,100	3.73%
翁國亮先生(附註2)	於受控制法團的權益	好倉	24,192,100	3.73%
	Beneficial owner	Long	47,009,375	7.25%
	實益擁有人	好倉	47,009,375	7.25%
Marshal International Investments Limited (Note 2)	Interested in controlled corporation	Long	24,192,100	3.73%
萬好國際投資有限公司(附註2)	於受控制法團的權益	好倉	24,192,100	3.73%
Easeglory Holdings Limited (Note 2)	Beneficial owner	Long	24,192,100	3.73%
易耀控股有限公司(附註2)	實益擁有人	好倉	24,192,100	3.73%
Mrs. Yung Muk Ying (Note 3)	Interest of spouse	Long	71,201,475	10.98%
翁木英女士(附註3)	配偶權益	好倉	71,201,475	10.98%

附註：

Notes:

1. Greatly Wealth is a company incorporated in the BVI with limited liability which is wholly and beneficially owned by Hua Xia. By virtue of the SFO, Hua Xia is deemed to be interested in the entire 411,917,648 shares held by the Greatly Wealth.
 2. Easeglory Holdings Limited (“**Easeglory**”) is a company incorporation in the BVI with limited liabilities which is wholly and beneficially owned by Marshal International Investments Limited (“**Marshal**”), a company incorporated in the BVI with limited liability and is wholly and beneficially owned by Mr. Yung Kwok Leong (“**Mr. Yung**”). By virtue of the SFO, both Marshal and Mr. Yung are deemed to be interested in the entire 24,192,100 shares held by Easeglory.
 3. Mrs. Yung Muk Ying, the spouse of Mr. Yung, is deemed to be interested in 71,201,475 shares held by Mr. Yung in person or through his controlled corporations under the SFO.
1. 大發為於英屬處女群島註冊成立之有限公司，由華夏全資實益擁有。根據證券及期貨條例，華夏被視為於大發持有之全部411,917,648股股份中擁有權益。
 2. 易耀控股有限公司（「**易耀**」）為於英屬處女群島註冊成立之有限公司，由於英屬處女群島註冊成立之有限公司萬好國際投資有限公司（「**萬好**」）全資實益擁有，萬好由翁國亮先生（「**翁國亮先生**」）全資實益擁有。根據證券及期貨條例，萬好及翁國亮先生均被視為於易耀持有的全部24,192,100股股份中擁有權益。
 3. 翁木英女士為翁國亮先生之配偶，根據證券及期貨條例被視為於翁先生個人或透過其受控制法團所持有之71,201,475股股份中擁有權益。

(ii) Long position in shares of the associated corporation

(ii) 於相聯法團股份之好倉

Name of associated corporation	Name of registered owner	Capacity	Position	Number of shares in the associated corporation	Approximate percentage of shareholding in the associated corporation's issued share capital 於相聯法團已發行股本中的股權概約百分比
相聯法團名稱	登記持有人名稱	身份	倉位	於相聯法團所持股份數目	
Greatly Wealth	Hua Xia	Beneficial owner	Long	200 shares of US\$1 each	100%
大發	華夏	實益擁有人	好倉	200股每股面值1美元的股份	100%

Report of the Directors 董事會報告

Save as disclosed above, as at 31 March 2014, the directors of the Company were not aware of any other person (other than the directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTOR'S RIGHTS TO ACQUIRE SECURITIES

Apart from as disclosed under the heading "Directors' and chief executive's interests in shares, underlying shares and debentures of the Company and its associated corporations" above, at no time since incorporation of the Company were right to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

RELATED PARTY TRANSACTIONS

Certain connected transactions which are significant are also disclosed as related party transactions (see note 40 to the consolidated financial statements).

除上文所披露者外，於二零一四年三月三十一日，本公司董事並不知悉任何其他人士（本公司董事及主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第336條須由本公司存置之登記冊所記錄之權益或淡倉。

董事購買證券之權利

除上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證之權益」一節所披露者外，自本公司註冊成立以來，概無向任何董事或彼等各自之配偶或未滿十八歲之子女授出任何權利，致使彼等可透過購入本公司或任何其他法人團體的股份或債權證而獲益，而彼等亦概無行使該等權利；且本公司、其控股公司或其任何附屬公司亦概無參與任何安排，致使董事、彼等各自之配偶或未滿十八歲之子女可獲得任何其他法人團體之該等權利。

關連人士交易

若干重大關連交易亦已披露為關連人士交易（見綜合財務報表附註40）。

SHARE OPTION SCHEME

On 24 September 2013, the Company adopted a share option scheme (the “**Share Option Scheme**”) whereby the Board can grant options for the subscription of our shares to the employees, managerial staff and senior employees and those other persons that the Board considers that they will contribute or have contributed to the Group (the “**Participants**”) as described in the Share Option Scheme in order to serve as compliment and to reciprocate their contribution to the Group. The maximum number of shares that can be issued according to the Share Option Scheme was 64,840,530 shares, which is equivalent to 10% of the issued capital of the Company after completion of the Listing on the Stock Exchange. The number of options that may be granted pursuant to the terms of the Share Option Scheme shall not exceed 10% of the issued shares immediately after the completion of the Listing. Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to a Participant under the options shall not exceed 1% within any 12-month period (other than those granted to the substantial shareholders (as defined in the Listing Rules) of the Company or the independent non-executive Directors or any of their respective associates (as defined in the Listing Rules)), or the total number of shares that may be granted under the options to the substantial shareholders of the Company or the independent non-executive Directors or any of their respective associates shall not exceed 0.1% of the shares in issue of the Company from time to time. There is no minimum period that the options must be held before they become exercisable, and the options granted shall be exercised within the period decided by the Board; however no options shall be exercised 10 years after they have been granted. The exercise price of the option shall be the higher of (a) the closing price of the shares on the daily quotation sheet of the Stock Exchange on the date of grant; (b) the average closing price of the shares on the daily quotation sheet of the Stock Exchange for the five trading days immediately preceding the date of grant; and (c) nominal value of the share. Each grantee shall pay a consideration of HK\$1.00 at the time the option is granted. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

股權計劃

於二零一三年九月二十四日，本公司採納一項購股權計劃（「**購股權計劃**」），據此，董事會可向本集團僱員、管理人員及高級職員以及購股權計劃所述董事會認為將會對或曾經對本集團作出貢獻的該等其他人士（「**參與人士**」）授出購股權，以認購本公司股份藉此向彼等給予獎勵及回報彼等對本集團作出的貢獻。根據購股權計劃可發行的最高股份數目為64,840,530股股份，相等於本公司於聯交所完成上市後已發行股本的10%。根據購股權計劃條款可授出的購股權數目不得超過緊隨完成上市後本公司已發行股份的10%。除非本公司股東於股東大會另行批准，否則可根據購股權授予參與人士的股份數目於任何12個月內不得超過1%（向本公司主要股東（定義見上市規則）或獨立非執行董事或彼等各自之聯繫人士（定義見上市規則）授出者除外），或根據購股權可授予本公司主要股東或獨立非執行董事或彼等各自的任何聯繫人士的股份總數不得超過本公司不時已發行股份的0.1%。概無規定購股權可行使前須持有的最短期間，而授出的購股權須於董事會決定的期間內行使，但並無購股權可於授出後10年行使。購股權行使價須為(a)股份於授出日期於聯交所每日報價表上所列的收市價；(b)股份於緊接授出日期前五個交易日於聯交所每日報價表上所列的平均收市價；及(c)股份的面值之較高者。各承授人須於獲授購股權之時支付1.00港元之代價。購股權計劃於獲採納當日生效，直至該日起計10年期間內仍然有效。

Report of the Directors 董事會報告

Since the Share Option Scheme was adopted, no options have been granted up to the date of this report.

CONTINUING CONNECTED TRANSACTIONS

The Group had entered into a number of transactions with connected parties which, upon the listing of the Shares on the Stock Exchange, became connected persons of the Company under the Listing Rules. These transactions are continuing connected transactions exempt from the independent shareholder's approval requirements under the Listing Rules. Details of the continuing connected transactions are as follows:

Rental agreement with Fujian Huihao Pharmaceutical Chain Company Limited ("FHP Chain")

Tenancy Agreement 1

Fujian Province Fuzhou City Huihao Pharmaceutical Co. Ltd ("Fuzhou Huihao"), an indirectly wholly-owned subsidiary of the Company, entered into two tenancy agreements on 28 December 2009 for a term of five years with an aggregate rental fee of RMB146,634 per quarter from 1 January 2010 to 31 December 2014 with FHP Chain for Property 1 and the Property 2 which are for used as office and warehouse of Fuzhou Huihao. As disclosed in the announcement of Hua Xia dated 10 September 2012, new tenancy agreement is entered into and terminated all the above previous tenancy agreements between Fuzhou Huihao and FHP Chain.

On 10 September 2012, Fujian Huihao and FHP Chain entered a new tenancy agreement ("**Tenancy Agreement 1**") for the rental of (i) Level 1 and Level 4 of the office building located at No. 8 Huihao Road, Shangjie Town, Minhou Xian, Fujian Province, the PRC (the "**Property 1**") with a gross floor area ("**GFA**") approximately 1,336 square meter ("**sq.m.**"); and (ii) Levels 1 to 3 of the warehouse building located at No. 8 Huihao Road, Shangjie Town, Minhou Xian, Fujian, the PRC (the "**Property 2**") with a GFA of approximately 9,957 sq.m.. The term of the lease is from 10 September 2012 to 31 March 2015 with a rental of RMB10,688 per month for the Property 1 and RMB49,785 per month for the Property 2 and is renewable upon the signing of a new rental agreement.

自採納購股權計劃以來直至本報告日期並未授出任何購股權。

持續關連交易

本集團已與關連人士訂立多項交易，根據上市規則，該等人士於股份在聯交所上市後成為本公司的關連人士。根據上市規則，該等交易為獲豁免獨立股東批准規定之持續關連交易。持續關連交易的詳情如下：

與福建惠好醫藥連鎖有限公司（「福建惠好醫藥連鎖」）訂立之租賃協議

租賃協議1

本公司之間接全資附屬公司福建省福州市惠好藥業有限公司（「福州惠好」）與福建惠好醫藥連鎖就租賃物業1及物業2作為福州惠好之辦公室及倉庫於二零零九年十二月二十八日訂立兩份為期五年之租賃協議，自二零一零年一月一日起至二零一四年十二月三十一日之租金總額為每季人民幣146,634元。誠如華夏日期為二零一二年九月十日之公佈所披露，福州惠好與福建惠好醫藥連鎖訂立新租賃協議並終止所有上述先前租賃協議。

於二零一二年九月十日，福建惠好與福建惠好醫藥連鎖訂立一份新租賃協議（「**租賃協議1**」）以租賃(i)建築面積（「**建築面積**」）約為1,336平方米（「**平方米**」）之位於中國福建省閩侯縣上街鎮惠好路8號之辦公樓第1及第4層（「**物業1**」）；及(ii)建築面積約為9,957平方米之位於中國福建省閩侯縣上街鎮惠好路8號之倉庫第1至第3層（「**物業2**」）。租約年期由二零一二年九月十日起至二零一五年三月三十一日止，物業1之月租為人民幣10,688元，而物業2之月租為人民幣49,785元，並可於簽訂新租賃協議時重續。

Tenancy Agreement 2

Fujian Huihao Sihai Pharmaceutical Chain Company Limited (“**Huihao Sihai**”) a subsidiary of the Company, entered into a tenancy agreement on 28 December 2009 for a terms of five years with an aggregate rental fee of RMB64,188 per quarter from 1 January 2010 to 31 December 2014 with FHP Chain for Property 3 and Property 4 form part, which is used as office and warehouse of Huihao Sihai. As disclosed in the announcement of Hua Xia dated 10 September 2012, new tenancy agreement is entered into and terminated all the above previous tenancy agreements between Huihao Sihai and FHP Chain.

On 10 September 2012, Huihao Sihai and FHP Chain entered a new tenancy agreement (“**Tenancy Agreement 2**”) for the rental of (i) Level 3 of the office building located at No.8 Huihao Road, Shangjie Town, Minhou Xian, Fujian Province, the PRC (the “**Property 3**”) with a GFA of approximately 600 sq.m.; and (ii) Level 4 of the warehouse building located on No.8 Huihao Road, Shangjie Town, Minhou Xian, Fujian Province, the PRC (the “**Property 4**”) with a GFA of approximately 3,319 sq.m.. The term of the lease is from 10 September 2012 to 31 March 2015 with a rental of RMB4,800 per month for the Property 3 and RMB16,595 per month for the Property 4 and is renewable upon the signing of the new rental agreement.

租賃協議2

本公司之一間附屬公司福建惠好四海醫藥連鎖有限責任公司（「**惠好四海**」）與福建惠好醫藥連鎖就租賃物業3及物業4作為惠好四海之辦公室及倉庫於二零零九年十二月二十八日訂立一份為期五年之租賃協議，自二零一零年一月一日起至二零一四年十二月三十一日之租金總額為每季人民幣64,188元。誠如華夏日期為二零一二年九月十日之公佈所披露，惠好四海與福建惠好醫藥連鎖訂立新租賃協議並終止所有上述先前租賃協議。

於二零一二年九月十日，惠好四海與福建惠好醫藥連鎖訂立一份新租賃協議（「**租賃協議2**」）以租賃(i)建築面積約為600平方米之位於中國福建省閩侯縣上街鎮惠好路8號之辦公樓第3層（「**物業3**」）；及(ii)建築面積約為3,319平方米之位於中國福建省閩侯縣上街鎮惠好路8號之倉庫第4層（「**物業4**」）。租約之年期由二零一二年九月十日起至二零一五年三月三十一日止，物業3之月租為人民幣4,800元，而物業4之月租為人民幣16,595元，並可於簽訂新租賃協議時重續。

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FHP Chain Company was held as to 50% of its issued share capital by Mr. Weng Jiale, who is a brother of Mr. Weng Jiaying (“**Mr. Weng**”), an executive Director of the Group and a nephew of Mr. Yung, a substantial shareholder and an executive director of Hua Xia. Therefore, FHP Chain is an associate of Mr. Weng and Mr. Yung, and is therefore a connected person of the Company under Rule 14A.11(4) of the Listing Rules

The annual cap for the Group’s total transaction amount with FHP Chain contemplated under the Tenancy Agreement 1 is RMB725,676 (equivalent to approximately HK\$914,300) and Tenancy Agreement 2 is RMB256,740 (equivalent to approximately HK\$323,500) for the year ending 31 March 2014. During the year ended 31 March 2014, the Group paid rental charge of RMB725,676 (equivalent to approximately HK\$914,300) in respect of the Tenancy Agreement 1 and RMB256,740 (equivalent to approximately HK\$323,500) in respect of the Tenancy Agreement 2.

Purchase agreement with a connected person

Hui Hao (HK) Group Limited (“**Huihao Hong Kong**”), an indirectly wholly-owned subsidiary of the Company, entered into a purchase agreement on 26 April 2012 for a term of three years ending 31 March 2015 with Fujian Huihao Pharmaceutical Company Limited (“**FHP Company**”). Upon reviewing the latest trading pattern and the actual purchase amount of the pharmaceutical products, Huihao Hong Kong and FHP Company entered into a new purchase agreement (the “**Purchase Agreement**”) on 19 September 2013 which superseded the remaining term of the previous purchase agreement. Pursuant to the Purchase Agreement, Huihao Hong Kong Group have agreed to purchase certain pharmaceutical products from FHP Company for a term of two years ending 31 March 2015.

福建惠好醫藥連鎖公司由翁加樂先生（本集團之執行董事翁加興先生（「**翁先生**」）之胞弟及華夏之主要股東及執行董事翁國亮先生之侄兒）持有其50%已發行股本。因此，福建惠好醫藥連鎖為翁先生及翁國亮先生之聯繫人士，因此，根據上市規則第14A.11(4)條為本公司之關連人士。

截至二零一四年三月三十一日止年度，租賃協議1及租賃協議2項下擬與福建惠好醫藥連鎖進行之交易總額之年度上限分別為人民幣725,676元（相等於約914,300港元）及人民幣256,740元（相等於約323,500港元）。截至二零一四年三月三十一日止年度內，本集團分別就租賃協議1及租賃協議2支付租金費用人民幣725,676元（相等於約914,300港元）及人民幣256,740元（相等於約323,500港元）。

於關連人士訂立之購買協議

本公司之間接全資附屬公司惠好（香港）醫藥集團有限公司（「**惠好香港**」）與福建惠好藥業有限公司（「**福建惠好藥業公司**」）於二零一二年四月二十六日訂立一份購買協議，截至二零一五年三月三十一日止為期三年。於審閱藥品之最新交易模式及實際購買金額後，惠好香港與福建惠好藥業公司於二零一三年九月十九日訂立一份新購買協議（「**購買協議**」），其取代先前購買協議之餘下條款。根據購買協議，惠好香港集團同意向福建惠好藥業公司購買若干藥品，截至二零一五年三月三十一日止為期兩年。

FHP Company was held as to 55% of its issued share capital by Mr. Weng Jiale, who is a brother of Mr. Weng, an executive Director of the Group and a nephew of Mr. Yung, a substantial shareholder and an executive director of Hua Xia. Therefore, FHP company is an associate of Mr. Weng and Mr. Yung, and is therefore a connected person of the Company under Rule 14A.11(4) of the Listing Rules

The annual cap for the Group's total transaction amount with FHP Company contemplated under the agreement is HK\$1.93 million for the year ending 31 March 2014. During the year ended 31 March 2014, the Group total actual purchase transaction amount approximately HK\$1.858 million (equivalent to approximately RMB1.475 million).

Sales agreements with connected persons

(i) Sales agreement with FHP Company

Huihao Hong Kong entered into a sales agreement on 26 April 2012 for a term of three years ending 31 March 2015 with Fujian Huihao Pharmaceutical Company Limited ("**FHP Company**"). Upon reviewing the latest trading pattern and the actual purchase amount of the pharmaceutical products, Huihao Hong Kong and FHP Company entered into a new sales agreement (the "**FHP Sales Agreement**") on 19 September 2013 which superseded the remaining term of the previous sales agreement. Pursuant to the FHP Sales Agreement, Huihao Hong Kong Group has agreed to sell and deliver certain pharmaceutical products from FHP Company for a term of two years ending 31 March 2015.

福建惠好藥業公司由翁加樂先生(本集團之執行董事翁先生之胞弟及華夏之主要股東及執行董事翁國亮先生之侄兒)持有其55%已發行股本。因此,福建惠好藥業公司為翁先生及翁國亮先生之聯繫人士,因此,根據上市規則第14A.11(4)條為本公司之關連人士。

截至二零一四年三月三十一日止年度,該協議項下擬與福建惠好藥業公司進行之交易總額之年度上限為1,930,000港元。截至二零一四年三月三十一日止年度內,本集團實際購買交易總額約為1,858,000港元(相等於約人民幣1,475,000元)。

於關連人士訂立之銷售協議

(i) 與福建惠好藥業公司訂立之銷售協議

惠好香港與福建惠好藥業有限公司(「**福建惠好藥業公司**」)於二零一二年四月二十六日訂立一份銷售協議,截至二零一五年三月三十一日止為期三年。於審閱藥品之最新交易模式及實際購買金額後,惠好香港與福建惠好藥業公司於二零一三年九月十九日訂立一份新銷售協議(「**福建好藥業銷售協議**」),據此取代先前銷售協議之餘下條款。根據福建好藥業銷售協議,惠好香港集團同意向福建惠好藥業公司銷售及交付若干藥品,截至二零一五年三月三十一日止為期兩年。

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The annual cap for the Group's total transaction amount with FHP Company contemplated under the agreement is HK\$2.32 million for the year ending 31 March 2014. During the year ended 31 March 2014, the Group total actual sales transaction amount approximately HK\$1.686 million (equivalent to approximately RMB1.338 million).

(ii) Sales agreement with Ally Health International Limited ("Ally Health")

Huihao Hong Kong entered into a sales agreement (the "Hospital Sales Agreement") on 17 September 2012 for a term of three years ending 31 March 2015 with Ally Health.

Ally Health, a wholly-owned subsidiary of Hua Xia, which is a Controlling Shareholder of the Company that is interested in approximately 63.5% of the equity of the Company. Ally Health is also the holding company of Edward Hospital Company Limited ("Edward Hospital") and Jiaxing City Shuguang Western and Chinese Composite Hospital Company Limited ("Jiaxing Shuguang Hospital"). Both Edward Hospital and Jiaxing Shuguang Hospital are the subsidiary of Hua Xia, which is a Controlling Shareholder of the Company, had an indirect equity interest of 55% in Edward Hospital and Jiaxing Shuguang Hospital. Ally Health, Edward Hospital and Jiaxing Shuguang are an associate of Hua Xia and are therefore a connected person of the Company under Rule 14A.11(4) of the Listing Rules.

The annual cap for the Group's total transaction amount with Ally Health contemplated under the agreement is HK\$9.08 million for the year ending 31 March 2014. During the year ended 31 March 2014, the Group total actual sales transaction amount approximately HK\$3.981 million (equivalent to approximately RMB3.160 million).

截至二零一四年三月三十一日止年度，該協議項下擬與福建惠好藥業公司進行之交易總額之年度上限為2,320,000港元。截至二零一四年三月三十一日止年度內，本集團實際銷售交易總額約為1,686,000港元（相等於約人民幣1,338,000元）。

(ii) 與康匯國際有限公司（「康匯」）訂立之銷售協議

惠好香港與康匯於二零一二年九月十七日訂立一份銷售協議（「醫院銷售協議」），截至二零一五年三月三十一日止為期三年。

康匯本公司控股股東華夏的全資附屬公司，華夏於本公司約63.5%股權中擁有權益。康匯亦為重慶愛德華醫院有限公司（「愛德華醫院」）及嘉興市曙光中西醫結合醫院有限公司（「嘉興曙光醫院」）之控股公司。愛德華醫院及嘉興曙光醫院均為本公司之控股股東華夏之附屬公司，其間接擁有愛德華醫院及嘉興曙光醫院之55%股權。康匯、愛德華醫院及嘉興曙光醫院為華夏之聯繫人士，因此，根據上市規則第14A.11(4)條為本公司之關連人士。

截至二零一四年三月三十一日止年度，該協議項下擬與康匯進行之交易總額之年度上限為人民幣9,080,000元。截至二零一四年三月三十一日止年度內，本集團實際銷售交易總額約為3,981,000港元（相等於約人民幣3,160,000元）。

Details of these continuing connected transactions are contained in the Prospectus of the Company dated 30 September 2013. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable.

The independent non-executive directors of the Company, Mr. Liang Yichi, Mr. Wong Hon Kit and Dr. Liu Yongping have, for the purpose of Rule 14A.37 of the Listing Rules, reviewed the above continuing connected transactions and confirmed that such continuing connected transactions, for the reporting period, have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favorable to the Group than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreements governing such transactions and on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

The Company's auditors were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standards on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Review of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The Company's auditors have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

該等持續關連交易之詳情載於本公司日期為二零一三年九月三十日之招股書內。本公司已於適用範圍內遵守根據上市規則第14A章之披露規定。

本公司之獨立非執行董事梁一池先生、黃漢傑先生及劉勇平博士已就上市規則第14A.37條審閱上述持續關連交易，並確認於報告期間，有關持續關連交易乃按下列基準訂立：

- (i) 於本集團之一般及日常業務過程中訂立；
- (ii) 按一般商業條款或不遜於本集團給予獨立第三方或自獨立第三方取得（如適當）之條款訂立；及
- (iii) 根據監管有關交易之有關協議及按對本公司股東整體而言屬公平合理並符合彼等利益之條款訂立。

本公司之核數師已獲委聘以根據香港會計師公會頒佈之香港核證委聘準則第3000號「審核或審閱過往財務資料以外之核證委聘」並參考應用指引第740號「根據香港上市規則有關持續關連交易之核數師函件」就本集團之持續關連交易作出報告。本公司之核數師已根據上市規則第14A.38條發出無保留意見函件，當中載有其就本集團於上文披露之持續關連交易之發現及結論。本公司已向聯交所提供核數師函件副本。

Report of the Directors 董事會報告

CORPORATE GOVERNANCE

The Company as applied the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Listing Rules. Since its listing on the Stock Exchange, the Company has complied with the code provisions of the CG Code for the year ended 31 March 2014, save for the exceptions explained in the Corporate Governance Report in this report.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report and based on publicly available information and the best knowledge of the Directors, the Company has sufficient public float as required under Rule 8.08 of the Listing Rules.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 45 to the consolidated financial statements.

AUDITORS

The financial statements of the Company for the year ended 31 March 2014 were audited by HLB Hodgson Impey Cheng. Since March 2012, the practice of HLB Hodgson Impey Cheng was reorganized as HLB Hodgson Impey Cheng Limited. Thus HLB Hodgson Impey Cheng retired as the auditors of the Company at the forthcoming annual general meeting and HLB Hodgson Impey Cheng Limited was being eligible, offer themselves for reappointment.

On behalf of the Board

Weng Jiaying

Chairman

Hong Kong, 25 June 2014

企業管治

本公司已應用載於上市規則附錄14之企業管治常規守則（「企業管治守則」）所載之守則條文。自本公司於聯交所上市以來，其已於截至二零一四年三月三十一日止年度遵守企業管治守則之守則條文，惟本報告之企業管治報告所闡述之例外情況除外。

充足的公眾持股量

於本報告日期及根據公開可得資料及就董事所深知，本公司擁有上市規則第8.08條所規定之充足公眾持股量。

報告期末後事項

於報告期末後發生之重大事件之詳情載於綜合財務報表附註45。

核數師

本公司截至二零一四年三月三十一日止年度之財務報表賬目經由國衛會計師事務所審核。自二零一二年三月起，國衛會計師事務所重組為國衛會計師事務所有限公司。因此，國衛會計師事務所於即將舉行之股東週年大會上退任本公司之核數師，而國衛會計師事務所有限公司符合資格及願意接受續聘。

承董事會命

主席

翁加興

香港，二零一四年六月二十五日

Independent Auditors' Report 獨立核數師報告



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置地廣場
告羅士打大廈31樓

TO THE SHAREHOLDERS OF WANJIA GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

We have audited the consolidated financial statements of Wanjia Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 58 to 187, which comprise the consolidated and the Company statements of financial position as at 31 March 2014, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

致萬嘉集團控股有限公司全體股東 (於開曼群島註冊成立的有限公司)

吾等已審核列載於第58至187頁之萬嘉集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,此財務報表包括於二零一四年三月三十一日之綜合及貴公司財務狀況表與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他解釋資料。

董事就綜合財務報表須承擔的責任

貴公司董事須根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及呈列綜合財務報表,以令綜合財務報表作出真實與公平之反映,及落實董事認為編製綜合財務報表所必要之內部監控,以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

核數師之責任

吾等之責任是根據吾等之審核對該等綜合財務報表作出意見，並僅向整體股東報告而不作其他用途。吾等概不就本報告之內容，對任何其他人士負責或承擔責任。吾等已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求吾等遵守道德規範，並規劃及執行審核，從而合理確定綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實與公平之反映相關之內部監控，以設計適當之審核程序，但並非為對公司之內部監控之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體呈列方式。

吾等相信，吾等所獲得之審核憑證充足和適當，地為吾等之審核意見提供基礎。

Independent Auditors' Report 獨立核數師報告

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2014 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng

Certified Public Accountants

Hong Kong, 25 June 2014

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一四年三月三十一日之事務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥為編製。

國衛會計師事務所

香港執業會計師

香港，二零一四年六月二十五日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

		Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Turnover	營業額	9	2,096,455	1,885,369
Cost of sales	銷售成本		(1,906,991)	(1,721,210)
Gross profit	毛利		189,464	164,159
Other revenue	其他收益	10	7,543	7,729
Other income	其他收入	11	746	1,078
Selling and distribution expenses	銷售及分銷開支		(70,524)	(61,397)
Administrative expenses	行政開支		(47,033)	(46,802)
Profit from operations	經營業務溢利	12	80,196	64,767
Finance costs	財務費用	13	(6,015)	(4,090)
Profit before taxation	除稅前溢利		74,181	60,677
Taxation	稅項	16	(25,113)	(18,772)
Profit for the year	本年度溢利		49,068	41,905
Other comprehensive income for the year, net of income tax:	本年度其他全面收入，扣除 所得稅項：			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可於其後重新分類至損益 之項目：</i>			
Exchange differences on translating foreign operations	換算海外經營業務之 匯兌差額		4,475	1,502
Total comprehensive income for the year	本年度全面收入總額		53,543	43,407

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

		Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Profit for the year attributable to:	應佔本年度溢利：			
Owners of the Company	本公司擁有人		48,920	41,763
Non-controlling interests	非控股權益		148	142
			<u>49,068</u>	<u>41,905</u>
Total comprehensive income for the year attributable to:	應佔本年度全面收入總額：			
Owners of the Company	本公司擁有人		53,387	43,262
Non-controlling interests	非控股權益		156	145
			<u>53,543</u>	<u>43,407</u>
Earnings per share attributable to owners of the Company:	本公司擁有人應佔每股盈利：			
– Basic (HK cents per share)	– 基本（每股港仙）	19	<u>7.54</u>	<u>6.44</u>
– Diluted (HK cents per share)	– 攤薄（每股港仙）	19	<u>7.54</u>	<u>6.44</u>

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

隨附附註為該等綜合財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2014 於二零一四年三月三十一日

	Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Non-current assets			
Property, plant and equipment	20	12,569	10,926
Prepaid lease payments	21	4,509	4,612
Investment properties	22	8,306	8,157
Goodwill	23	785,521	785,521
		810,905	809,216
Current assets			
Inventories	24	128,541	119,570
Trade and other receivables and deposits	25	427,984	427,399
Amount due from a fellow subsidiary	27	2,956	448
Amount due from the immediate holding company	28	5	5
Financial assets at fair value through profit or loss	29	1,259	–
Pledged bank deposits	30	17,431	3,609
Cash and cash equivalents	30	43,638	30,676
		621,814	581,707
Current liabilities			
Trade and other payables	31	283,080	306,758
Amount due to the ultimate holding company	32	4,008	889,426
Amounts due to fellow subsidiaries	33	1,032	1,062
Amounts due to non-controlling shareholders of a subsidiary	33	134	–
Bank borrowings	34	88,088	50,672
Tax payables		10,654	9,804
		386,996	1,257,722
Net current assets/(liabilities)		234,818	(676,015)
Total assets less current liabilities		1,045,723	133,201
非流動資產			
物業、廠房及設備	20	12,569	10,926
預付租賃款項	21	4,509	4,612
投資物業	22	8,306	8,157
商譽	23	785,521	785,521
		810,905	809,216
流動資產			
存貨	24	128,541	119,570
貿易及其他應收款項及 按金	25	427,984	427,399
應收一間同系附屬公司款項	27	2,956	448
應收直接控股公司款項	28	5	5
按公平價值在損益賬處理 之金融資產	29	1,259	–
已抵押銀行存款	30	17,431	3,609
現金及現金等值項目	30	43,638	30,676
		621,814	581,707
流動負債			
貿易及其他應付款項	31	283,080	306,758
應付最終控股公司款項	32	4,008	889,426
應付同系附屬公司款項	33	1,032	1,062
應付一間附屬公司非控股 股東款項	33	134	–
銀行借貸	34	88,088	50,672
應付稅項		10,654	9,804
		386,996	1,257,722
流動資產／(負債)淨值		234,818	(676,015)
資產總值減流動負債		1,045,723	133,201

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2014 於二零一四年三月三十一日

	Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Capital and reserves	資本及儲備		
Share capital	股本	36	1
Reserves	儲備	37	132,761
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,045,307	132,762
Non-controlling interests	非控股權益	416	439
Total equity	權益總額	1,045,723	133,201

The consolidated financial statement were approved and authorised for issue by the Board of Directors on 25 June 2014 and signed on its behalf by:

綜合財務報表於二零一四年六月二十五日由董事會批准及授權刊發，並由下列董事代表簽署：

Mr. Weng Jiaxing
Executive Director

Mr. Chen Yong
Executive Director

翁加興先生
執行董事

陳勇先生
執行董事

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

隨附附註為該等綜合財務報表之一部分。

Statement of Financial Position

財務狀況表

As at 31 March 2014 於二零一四年三月三十一日

	Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Non-current assets			
Investment in subsidiaries	26	6,484	–
Property, plant and equipment		7	–
		6,491	–
Current assets			
Other receivables and deposits	25	113	2,036
Cash and cash equivalents	30	102	10
		215	2,046
Current liabilities			
Amount due to the ultimate holding company	32	405	1,139
Amounts due to subsidiaries	33	20,666	8,312
Amount due to a fellow subsidiary	33	5	15
Accruals and other payables	31	2,577	3
		23,653	9,469
Net current liabilities		(23,438)	(7,423)
Total assets less current liabilities		(16,947)	(7,423)

Statement of Financial Position

財務狀況表

As at 31 March 2014 於二零一四年三月三十一日

		Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	36	6,484	1
Reserves	儲備	37	(23,431)	(7,424)
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		(16,947)	(7,423)

The financial statement were approved and authorised for issue by the Board of Directors on 25 June 2014 and signed on its behalf by:

財務報表於二零一四年六月二十五日由董事會批准及授權刊發，並由下列董事代表簽署：

Mr. Weng Jiaxing
Executive Director

Mr. Chen Yong
Executive Director

翁加興先生
執行董事

陳勇先生
執行董事

The accompanying notes form an integral part of these financial statements.

隨附附註為該等財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2014 截至二零一四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	Share premium 股份溢價	Other reserve 其他儲備	Contribution reserve 供款儲備	Translation reserve 匯兌儲備	Statutory reserve 法定儲備	Retained earning 保留盈利	Sub-total 小計	Non-controlling interests 非控股權益	Total 總計
		HK\$'000 千港元 (Note 36) (附註36)	HK\$'000 千港元 (Note (a)) (附註(a))	HK\$'000 千港元 (Note (b)) (附註(b))	HK\$'000 千港元 (Note (c)) (附註(c))	HK\$'000 千港元 (Note (d)) (附註(d))	HK\$'000 千港元 (Note (e)) (附註(e))	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2012	於二零一二年四月一日	-	-	-	-	9,972	13,079	66,448	89,499	294	89,793
Profit for the year	本年度溢利	-	-	-	-	-	-	41,763	41,763	142	41,905
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	1,499	-	-	1,499	3	1,502
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	1,499	-	41,763	43,262	145	43,407
Issue of shares	發行股份	1	-	-	-	-	-	-	1	-	1
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	5,731	(5,731)	-	-	-
At 31 March 2013 and 1 April 2013	於二零一三年三月三十一日及二零一三年四月一日	1	-	-	-	11,471	18,810	102,480	132,762	439	133,201
Profit for the year	本年度溢利	-	-	-	-	-	-	48,920	48,920	148	49,068
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	4,467	-	-	4,467	8	4,475
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	4,467	-	48,920	53,387	156	53,543
Effect of reorganisation	重組影響	6,483	-	(6,483)	866,811	-	-	-	866,811	-	866,811
Share issuing expenses	發行股份開支	-	(7,653)	-	-	-	-	-	(7,653)	-	(7,653)
Dividend paid to non-controlling shareholders	向非控股股東派付股息	-	-	-	-	-	-	-	-	(179)	(179)
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	10,318	(10,318)	-	-	-
At 31 March 2014	於二零一四年三月三十一日	6,484	(7,653)	(6,483)	866,811	15,938	29,128	141,082	1,045,307	416	1,045,723

Notes:

(a) Share premium

The amount of approximately HK\$7,653,000 represents the capitalised listing expenses arised from the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 11 October 2013.

(b) Other reserve

Upon the completion of the reorganisation on 3 September 2013, the amount of approximately HK\$6,483,000 represented the difference between the Company's share of nominal value of the paid-up capital of the subsidiaries acquired over the Company's cost of acquisition of the subsidiaries under common control upon the reorganisation as detailed in the prospectus of the Company dated 30 September 2013.

附註：

(a) 股份溢價

約7,653,000港元之金額指本公司股份於二零一三年十月十一日在香港聯合交易所有限公司(「聯交所」)主板上市產生之資本化上市開支。

(b) 其他儲備

於二零一三年九月三日完成重組後，根據本公司日期為二零一三年九月三十日之招股書中重組詳載，約6,483,000港元的款項指本公司之附屬公司實繳資本票面值超過本公司在集中控制下收購附屬公司之成本款項。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

Notes: – continued

(c) Contribution reserve

Capitalisation of the outstanding amount of approximately HK\$866,811,000 due from Timely Hero Enterprises Limited (“Timely Hero”) to Hua Xia Healthcare Holdings Limited (“Hua Xia”) on 3 September 2013 in consideration of (i) the allotment and issue 1 share of US\$1 in the share capital of Timely Hero to Luxuriant Expand, credited as fully paid up, at the direction of Hua Xia; and (ii) the allotment and issue of a total of 100 shares of US\$1 each in the share capital of Luxuriant Expand, all credited as fully paid up, to Hua Xia in consideration of its receipt of 1 share in Timely Hero at the direction of Hua Xia. Details of the reorganisation were set out in the paragraph headed “The Reorganisation” in the section headed “Corporate history, development and Reorganisation” in the prospectus of the Company dated 30 September 2013.

(d) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 4.

(e) Statutory reserve

As stipulated by the relevant People’s Republic of China (“PRC”) laws and regulations, the subsidiaries of the Company establishing in the PRC shall set aside 10% of its net profit after taxation for the statutory surplus reserve fund (except where the reserve balances has reached 50% of the subsidiaries’ paid up capital). The reserve fund can only be used, upon approval by the Board of Directors and by the relevant authority, to offset accumulated losses or increase capital.

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

附註：—續

(c) 供款儲備

於二零一三年九月三日將時雄企業有限公司（「時雄」）結欠華夏醫療集團有限公司（「華夏」）的866,811,000港元的未償還款項資本化，作為以下事項的代價：(i)按華夏指示向茂加配發及發行時雄股本中1股面值1美元的入賬列作繳足股份；及(ii)向華夏配發及發行茂加股本中合共100股每股面值1美元的股份（全部入賬列作繳足），作為其按華夏指示接收1股時雄股份的代價。重組詳情載於本公司日期為二零一三年九月三十日之招股書「公司歷史、發展及重組」一節「重組」一段。

(d) 匯兌儲備

匯兌儲備包括因換算海外業務財務報表而引致的所有匯兌差額。該儲備乃根據附註4所載的會計政策處理。

(e) 法定儲備

如相關的中華人民共和國（「中國」）法律法規所規定，本公司在中國成立的附屬公司須將其除稅後純利的10%撥作法定公積金，惟倘該公積金的結餘達到附屬公司本身實繳股本的50%則除外。公積金只可在獲得董事會及相關機構批准的情況下用於抵消累積虧損或作增加股本之用。

隨附附註為該等綜合財務報表之一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	74,181	60,677
Adjustments for:	調整項目：		
Interest income	利息收入	(695)	(632)
Interest expenses	利息開支	6,015	4,090
Amortisation of prepaid lease payments	預付租賃款項攤銷	188	182
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,653	3,932
Provision for impairment loss on trade and other receivables	貿易及其他應收款項減值虧損撥備	518	989
Reversal of impairment loss of trade and other receivables	貿易及其他應收款項之減值虧損撥回	(746)	(476)
Realised gain on financial asset at fair value through profit or loss	按公平價值在損益賬處理之金融資產之實現收益	(44)	-
Change in fair value of investment properties	投資物業公平價值變動	-	(492)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	26	276
		<hr/>	<hr/>
Operating cash flows before movements in working capital	營運資金變動前經營現金流入	83,096	68,546
Increase in inventories	存貨增加	(6,803)	(13,355)
Decrease/(increase) in trade and other receivables and deposits	貿易及其他應收款項及按金減少／(增加)	7,398	(125,997)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)／增加	(29,303)	31,711
(Increase)/decrease in amount due from a fellow subsidiary	應收一間同系附屬公司款項(增加)／減少	(2,502)	2,971
Increase in amount due from the immediate holding company	應收直屬控股公司款項增加	-	(5)
Increase in amount due to non-controlling shareholders of a subsidiary	應付一間附屬公司非控股股東之款項增加	134	-
Decrease in amounts due to fellow subsidiaries	應付同系附屬公司款項減少	(30)	(700)
(Decrease)/increase in amount due to the ultimate holding company	應付最終控股公司款項(減少)／增加	(18,607)	8,462
		<hr/>	<hr/>
Cash generated from/(used in) operations	業務所得／(所用)現金	33,383	(28,367)
Withholding tax (paid)/refund	(已付)／已退預扣稅	(2,383)	612
PRC enterprise income tax paid	已繳納中國企業所得稅	(22,058)	(19,130)
		<hr/>	<hr/>
Net cash generated from/(used in) operating activities	經營業務所得／(所用)現金淨額	8,942	(46,885)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Investing activities	投資活動		
Interest received	已收利息	695	632
Purchase of financial assets at fair value through profit or loss	購買按公平價值在損益賬處理之金融資產	(54,176)	-
Proceeds from disposal of financial asset at fair value through profit or loss	出售按公平價值在損益賬處理之金融資產所得款項	52,960	-
Purchase of property, plant and equipment	購買物業、廠房及設備	(5,263)	(2,216)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	144	-
Purchase of prepaid lease payments	購買預付租賃款項	-	(60)
Proceeds from disposal of held-to-maturity investment	出售持有至到期投資之所得款項	-	123
Net cash used in investing activities	投資活動所用現金淨額	(5,640)	(1,521)
Financing activities	融資活動		
Interest paid	已付利息	(6,015)	(4,090)
Issue of shares	發行股份	-	1
Dividend paid to non-controlling shareholders	已付非控股股東股息	(179)	-
Share issuing expenses	發行股份開支	(7,653)	-
(Increase)/decrease in pledged bank deposits	已抵押銀行存款(增加)/減少	(13,772)	19,238
Proceeds from new bank borrowings	新銀行借款所得款項	88,193	53,138
Repayment of bank borrowings	償還銀行借款	(51,656)	(39,048)
Net cash generated from financing activities	融資活動所得現金淨額	8,918	29,239
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加/(減少)淨額	12,220	(19,167)
Cash and cash equivalents at the beginning of the year	年初之現金及現金等值項目	30,676	48,480
Effect of foreign exchange rate changes	外匯匯率變動之影響	742	1,363
Cash and cash equivalents at the end of the year	年終之現金及現金等值項目	43,638	30,676
Analysis of balances of cash and cash equivalents	現金及現金等值項目結餘分析		
Cash and cash equivalents	現金及現金等值項目	43,638	30,676

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

隨附附註為該等綜合財務報表之一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated as an exempted Company with limited liabilities in the Cayman Islands. The address of the registered office and principal place of business of the Company are disclosed in the corporate information of the annual report.

The principal activity of the Company is investment holding. The Group is principally engaged in pharmaceutical wholesale and distribution and pharmaceutical retail chain business in the PRC. The activities of its principal subsidiaries are set out in Note 26 to the consolidated financial statements.

The Company's shares have been listed on the Main Board of the Stock Exchange since 11 October 2013. The Company's immediate holding company is Greatly Wealth Global Group Limited ("Greatly Wealth"), a company incorporated in British Virgin Islands. Greatly Wealth is a directly wholly-owned subsidiary of Hua Xia, a company incorporated in Cayman Islands on 28 May 2001 as an exempted company with limited liability, of which are listed on the Growth Enterprise Market ("GEM") of the Stock Exchange and it is the ultimate holding company of the Company.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as functional currency of the Company, and the functional currency of the most of the subsidiaries is Renminbi ("RMB"). The Board of Directors considered that it is more appropriate to present the consolidated financial statements in HK\$ as the shares of the Company are listed on the Stock Exchange. The consolidated financial statements are presented in thousands of units of HK\$ (HK\$'000), unless otherwise stated.

1. 一般資料

本公司於開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處及主要營業地點之地址披露於年報公司資料一節。

本公司之主要業務為投資控股。本集團主要在中國從事藥品批發和分銷及藥品零售連鎖業務。其主要附屬公司之業務載列於綜合財務報表附註26。

本公司之股份自二零一三年十月十一日起在聯交所主板上市。本公司之直接控股公司為大發環球集團有限公司（「大發」），該公司為於英屬處女群島註冊成立之公司。大發為華夏之直接全資附屬公司，華夏為於二零零一年五月二十八日在開曼群島註冊成立之獲豁免有限公司，於聯交所創業板（「創業板」）上市，為本公司之最終控股公司。

綜合財務報表以港元（「港元」）呈列，與本公司之功能貨幣相同。大部分附屬公司之功能貨幣為人民幣（「人民幣」）。董事會認為，由於本公司股份於聯交所上市，因此更適合以港元呈列綜合財務報表。除另有指明外，綜合財務報表以千港元（千港元）呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

2. REORGANISATION

In the preparation for the listing of the Company's shares on the Main Board of the Stock Exchange, the Group underwent the reorganisation (the "Reorganisation"), as a result of which the Company became the holding company of the subsidiaries comprising the Group. The Reorganisation included the following principal steps:

- (a) incorporation of Luxuriant Expand on 10 April 2012 and allotment and issue of 100 ordinary shares of Luxuriant Expand to Hua Xia at par on 4 July 2012;
- (b) incorporation of the Company on 9 July 2012 in the Cayman Islands and transfer of the incorporation share from Codan Trust Company (Cayman) Limited to Greatly Wealth at nil consideration;
- (c) acquisition of 1 ordinary share, representing the entire issued share capital in Timely Hero, by Luxuriant Expand from Hua Xia on 3 September 2013 in consideration of the allotment and issue of 200 shares of US\$1 each in Luxuriant Expand, all credited as fully paid up, to Hua Xia;

2. 重組

為籌備本公司之股份於聯交所主板上市，本集團進行重組（「重組」），因此本公司成為組成本集團之附屬公司之控股公司。重組包括以下主要步驟：

- (a) 於二零一二年四月十日註冊成立茂加，並於二零一二年七月四日按面值向華夏配發及發行茂加的100股普通股；
- (b) 於二零一二年七月九日在開曼群島註冊成立本公司，並由Codan Trust Company (Cayman) Limited向大發無償轉讓註冊成立股份；
- (c) 茂加於二零一三年九月三日向華夏收購代表時雄全部已發行股本的1股普通股，代價為向華夏配發及發行茂加200股每股面值1美元的全部入賬列作繳足股份；

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

2. REORGANISATION – continued

(d) capitalisation of the outstanding amount of HK\$866,810,761 due from Timely Hero to Hua Xia on 3 September 2013 in consideration of (i) the allotment and issue of 1 share of US\$1 in the share capital of Timely Hero to Luxuriant Expand, credited as fully paid up, at the direction of Hua Xia; and (ii) the allotment and issue of a total of 100 shares of US\$1 each in the share capital of Luxuriant Expand, all credited as fully paid up, to Hua Xia in consideration of its receipt of 1 share in Timely Hero at the direction of Hua Xia; and

(e) acquisition of 300 shares in Luxuriant Expand, representing its entire issued share capital by the Company from Hua Xia on 3 September 2013 in consideration of (i) the allotment and issue of 648,405,299 shares, all credited as fully paid up, to Greatly Wealth at the direction of Hua Xia and the crediting as fully paid at par of the incorporation share registered in the name of Greatly Wealth; and (ii) the allotment and issue of 100 shares of US\$1 each in the share capital of Greatly Wealth, all credited as fully paid up, to Hua Xia in consideration of its receipt of 648,405,299 shares from the Company at the direction of Hua Xia.

Upon the completion of the Reorganisation on 3 September 2013, the Company became the holding company of the companies now comprising the Group.

Particulars of the subsidiaries, which are all private companies, of the Group as at 31 March 2014 are set out in Note 26.

2. 重組－續

(d) 於二零一三年九月三日將時雄結欠華夏的未償還金額866,810,761港元資本化，代價為：(i)按華夏指示向茂加配發及發行時雄股本中1股面值1美元的入賬列作繳足股份；及(ii)向華夏配發及發行茂加股本中合共100股每股面值1美元的股份（全部入賬列作繳足），作為其按華夏指示接收時雄1股股份的代價；及

(e) 本公司於二零一三年九月三日向華夏收購茂加300股股份，相等於其全部已發行股本，代價為：(i)按華夏指示向大發配發及發行648,405,299股股份（全部入賬列作繳足股份）及按面值以入賬方式繳足登記於大發名下的註冊成立股份；及(ii)向華夏配發及發行大發股本中100股每股面值1美元的股份（全部入賬列作繳足），作為其按華夏指示接收本公司648,405,299股股份的代價。

於完成重組後，於二零一三年九月三日，本公司成為現時組成本集團之公司之控股公司。

本集團於二零一四年三月三十一日之附屬公司（均為私人公司）之詳情載於附註26。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has adopted all of the new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for the Group’s financial year beginning on or after 1 April 2013, and the amendments to HKAS 36 which are mandatory for accounting periods on or after 1 January 2014.

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009 to 2011 Cycle
HKFRS 1 (Amendments)	Government Loans
HKFRS 7 (Amendments)	Disclosure – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HKAS 36 (Amendments)	Recoverable Amount and Disclosures for Non-Financial Assets
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已採納所有由香港會計師公會頒佈並於本集團於二零一三年四月一日或之後開始之財政年度生效而與其業務相關之新訂及經修訂準則、修訂本及詮釋（「新訂及經修訂香港財務報告準則」），以及於二零一四年一月一日或之後開始之會計期間強制生效之香港會計準則第36號（修訂本）。

香港財務報告準則（修訂本）	香港財務報告準則二零零九年至二零一一年週期的年度改進
香港財務報告準則第1號（修訂本）	政府貸款
香港財務報告準則第7號（修訂本）	披露－抵銷財務資產及財務負債
香港財務報告準則第10號	綜合財務報表
香港財務報告準則第11號	共同安排
香港財務報告準則第12號	披露於其他實體的權益
香港財務報告準則第13號	公平值計量
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號（修訂本）	綜合財務報表、共同安排及披露於其他實體的權益：過渡性指引
香港會計準則第1號（修訂本）	其他全面收益項目之呈列
香港會計準則第19號（二零一一年經修訂）	僱員福利
香港會計準則第27號（二零一一年經修訂）	獨立財務報表
香港會計準則第28號（二零一一年經修訂）	於聯營公司及合營公司的投資
香港會計準則第36號（修訂本）	非財務資產之可收回金額及披露
香港（國際財務報告詮釋委員會）－詮釋第20號	露天礦生產階段的剝採成本

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

The Group has early applied HKAS 36 (Amendments) *Recoverable Amount Disclosures for Non-Financial Assets*, which is effective for annual periods beginning on or after 1 January 2014.

The impact on application of these new and revised HKFRSs is described below.

Amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The Group has applied the amendments to HKFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKFRS 7 require entities to disclose information about:

- (a) recognised financial instruments that are set off in accordance with HKAS 32 *Financial Instruments: Presentation*; and
- (b) recognised financial instruments that are subject to an enforceable master netting agreement or similar agreement, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

As the Group does not have any offsetting arrangements or any master netting agreements in place, the application of the amendments has had no material impact on the disclosures or on the amounts recognised in these consolidated financial statements.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

本集團已提早應用於二零一四年一月一日或之後開始之年度期間生效之香港會計準則第36號（修訂本）*非財務資產之可收回金額披露*。

應用該等新訂及經修訂香港財務報告準則之影響於下文描述。

香港財務報告準則第7號修訂本披露－抵銷財務資產及財務負債

本集團已於本年度首次應用香港財務報告準則第7號修訂本披露－*抵銷財務資產及財務負債*。香港財務報告準則第7號修訂本要求實體披露以下資料：

- (a) 按照香港會計準則第32號*金融工具：呈列抵銷之已確認金融工具*；及
- (b) 須遵守可強制執行之淨額結算總協議或類似協議（不論該等金融工具是否按照香港會計準則第32號抵銷）之已確認金融工具。

由於本集團並無任何抵銷安排或任何淨額結算總協議，故應用該等修訂對綜合財務報表中之披露或所確認金額並無重大影響。

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

New and revised standards on consolidation, joint arrangements, associates and disclosures

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 *Consolidated Financial Statements*, HKFRS 11 *Joint Arrangements*, HKFRS 12 *Disclosure of Interests in Other Entities*, HKAS 27 (as revised in 2011) *Separate Financial Statements* and HKAS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and HK(SIC) Int-12 *Consolidation – Special Purpose Entities*. HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee. Some guidance included in HKFRS 10 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the Group.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

與合併、共同安排、聯營公司及披露有關之新訂及經修訂準則

於本年度，本集團首次應用一套五條與合併、共同安排、聯營公司及披露有關之準則，包括香港財務報告準則第10號*綜合財務報表*、香港財務報告準則第11號*共同安排*、香港財務報告準則第12號*披露於其他實體的權益*、香港會計準則第27號（二零一一年經修訂）*獨立財務報表*及香港會計準則第28號（二零一一年經修訂）*於聯營公司及合營公司的投資*，連同香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號有關過渡性指引之修訂。

由於香港會計準則第27號（二零一一年經修訂）僅涉及獨立財務報表，因此其並不適用於本集團。

應用該等準則之影響載列如下。

應用香港財務報告準則第10號之影響

香港財務報告準則第10號取代香港會計準則第27號*綜合及獨立財務報表*有關處理綜合財務報表之部份及香港（常務詮釋委員會）－詮釋第12號*綜合－特殊目的實體*。香港財務報告準則第10號更改投資者對被投資公司之控制權之定義，令當其(a)有權控制被投資公司；(b)須承擔或擁有自參與被投資公司營運所得可變回報之風險或權利；及(c)能夠使用其權力影響回報，則投資者對被投資公司有控制權。投資者須符合上述三項標準方為對被投資公司擁有控制權。以往，控制權獲定義為管理實體之財務及經營政策以自其活動取得利益之權力。香港財務報告準則第10號已包括附加指引，以闡釋投資者何時對被投資公司擁有控制權。香港財務報告準則第10號中部分指引處理於被投資公司擁有少於50%的投票權的投資者是否對本集團相關的被投資公司擁有控制權之問題。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

New and revised standards on consolidation, joint arrangements, associates and disclosures – continued

Impact of the application of HKFRS 11

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures*, and the guidance contained in a related interpretation, HK(SIC) – Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*, has been incorporated in HKAS 28 (as revised in 2011). HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under HKFRS 11, there are only two types of joint arrangements – joint operations and joint ventures. The classification of joint arrangements under HKFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. Previously, HKAS 31 contemplated three types of joint arrangements – jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under HKAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was accounted for as a jointly controlled entity).

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

與合併、共同安排、聯營公司及披露有關之新訂及經修訂準則－續

應用香港財務報告準則第11號之影響

香港財務報告準則第11號取代香港會計準則第31號於合營公司之權益，以及相關香港常務詮釋委員會－詮釋第13號共同控制實體－合營夥伴之非貨幣性出資所載之指引已納入香港會計準則第28號（二零一一年經修訂）。香港財務報告準則第11號處理由兩個或以上團體擁有共同控制權之共同安排應如何分類及入賬。根據香港財務報告準則第11號，共同安排僅分為兩類－共同營運及合營公司。根據香港財務報告準則第11號對共同安排的分類須考慮該等共同安排的結構、法律形式、訂約各方協定的安排合約條款及其他相關事實及情況後，基於訂約各方於共同安排的權利及責任而釐定。合營業務乃於擁有共同控制權的各方（即共同經營者）享有該安排的有關資產及承擔該安排的負債的共同安排。合營公司乃擁有共同控制權的各方（即合營方）享有該安排資產淨值的共同安排。過往，香港會計準則第31號有三類共同安排－共同控制實體、共同控制業務及共同控制資產。根據香港會計準則第31號對共同安排的分類主要基於該安排的法定形式（例如透過個別實體確立的共同安排分類為共同控制實體）而釐定。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

New and revised standards on consolidation, joint arrangements, associates and disclosures – continued

Impact of the application of HKFRS 11 – continued

The initial and subsequent accounting of joint ventures and joint operations is different. Investments in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

Impact of the application of HKFRS 12

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

與合併、共同安排、聯營公司及披露有關之新訂及經修訂準則－續

應用香港財務報告準則第11號之影響

－續

合營公司與共同營運之最初及其後入賬方法均有所不同。於合營公司之投資使用權益法入賬（比例綜合法不可再應用）。於共同營運之投資之入賬方法為各共同經營者均確認其資產（包括其對任何共同持有資產應佔之份額）、其負債（包括其對任何共同產生負債應佔之份額）、其收益（包括其對出售共同營運產出而產生之收益應佔之份額）及其開支（包括其對任何共同產生開支應佔之份額）。各共同經營者根據適用準則就其於共同營運中之權益將資產及負債以及收益及開支入賬。

應用香港財務報告準則第12號之影響

香港財務報告準則第12號為一項新的披露準則，適用於在附屬公司、共同安排、聯營公司及／或未經綜合結構性實體中擁有權益之實體。整體而言，應用香港財務報告準則第12號使綜合財務報表之披露更廣泛。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

HKFRS 13 *Fair Value Measurement*

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of HKFRS 13 is broad; the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the standard in comparative information provided for periods before the initial application of the standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by HKFRS 13 for the 2013 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

香港財務報告準則第13號公平值計量

本集團於本年度首次應用香港財務報告準則第13號。香港財務報告準則第13號設立有關公平值計量及公平值計量披露的單一指引。香港財務報告準則第13號的範圍廣泛：香港財務報告準則第13號公平值計量要求應用於其他香港財務報告準則規定或允許公平值計量及有關公平值計量披露之金融工具項目及非金融工具項目，惟香港財務報告準則第2號以股份為基礎付款範圍內以股份為基礎付款的交易、香港會計準則第17號租賃範圍內的租賃交易及類似公平值但並非公平值計量（如計量存貨之可變現淨值及減值評估之使用價值）。

香港財務報告準則第13號將資產的公平值界定為以現時市況的情況下，於計量日在主要（或最有利）市場之有序交易中，市場參與者出售一項資產所收的價格（或轉讓一項負債須支付之價格）。根據香港財務報告準則第13號，公平值為退出價格（不論該價格是否可以直接觀察或使用另一種估值方法估計）。此外，香港財務報告準則第13號包括載列更詳盡披露之要求。

香港財務報告準則第13號要求提前自二零一三年一月一日開始應用。此外，已針對有關實體頒佈特定過渡條文，致使該等實體不需要在就首次應用此項準則前之期間提供的比較資料中應用該項準則所載的披露規定。根據該等過渡性條文，本集團並無就二零一三年同期作出香港財務報告準則第13號要求的任何新披露。除額外披露外，應用香港財務報告準則第13號並無對綜合財務報表內確認的金額造成任何重大影響。

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

Amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*

The Group has applied the amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*. The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, the “statement of comprehensive income” is renamed as the “statement of profit or loss and other comprehensive income” and the “income statement” is renamed as the “statement of profit or loss”. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

香港會計準則第1號修訂本其他全面收益項目之呈列

本集團已應用香港會計準則第1號修訂本其他全面收益項目之呈列。修訂引入全面收益表及收益表的新術語。根據香港會計準則第1號修訂本，「全面收益表」更名為「損益及其他全面收益表」，而「收益表」則更名為「損益表」。香港會計準則第1號修訂本保留以單一或兩個獨立但連續的報表呈列損益及其他全面收益的選擇。然而，香港會計準則第1號修訂本要求於其他全面收益部分中作出額外披露，致使其他全面收益項目分為兩個類別：(a)其後不會重新分類至損益的項目；及(b)當符合特定條件時，其後可能會重新分類至損益的項目。其他全面收益項目的所得稅須根據相同基準分配。該等修訂並無更改以除稅前或除稅後之方式呈列其他全面收益項目的選擇。此等修訂已追溯應用，故其他全面收益項目之呈列乃經修訂以反映變動。除上述呈列方式之變動外，應用香港會計準則第1號修訂本並無對損益、其他全面收益及全面收益總額構成任何影響。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

The *Annual Improvements to HKFRSs 2009 – 2011 Cycle* include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include:

- amendments to HKAS 1 *Presentation of Financial Statements*;
- amendments to HKAS 16 *Property, Plant and Equipment*; and
- amendments to HKAS 32 *Financial Instruments: Presentation*.

HKAS 1 (Amendments)

HKAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

HKAS 16 (Amendments)

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

於二零一二年六月頒佈之香港財務報告準則二零零九年至二零一一年週期的年度改進

香港財務報告準則二零零九年至二零一一年週期的年度改進包括對多項香港財務報告準則的多項修訂。該等修訂於二零一三年一月一日或之後開始的年度期間生效。香港財務報告準則的修訂包括：

- 對香港會計準則第1號財務報表的呈列的修訂；
- 對香港會計準則第16號物業、廠房及設備的修訂；及
- 對香港會計準則第32號金融工具：呈列的修訂。

香港會計準則第1號（修訂本）

香港會計準則第1號規定，追溯變更會計政策或作出追溯重列或重新分類的實體須呈列一份於先前期間初期的財務狀況報表（第三份財務狀況報表）。香港會計準則第1號修訂本釐清，實體只在追溯應用、重列或重新分類對第三份財務狀況報表內的資料造成重大影響的情況下，才須呈列第三份財務狀況表，相關附註毋須隨附於第三份財務狀況表。

香港會計準則第16號（修訂本）

香港會計準則第16號修訂本闡明，零部件、後備設備及使用中設備如符合香港會計準則第16號項下物業、廠房及設備的定義，則應分類為物業、廠房及設備，否則應分類為存貨。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012 – continued

HKAS 32 (Amendments)

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 *Income Taxes*.

Amendments to HKAS 36 *Recoverable Amount Disclosures for Non-Financial Assets*

The amendments to HKAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit (“CGU”) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements regarding the fair value hierarchy, key assumptions and valuation techniques used when the recoverable amount of an asset or CGU was determined based on its fair value less costs of disposal.

Except for the above, the application of these new and revised HKFRSs had no material impact on the Group’s consolidated financial performance and positions for the current and prior years. Accordingly, no prior period adjustments had been required.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

於二零一二年六月頒佈的香港財務報告準則二零零九年至二零一一年週期的年度改進－續

香港會計準則第32號（修訂本）

香港會計準則第32號修訂本闡明，向股本工具持有人所作分派的所得稅以及股權交易的交易成本，應根據香港會計準則第12號所得稅入賬。

香港會計準則第36號修訂本非財務資產之可收回金額披露

香港會計準則第36號修訂本取消了在商譽或可使用年期不確定之其他無形資產所分配之現金產生單位（「現金產生單位」）並無減值或撥回減值的情況下披露相關現金產生單位之可收回金額的規定。此外，修訂本引入了在資產或現金產生單位之可收回金額根據公平值減出售成本釐定的情況下有關所使用的公平值層級、主要假設及估值技術之額外披露規定。

除上述者外，應用該等新訂及經修訂香港財務報告準則對本年度及過往年度本集團之綜合財務報表現並無重大影響。因此，毋須就過往期間作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective, in these consolidated financial statements.

HKFRSs Amendments	Annual Improvements 2010-2012 Cycle ⁵
HKFRSs Amendments	Annual Improvements 2011-2013 Cycle ²
HKFRS 9, HKFRS 7 and HKAS 39 (Amendments)	Hedge Accounting and amendments to HKFRS 9, HKFRS 7 and HKAS 39 ⁴
HKFRS 9 and HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
HKFRS 9 HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Financial Instruments ⁴ Investment Entities ¹
HKFRS 14 HKAS 16 and HKAS 18 (Amendments)	Regulatory Deferral Accounts ³ Clarification of Acceptable Methods of Depreciation and Amortisation ⁴
HKAS 19 (as revised in 2011)	Defined Benefits Plans: Employee Contributions ²
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities ¹
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting ¹
HK(IFRIC) – Int 21	Levies ¹

- ¹ Effective for annual periods beginning on or after 1 January 2014, with earlier application permitted
- ² Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted
- ³ Effective for annual periods beginning on or after 1 January 2016, with limited exceptions
- ⁴ No mandatory effective date yet determined but is available for adoption
- ⁵ Effective for annual periods beginning on or after 1 July 2014, with limited exceptions

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

本集團尚未在該等綜合財務報表提早採納以下已頒佈但尚未生效之新訂及經修訂準則、修訂本或詮釋。

香港財務報告準則修訂本	二零一零年至二零一二年週期的年度改進 ⁵
香港財務報告準則修訂本	二零一一年至二零一三年週期的年度改進 ²
香港財務報告準則第9號、香港財務報告準則第7號及香港會計準則第39號（修訂本）	對沖會計法及對香港財務報告準則第9號、香港財務報告準則第7號及香港會計準則第39號之修訂 ⁴
香港財務報告準則第9號及香港財務報告準則第7號（修訂本）	香港財務報告準則第9號的強制生效日期及過渡性披露 ⁴
香港財務報告準則第9號 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號（修訂本）	金融工具 ⁴ 投資實體 ¹
香港財務報告準則第14號 香港會計準則第16號及香港會計準則第18號（修訂本）	監管遞延賬戶 ³ 折舊及攤銷可接受之方法澄清 ⁴
香港會計準則第19號（二零一一年經修訂）	界定福利計劃：僱員供款 ²
香港會計準則第32號（修訂本）	抵銷財務資產及財務負債 ¹
香港會計準則第39號（修訂本）	衍生工具約務更替及對沖會計法的延續 ¹
香港（國際財務報告詮釋委員會）－詮釋第21號	徵費 ¹

- ¹ 於二零一四年一月一日或之後開始的年度期間生效，可予提早採納
- ² 於二零一四年七月一日或之後開始的年度期間生效，可予提早採納
- ³ 除有限例外情況外，於二零一六年一月一日或之後開始的年度期間生效
- ⁴ 並無釐定強制生效日期，但可予採納
- ⁵ 除有限例外情況外，於二零一四年七月一日或之後開始的年度期間生效

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

HKFRS 9 *Financial Instruments*

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

香港財務報告準則第9號金融工具

於二零零九年頒佈的香港財務報告準則第9號引進有關財務資產分類和計量的新規定。香港財務報告準則第9號於二零一零年進行修訂，以納入財務負債分類和計量以及終止確認的規定。

香港財務報告準則第9號的主要規定載述如下：

- 所有屬香港會計準則第39號金融工具：確認和計量範圍之已確認財務資產其後將以攤銷成本或公平值計量。特別是，於一項業務模型中所持目的為收取合約現金流的債務投資，以及合約現金流純為支付本金及未償還本金利息的債務投資，一般於其後報告期末以攤銷成本計量。所有其他債務投資及股本投資均於其後會計期末以公平值計量。此外，根據香港財務報告準則第9號，實體可不可撤回地選擇於其他全面收益中呈列權益投資（並非持作買賣者）其後之公平值變動，僅股息收入一般於損益確認。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued HKFRS 9 *Financial Instruments* – continued

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

Amendments to HKFRS 7 and HKAS 32 – Offsetting Financial Assets and Financial Liabilities and the related disclosures

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續 香港財務報告準則第9號金融工具－續

- 就指定按公平值計入損益之財務負債而言，香港財務報告準則第9號規定，因有關財務負債的信貸風險變動而引致的財務負債公平值變動金額乃於其他全面收益中呈列，除非在其他全面收益確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。財務負債的信貸風險引致的財務負債公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定按公平值計入損益之財務負債公平值變動，乃全數於損益中呈列。

香港財務報告準則第7號及香港會計準則第32號－財務資產及財務負債之抵銷及相關披露之修訂

香港會計準則第32號之修訂釐清與抵銷財務資產及財務負債規定有關之現時應用問題。具體而言，該等修訂釐清「目前擁有可合法強制執行之抵銷權」及「同時變現及結付」之涵義。

香港財務報告準則第7號之修訂規定實體就可強制執行之淨額結算主協議或類似安排項下之金融工具而披露與抵銷權及相關安排（如提供抵押品規定）有關之資料。

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

Amendments to HKFRS 7 and HKAS 32 – Offsetting Financial Assets and Financial Liabilities and the related disclosures – continued

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – *Investment Entities*

The amendments to HKFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its financial statements.

To qualify as an investment entity, a reporting entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

香港財務報告準則第7號及香港會計準則第32號－財務資產及財務負債之抵銷及相關披露之修訂－續

香港財務報告準則第7號之修訂於二零一三年一月一日或之後開始之年度期間及該等年度期間之中期期間生效。有關披露亦應就所有比較期間追溯作出。然而，香港會計準則第32號之修訂於二零一四年一月一日或之後開始之年度期間方才生效，且要求追溯應用。

董事預期應用香港會計準則第32號及香港財務報告準則第7號之該等修訂可能導致未來須就抵銷財務資產及財務負債作出額外披露。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號（二零一一年）修訂本－投資實體

香港財務報告準則第10號修訂本對投資實體作出界定並要求符合投資實體界定之呈報實體不得綜合計入其附屬公司，而須於其財務報表以公平值計入損益計量其附屬公司。

呈報實體須達成以下條件方可符合投資實體之資格：

- 向一名或以上投資者取得資金，藉以向彼等提供專業投資管理服務；

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – Investment Entities – continued

- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to HKFRS 12 and HKAS 27 to introduce new disclosure requirements for investment entities.

Amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities*

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

Amendments to HKAS 39 *Novation of Derivatives and Continuation of Hedge Accounting*

The amendments to HKAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative hedging instrument arising from the novation should be included in the assessment of hedge effectiveness.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號（二零一一年）修訂本－投資實體－續

- 向其投資者承諾，其以資金作出投資之業務宗旨，純粹為資本增值、投資收入或結合兩者之回報；及
- 屬下幾近全部投資之表現均按公平值基準計量及評估。

已對香港財務報告準則第12號及香港會計準則第27號作出相應修訂，以引入對投資實體之新披露規定。

香港會計準則第32號修訂本抵銷財務資產及財務負債****

香港會計準則第32號修訂本澄清與抵銷財務資產及財務負債規定有關之現有應用問題。具體而言，修訂本澄清「現時擁有於法律上可強制執行之抵銷權」及「同時變現及結算」之涵義。

香港會計準則第39號修訂本衍生工具更替及對沖會計法的延續****

香港會計準則第39號修訂本放寬當衍生對沖工具在若干情況下更替時終止延續對沖會計法的規定。修訂本亦澄清，任何由更替所引起的衍生對沖工具公平值變動應包括在對沖有效程度評估之內。

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued HK (IFRIC) – Int 21 Levies

HK (IFRIC) – Int 21 *Levies* addresses the issue of when to recognise a liability to pay a levy. The interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

The Group is in the process of assessing the potential impact of the above new HKFRSs upon initial application but is not yet in a position to state whether the above new HKFRSs will have a significant impact on the Group’s and the Company’s results of operations and financial position.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

3. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）－續 香港（國際財務報告詮釋委員會）－詮釋第21號徵費

香港（國際財務報告詮釋委員會）－詮釋第21號徵費處理何時將支付徵費之負債確認的問題。該詮釋界定何謂徵費，並訂明產生有關負債之責任事件是指法律所指出觸發支付徵費的活動。該詮釋提供有關不同徵費安排應如何入賬的指引，特別是其澄清了經濟強制或以持續經營基準編製財務報表均不意味著一個實體目前負有支付將會因在未來期間經營而被觸發的徵費的責任。

本集團正在評估上述新香港財務報告準則首次應用後之潛在影響，惟尚無法確定上述新香港財務報告準則是否會對本集團及本公司之經營業績及財務狀況造成重大影響。

4. 重大會計政策概要

該等綜合財務報表乃按香港財務報告準則編製，香港財務報告準則為統稱，包括香港會計師公會頒佈的所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋以及香港公認會計原則。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例之適用披露。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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

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

Judgments made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustments in the next year are discussed in Note 5 to the consolidated financial statements.

A summary of significant accounting policies adopted by the Group in the preparation of the consolidated financial statements is set out below:

4. 重大會計政策概要－續

編製符合香港財務報告準則之綜合財務報表要求管理層作出判斷、估計及假設，有關判斷、估計及假設會影響資產、負債、收入及開支之政策應用及所呈報金額。估計及相關假設基於歷史經驗及據信在有關情況下屬合理之若干其他因素，而其結果構成判斷不可輕易從其他來源獲得的資產及負債賬面值之基礎。實際結果可能不同於估計。

估計及假設持續檢討。對會計估計之修訂倘僅影響該修訂估計期間，則於該期間確認，倘影響當前及未來期間，則於修訂期間及未來期間確認。

管理層應用香港財務報告準則時作出的對綜合財務報表具有重大影響之判斷，以及於下一年存在重大調整風險之估計，於綜合財務報表附註5討論。

本集團編製綜合財務報表時採納之重大會計政策概要載列如下：

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Basis of preparation

The measurement basis used in the preparation of the consolidated financial statements is historical cost except for certain financial assets (including derivative financial instruments) and investment properties that are measured at fair value. Historical cost is generally based on the fair value of the consideration of given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

4. 重大會計政策概要 – 續

編製基準

編製綜合財務報表所使用之計量基準為歷史成本，惟若干財務資產（包括衍生金融工具）及投資物業乃按公平值計量則除外。歷史成本一般根據交換資產時支付代價之公平值計算。

公平值為市場參與者於計量日在有序市場上出售資產所得到或轉讓負債所付出之價格，不論該價格是否可直接觀察或使用其他估值技術估算。估算資產或負債公平值時，本集團會考慮資產或負債於計量日之價格。該等綜合財務報表中作計量及／或披露目的之公平值以此為基礎確定，惟香港財務報告準則第2號範圍內的以股份為基礎的支付交易、香港會計準則第17號範圍內的租賃交易及與公平值存在一定相似性但非公平值之計量項目（如香港會計準則第2號的可變現淨值或香港會計準則第36號的使用價值）除外。

此外，就財務報告目的而言，公平值計量根據公平值計量輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分為第一級、第二級或第三級，內容如下：

- 第一級輸入數據為實體可於計量日獲取之同類資產或負債於活躍市場的（未經調整）報價；
- 第二級輸入數據為資產或負債可直接或間接觀察的輸入數據（計入第一級的報價除外）；及

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Basis of preparation – continued

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;

4. 重大會計政策概要－續

編製基準－續

- 第三級輸入數據為資產或負債的不可直接觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表綜合計算本公司及受本公司及其附屬公司控制之實體（包括結構性實體）之財務報表。當本公司滿足以下條件時，即視為有控制權：

- 有權控制被投資公司；
- 須承擔或擁有自參與被投資公司營運所得浮動回報之風險或權利；及
- 能夠使用其權力影響回報。

倘有事實及情形表明上文所列三項控制要素中的一項或多項發生變動，則本集團重新評估其是否有權控制被投資公司。

當本集團擁有的表決權少於被投資公司多數票時，倘其表決權足以令其有單方面指導被投資公司進行相關活動的實際能力，則其有權控制被投資公司。本集團在評估本集團於被投資公司之表決權是否足以令其具有控制權時，會考慮所有相關事實及情形，包括：

- 相對於其他表決權持有人所持份額及分佈情況，本集團所持表決權份額；
- 本集團、其他表決權持有人或其他方持有的潛在表決權；

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Basis of consolidation – continued

- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the reporting period are included in the consolidated statement of profit or loss and other comprehensive income from the date of the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributable to owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

4. 重大會計政策概要 – 續

綜合基準 – 續

- 其他合約安排所產生的權利；及
- 表明本集團現時是否有能力於須作出決策時管理相關活動（包括以往股東大會上的表決方式）的任何其他事實及情形。

附屬公司綜合始於本集團取得附屬公司控制權時，終於本集團喪失附屬公司控制權時。具體而言，報告期內購入或出售附屬公司之收入及開支從本集團取得控制之日起至本集團不再控制附屬公司之日止計入綜合損益及其他全面收益表。

損益及各項其他全面收益項目歸屬於本公司擁有人及非控股權益。附屬公司全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，會對附屬公司之財務報表作出調整，致令其會計政策與本集團所採用者一致。

所有與集團成員公司之間交易相關的集團內資產及負債、權益、收入、開支及現金流於綜合賬目時悉數抵銷。

所有集團成員公司之間的交易、餘額、收入及開支於綜合賬目時悉數抵銷。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Basis of consolidation – continued

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interest in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

4. 重大會計政策概要 – 續

綜合基準 – 續

本集團於現有附屬公司之擁有權權益變動

本集團於附屬公司之擁有權權益變動若無導致本集團失去對有關附屬公司之控制權，則按權益交易入賬。本集團權益及非控股權益之賬面值作出調整，以反映其於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公平值間之任何差額直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去一間附屬公司之控制權，則其(i)於失去控制權當日取消按賬面值確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日取消確認前附屬公司任何非控股權益(包括彼等應佔之其他全面收益之任何組成部份)之賬面值，及(iii)確認所收取代價之公平值及任何保留權益之公平值之總額，所產生之差額於損益內確認為本集團應佔之收益或虧損。倘該附屬公司之資產按重估金額或公平值列賬，而相關累計收益或虧損已於其他全面收益內確認並累計入權益，則先前於其他全面收益確認並累計入權益之款額，將按猶如本集團已直接出售相關資產入賬(即按適用香港財務報告準則之規定重新分類至損益或直接轉撥至保留盈利)。於失去控制權當日於前附屬公司保留之任何投資之公平值將根據香港會計準則第39號*金融工具：確認和計量*於其後入賬時被列作初步確認之公平值，或(如適用)於初步確認時之於聯營公司或共同控制實體之投資成本。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Merger accounting for common control combination

The financial statement incorporates the financial statement items of the combining entities or business in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or business are combined using the existing book values from the controlling party's perspective. No amount is recognised with respect to goodwill or any excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over its cost at the time of common control combination, to the extent of the contribution of the controlling party's interest.

The consolidated statements of profit or loss and other comprehensive income include the results of each of the combining entities or business from the earliest date presented or since the date when combining entities or business first came under common control, where this is a shorter period, regardless of the date of common control combination.

Intra-group transactions, balances and unrealised gains on transactions between the combining entities or business are eliminated. Unrealised losses are eliminated but considered as an impairment indicator of the asset transferred. Accounting policies of combining entities or business have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 重大會計政策概要－續

共同控制合併的合併會計法

財務報表包括發生共同控制合併的合併實體或業務的財務報表項目，猶如合併實體或業務在首次處於控制方的控制下就已經合併。

從控制方的角度，合併實體或業務的淨資產以現有賬面值合併。在控制方之權益持續之情況下，在共同控制合併中產生的商譽或收購方應佔被收購方可辨認資產、負債及或然負債的公平淨值超過於共同控制合併時之收購成本的金額不予確認。

合併損益及其他全面損益表包括每一個合併實體或業務的業績，而其期間為財務報表最早的披露日期與合併實體或業務開始處於共同控制之日起計的期間（以較短期間為準），而不考慮共同控制合併之日期。

集團內公司間交易、餘額及合併實體或業務之間交易的未變現收益均已對銷。未變現損失雖亦對銷，但仍被視為該等資產交易的減值跡象。必要時，合併實體或業務的會計政策將會調整，以保證與本集團所使用者一致。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Merger accounting for common control combination – continued

Transaction costs, including professional fees, registration fees, cost of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting are recognised as an expense in the period in which they are incurred.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

4. 重大會計政策概要 – 續

共同控制合併的合併會計法 – 續

因共同控制合併產生之應通過合併會計法入賬的交易成本，包括專業服務費用、註冊費用、向股東提供信息的成本、合併以往獨立經營業務產生的成本或損失等，被視為其產生期間的開支而確認。

業務合併

收購業務採用收購法入賬。於業務合併中轉撥的代價按公平值計量，即本集團所轉撥資產、本集團所承擔對被收購方前擁有人的負債及本集團就交換被收購方控制權所發行的股本權益於收購日期的公平值總和。與收購有關的成本一般於產生時於損益中確認。

於收購日期，所收購可識別資產及所承擔負債按其於收購日期的公平值確認，惟以下各項除外：

- 遞延稅項資產或負債及與僱員福利安排相關的負債或資產分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Business combinations – continued

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

4. 重大會計政策概要 – 續

業務合併 – 續

- 與被收購方以股份支付的交易有關或以本集團以股份支付的交易取代被收購方以股份支付的交易有關的負債或權益工具，乃於收購日期按香港財務報告準則第2號以股份為基礎的付款計量；及
- 根據香港財務報告準則第5號持作出售的非流動資產及已終止經營業務分類為持作出售的資產（或出售組別）乃根據該準則計量。

商譽乃以所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往於被收購方所持股本權益的公平值（如有）的總和，超出所收購可識別資產及所承擔負債於收購日期的淨額的差額計量。倘經評估後，所收購可識別資產及所承擔負債於收購日期的淨額高於轉讓的代價、任何非控股權益於被收購方中所佔金額以及收購方以往於被收購方所持股本權益的公平值（如有）的總和，則差額即時於損益內確認為議價收購收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Business combinations – continued

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair values or, when applicable, on the basis specified in another HKFRSs.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase.

Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

4. 重大會計政策概要－續

業務合併－續

屬現時擁有權益且於清盤時讓持有人有權按比例分佔實體資產淨值的非控股權益，可初步按公平值或非控股權益於被收購方可識別資產淨值已確認金額按比例分佔的部分計量。所選擇的計量基準按每項交易而作出選擇。其他種類的非控股權益乃按其公平值或（如適用）香港財務報告準則規定之計量基準計量。

倘本集團於業務合併中轉讓的代價包括或然代價安排所產生的資產或負債，或然代價乃按其收購日期的公平值計量，並計入於業務合併中所轉讓代價的一部分。凡合資格作為計量期調整的或然代價公平值變動均可作追溯調整，並對商譽或議價收購收益作出相應調整。

計量期間調整指於計量期間（自收購日期起不可超過一年）獲得於收購日期已存在的事實及情況的額外資料而引致的調整。計量期間不超過收購日期起計一年。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Business combinations – continued

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

4. 重大會計政策概要－續

業務合併－續

不合資格作為計量期間調整的或然代價公平值變動於其後會計處理方式取決於或然代價的分類。分類為權益的或然代價不會在其後報告日期重新計量，而其後的結算乃於權益內列賬。分類為資產或負債的或然代價乃根據香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產（視何者適用）在其後報告日期重新計量，並在損益中確認相應的收益或虧損。

當業務合併分階段實現，本集團過往持有的被收購方股本權益須按於收購日期（即本集團取得控制權當日）的公平值重新計量，而由此產生的收益或虧損（如有）須於損益中確認。於收購日期前自於收購方權益所產生的金額，於過往在其他全面收入中確認，現已視為有關權益經已出售而採用恰當的處理方法將其重新分類至損益。

當本集團取得被收購方的控制權，於收購日前已於其他全面收入中確認及於權益累計的過往持有的股本權益的價值變動須重新分類至損益。如於發生業務合併的報告期末前仍未完成業務合併的初步會計處理，則本集團須按暫定金額呈報未完成會計處理的項目。該等暫定金額會於計量期間內作出調整（見上文）或確認額外的資產或負債，以反映所有有關於收購日期已存在的事實及情況的新資料（倘獲知悉）對當日已確認金額所帶來的影響。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Subsidiaries

A subsidiary is a company in which the Company, directly or indirectly, controls more than one half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors; or to cast majority of votes at the meetings of the board of directors.

4. 重大會計政策概要－續

商譽

收購業務所產生的商譽按收購業務當日所確定的成本減累計減值虧損（如有）列賬。

就減值測試而言，商譽會分配到本集團中預期會受惠於合併協同效應的各個現金產生單位（或現金產生單位組別）。

獲分配商譽的現金產生單位會每年進行一次減值測試，或於有跡象顯示該單位可能已經減值時更頻繁地進行減值測試。倘現金產生單位的可收回數額少於其賬面值，則減值虧損會首先分配至用以減少該單位獲分配的任何商譽的賬面值，再根據該單位各項資產的賬面值按比例分配至該單位的其他資產。商譽的任何減值虧損直接於綜合損益及其他全面收益表的損益內確認。就商譽確認的減值虧損不會於往後期間撥回。

出售相關現金產生單位時，釐定出售損益時會計入商譽應佔的金額。

附屬公司

附屬公司指本公司直接或間接控制其過半數的投票權；有權監管其財務及營運政策；可委任或罷免董事會大多數成員；或可於董事會會議上行使過半數投票權的公司。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Subsidiaries – continued

Investments in subsidiaries are included in the Company's statement of financial position at cost less any impairment loss. The results of subsidiaries are included in the Company's statement of profit or loss and other comprehensive income to the extent of dividends received and receivable.

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statements of financial position at cost less accumulated depreciation and impairment losses.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss and other comprehensive income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

4. 重大會計政策概要 – 續

附屬公司 – 續

於附屬公司的投資按成本減任何減值虧損計入本公司的財務狀況表。附屬公司的業績計入本公司損益及其他全面收益表內按已收及應收股息入賬。

物業、廠房及設備

物業、廠房及設備乃以成本減累計折舊及減值虧損後於綜合財務狀況表中列賬。

資產的成本包括其購買價及令資產達致現時運作狀況及地點作擬定用途所產生的任何直接應佔成本。於物業、廠房及設備開始運作後，維修及保養等應計開支通常於產生期間在綜合損益及其他全面收益表內扣除。倘若可清楚顯示該等開支令預期自使用有關物業、廠房及設備所取得的未來經濟利益增加，則有關開支會資本化作為有關資產的額外成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Property, plant and equipment – continued

Depreciation is provided to write off the cost of items of property, plant and equipment, using the straight line method, over its estimated useful life. The principal annual rates are as follows:

Leasehold improvements	Over the lease terms
Motor vehicles	20%
Office equipment	20%

The gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated statement of profit and loss and other comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statements of financial position when an entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statements of profit or loss and other comprehensive income.

4. 重大會計政策概要－續

物業、廠房及設備－續

物業、廠房及設備項目以直線法於其估計可使用年期折舊，以撇銷其成本。主要年率如下：

租賃裝修	於租期內
汽車	20%
辦公室設備	20%

出售或報廢物業、廠房及設備項目的收益或虧損為銷售所得款項與有關資產賬面值的差額，並於綜合損益及其他全面收益表中確認。

金融工具

當實體成為工具合約條文的一方，則於綜合財務狀況表中確認財務資產及財務負債。財務資產及財務負債初步按公平值計量。收購或發行財務資產及財務負債（按公平值透過損益列賬的財務資產及財務負債除外）直接應佔的交易成本會於初步確認時計入財務資產或財務負債（視何者適用）的公平值，或從中扣除。收購按公平值透過損益列賬的財務資產或財務負債直接應佔的交易成本乃即時於綜合損益及其他全面收益表中確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial assets

Financial assets are classified into financial assets at fair value through profit or loss, loans and receivables (including cash and cash equivalents). All regular ways purchases or sales of financial assets are recognised and derecognised on a trade date basis. All regular ways purchases or sales of financial assets that requires delivery of assets within the time frame established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables including trade and other receivables, amount due from the immediate holding company, amount due from a fellow subsidiary, financial assets at fair value through profit or loss, pledged bank deposits and cash and cash equivalents are carried at amortised cost using the effective interest method, less any identified impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

4. 重大會計政策概要－續

金融工具－續

財務資產

財務資產分為按公平值透過損益列賬之財務資產、貸款及應收款項（包括現金及現金等值項目）。所有以正常方式購買或出售的財務資產乃按交易日基準確認及終止確認。所有以正常方式購買或出售的財務資產指須於市場規則或慣例訂明的時間內交付資產的買賣。

貸款及應收款項

貸款及應收款項乃並非於活躍市場上報價而擁有固定或可釐定付款的非衍生財務資產。於首次確認後的各報告期末，貸款及應收款項（包括貿易及其他應收款項、應收直接控股公司款項、應收同系附屬公司款項、按公平值透過損益列賬之財務資產、已抵押銀行存款以及現金及現金等值項目）均採用實際利率法計算的攤銷成本減任何已識別減值虧損入賬。

利息收入以實際利率確認，惟確認時利息極少之短期應收款項除外。

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綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial assets – continued

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

4. 重大會計政策概要－續

金融工具－續

財務資產－續

實際利率法

實際利率法乃計算債務工具之攤銷成本及於有關期間分配利息收入之方法。實際利率乃將於債務工具之預計年期或（如適用）較短期間之估計未來現金收入（包括構成實際利率不可或缺部分之一切已付或已收費用及利差、交易成本及其他溢價或折讓）準確貼現至初步確認時之賬面淨值之利率。

就債務工具而言，收入按實際利率法確認。

財務資產減值

於報告期末評估財務資產有否減值跡象，惟按公平值透過損益列賬之財務資產除外。倘有客觀證據顯示財務資產首次確認後發生的一項或多項事件導致相關投資之估計未來現金流量被削弱，則財務資產將被視為受影響。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial assets – continued

Impairment of financial assets – continued

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of within 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

4. 重大會計政策概要－續

金融工具－續

財務資產－續

財務資產減值－續

就所有其他財務資產而言，減值之客觀證據包括：

- 發行人或交易對手出現重大財政困難；或
- 違約，如拖欠或不支付利息或本金付款；或
- 借貸方很可能破產或進行財務重組；或
- 由於財政困難令財務資產之活躍市場消失。

就若干類別之財務資產（例如貿易應收款項）而言，被評為不會單獨作出減值之資產會於彙集一併評估減值。應收款項組合出現減值之客觀證據包括本集團過往收款經驗、組合內延遲付款之拖欠期超過90日平均信貸期之宗數上升，以及國家或地方經濟狀況出現明顯變動導致應收款項被拖欠。

就按攤銷成本列賬之財務資產而言，已確認減值虧損按資產賬面值與按財務資產之原實際利率貼現之估計未來現金流量現值之差額計算。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial assets – continued

Impairment of financial assets – continued

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment of other assets

Internal and external sources of information are reviewed at each reporting date to identify indications that other assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

4. 重大會計政策概要－續

金融工具－續

財務資產－續

財務資產減值－續

所有財務資產之減值虧損會直接於財務資產之賬面值中作出扣減，惟貿易應收款項除外，貿易應收款項之賬面值會透過撥備賬作出扣減。當貿易應收款項被視為不可收回時，將於撥備賬內撇銷。先前已撇銷的款項如其後收回，將撥回以對銷撥備賬。撥備賬內之賬面值變動會於損益中確認。

就按攤銷成本計量之財務資產而言，倘減值虧損額於隨後期間有所減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該項投資於減值被撥回當日之賬面值不得超過若無確認減值之原有已攤銷成本。

其他資產減值

來自內部及外界來源之資料均會於各報告日期予以審閱，以確定是否有跡象顯示其他資產可能減值或先前已確認之減值虧損不復存在或可能已減少。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial assets – continued

Impairment of other assets – continued

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit).
- Recognition of impairment losses
An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount.
- Reversal of impairment losses
An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses are credited to the consolidated statement of profit or loss and other comprehensive income in the year in which the reversals are recognised.

4. 重大會計政策概要－續

金融工具－續

財務資產－續

其他資產減值－續

倘存在任何該等跡象，則估計該資產之可收回金額。當資產之賬面值超過其可收回金額時，確認減值虧損。

- 可收回金額之計算
資產可收回金額乃其售價淨額與使用價值兩者中之較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產之特定風險而評估之稅前折現率，將估計未來現金流量折現至其現值。倘資產並無產生大致獨立於其他資產之現金流入，則以能獨立產生現金流入之最小資產組別（即現金產生單位）釐定可收回金額。
- 確認減值虧損
當資產之賬面值或其所屬之現金產生單位超過其可收回金額時，於損益確認減值虧損。
- 撥回減值虧損
倘用來釐定可收回金額之估計發生有利變化，則撥回減值虧損。

撥回之減值虧損以於過往年度倘並未確認減值虧損而原應釐定之資產賬面值為限。撥回之減值虧損於確認撥回之年度計入綜合損益及其他全面收益表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial liabilities (including interest-bearing borrowings)

Financial liabilities including trade and other payables, amounts due to fellow subsidiaries, amount due to the ultimate holding company, amounts due to non-controlling shareholders of a subsidiary and bank borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within “finance costs” in the consolidated statements of profit or loss and other comprehensive income.

Gains and losses are recognised in the consolidated statements of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the amortisation process.

4. 重大會計政策概要－續

金融工具－續

財務負債（包括計息借款）

財務負債（包括貿易及其他應付款項、應付同系附屬公司款項、應付最終控股公司款項、應付附屬公司非控股股東款項及銀行借款）初步以公平值減直接應佔交易成本列賬，而其後則採用實際利率法以攤銷成本計量，除非貼現影響不大，在該情況下按成本列賬。有關利息開支於綜合損益及其他全面收益表的「財務費用」中確認。

當負債被終止確認同時在攤銷過程中，收益及虧損在綜合損益及其他全面收益表中確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Financial liabilities (including interest-bearing borrowings) – continued

Effective interest method

The effective interest method is a method of calculating the amortised cost of financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. 重大會計政策概要 – 續

金融工具 – 續

財務負債（包括計息借款） – 續

實際利率法

實際利率法乃計算財務負債之攤銷成本及於有關期間分配利息收入之方法。實際利率乃將於財務負債之預計年期或（如適用）較短期間之估計未來現金收入（包括構成實際利率不可或缺部分之一切已付或已收費用及利差、交易成本及其他溢價或折讓）準確貼現至初步確認時之賬面淨值之利率。

利息開支以實際利息基準確認。

取消確認

僅於資產現金流量之合約權利屆滿時，或將財務資產所有權之絕大部分風險及回報轉讓予另一實體時，本集團方會取消確認財務資產。倘本集團並未轉讓亦未保留所有權之絕大部分風險及回報，並繼續控制已轉讓資產，則本集團確認其於資產之保留權益及可能需要支付之相關負債款項。倘本集團保留已轉讓財務資產所有權之絕大部分風險及回報，則本集團繼續確認該財務資產並確認已收所得款項之有抵押借貸。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Derecognition – continued

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Group retains control), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

4. 重大會計政策概要－續

金融工具－續

取消確認－續

全面取消確認財務資產時，資產賬面值與已收及應收代價總額以及於其他全面收益及於權益累計確認之累計收益或虧損間之差額乃於損益確認。

除全面取消確認外（即本集團保留購回部分已轉讓資產之選擇權或保留不會導致保留擁有權絕大部分風險及回報之餘下權益，及本集團保留控制權），於取消確認財務資產時，本集團將財務資產之過往賬面值，根據其確認為繼續參與之部分及不再確認之部分於轉讓日期之相對公平值，在兩者間作出分配。不再確認部分獲分配之賬面值與不再確認部分之已收代價及已於其他全面收益確認之獲分配之任何累計收益或虧損之總和之間的差額乃於損益內確認。已於其他全面收益確認之累計收益或虧損，將按繼續確認部分及不再確認部分之相對公平值，在兩者間作出分配。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments – continued

Derecognition – continued

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of profit or loss and other comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs necessary to make the sale.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and pledged bank deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial positions, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted to use.

4. 重大會計政策概要 – 續

金融工具 – 續

取消確認 – 續

本集團僅於其責任已被解除、註銷或屆滿時方會取消確認金融負債。取消確認之金融負債賬面值與已付及應付代價之差額乃於綜合損益及其他全面收益表內確認。

存貨

存貨按成本及可變現淨值的較低者列賬。成本包括所有購買成本及（倘適用）令存貨運達致現址及現況所涉的其他成本，乃按先入先出法計算。可變現淨值按日常業務過程中的估計售價減作出銷售所必須的所有估計成本計算。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手頭現金及已抵押銀行存款，以及短期高流動性投資（可隨時轉換為已知數額現金、價值變動風險極低及一般自購入起計三個月內短期內到期），並扣減須應要求償還的銀行透支，其構成本集團現金管理的一部分。

就綜合財務狀況表而言，現金及現金等值項目包括用途不受限制的手頭現金及存放於銀行的現金（包括定期存款）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and revenue and costs, if applicable, can be measured reliably, revenue is recognised in the consolidated statement of profit or loss and other comprehensive income as follows:

(a) Sales of goods

Revenue from sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyers, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

(b) Interest income

Interest income is recognised on a time-proportion basis using effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Employee benefits

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

4. 重大會計政策概要－續

收益確認

收益會於本集團可能獲得有關經濟利益且收益及成本（如適用）能可靠計量時，按以下基準於綜合損益及其他全面收益表確認：

(a) 銷售貨品

銷售貨品的收益於貨品所有權的主要風險及回報轉移至買家時確認，惟本集團須並無保留一般與擁有權有關的管理參與權，亦無對已出售貨品擁有實際控制權；

(b) 利息收入

利息收入使用實際利率法按時間比例基準確認。倘應收賬款出現減值，本集團會將賬面值減至其可收回金額（即按工具的原實際利率折算的估計未來現金流量），並繼續將貼現部分撥作利息收入。已減值貸款的利息收入使用原實際利率確認。

僱員福利

薪金、年終獎金、有薪年假、度假旅費及本集團非貨幣利益的成本乃於本集團僱員提供相關服務的期間內累計。倘延遲付款或結算，並構成重大影響，則有關款項須按其現值列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Employee benefits – continued

Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and to the state-managed retirement benefits schemes for the employees of the Group's overseas entities are recognised as an expense in the consolidated statement of profit or loss and other comprehensive income as incurred.

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes consolidated statement of profit or loss and other comprehensive income items that are never taxable or deductible.

4. 重大會計政策概要－續

僱員福利－續

根據香港強制性公積金計劃條例的規定對強制性公積金作出的供款，以及就本集團海外實體僱員對國家管理退休福利計劃作出的供款，乃於產生時在綜合損益及其他全面收益表確認為開支。

終止僱用福利只會在本集團明確表示將根據一項不可能撤回的詳盡正式自願離職計劃，承諾終止僱用或提供福利時予以確認。

所得稅

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中呈報的純利不同，乃由於前者不包括在其他年度應課稅或可扣稅的收支項目，且不包括綜合損益及其他全面收益表中從未課稅或扣稅的項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Income tax – continued

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in subsidiaries and associate, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

4. 重大會計政策概要 – 續

所得稅 – 續

遞延稅項乃就財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基的差額而預期應付或可收回的稅項，並以負債法入賬。遞延稅項負債一般乃就所有應課稅暫時差額確認，而遞延稅項資產乃在應課稅溢利可用作出對銷可扣稅暫時差額時始確認。倘暫時差額乃因商譽（或負商譽）或因首次確認業務合併以外的交易的其他資產及負債（對應課稅溢利及會計溢利均並無影響）而產生，則不會確認有關資產及負債。

遞延稅項負債乃就於附屬公司及聯營公司的投資所產生的應課稅暫時差額確認，惟本集團可控制暫時差額的撥回及暫時差額不可能在可見將來撥回時則除外。

遞延稅項資產的賬面值乃於各報告期末進行審閱，並作出扣減，直至不可能有足夠應課稅溢利以收回全部或部分資產為止。

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綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Income tax – continued

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the consolidated statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Provisions

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

4. 重大會計政策概要 – 續

所得稅 – 續

遞延稅項乃按預期於清償負債或變現資產期間應用的稅率計算。遞延稅項自綜合損益及其他全面收益表中扣除或計入綜合損益及其他全面收益表，惟倘遞延稅項與直接自權益中扣除或計入權益中的項目有關則除外，於該情況下遞延稅項亦會於權益中處理。

撥備

倘本集團因過往事件承擔現有責任（法律或推定），而履行有關責任可能會導致資源流出，並有關責任金額能可靠地估計，則會就此確認撥備。撥備於各報告期末進行審閱，並會作出調整以反映目前的最佳估計。倘金錢的時間價值有重大影響，則撥備金額應為履行責任預期所需開支的現值。

或然負債及或然資產

或然負債指因過往事件而可能引起的責任，此等責任須待一件或多件並非本集團所能控制的不明確未來事件的發生或不發生後才能確認。或然負債亦可能為過往事件所引致的現有責任，但由於不大可能需要經濟資源流出，或責任金額不能可靠地計量而未有確認。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Contingent liabilities and contingent assets – continued

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the companies now comprising the Group are measured using the currency of the primary economic environment in which the company operates (the “functional currency”). The consolidated financial statements are presented in Hong Kong dollars, which is the functional and presentation currency of the Company.

4. 重大會計政策概要 – 續

或然負債及或然資產 – 續

或然負債不會被確認，但會於綜合財務報表附註內予以披露。倘資源流出的機率改變而有可能導致資源流出，此等負債將被確認為撥備。

或然資產是指過往事件而產生的潛在資產，此等資產須待一件或多件並非本集團所能控制的不明確未來事件的發生或不發生後才能確認。

或然資產不會被確認，但會於經濟利益可能流入時於綜合財務報表附註內披露。倘大致上可肯定經濟利益會流入，則會確認資產。

外幣

(a) 功能及呈列貨幣

本集團旗下各公司的財務報表所載項目，均以該公司營運的主要經濟環境所採用的貨幣（「功能貨幣」）計算。綜合財務報表乃以港元呈列，而港元乃本公司的功能及呈列貨幣。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Foreign currencies – continued

(b) Transactions and balances

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

Translation differences on non-monetary financial assets and liabilities are reported as part of their fair value gain or loss.

(c) Group companies

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

- (i) Assets and liabilities are translated at the closing rate;
- (ii) Income and expenses are translated at average exchange rate; and
- (iii) All resulting exchange differences are recognised as a separate component of equity.

4. 重大會計政策概要－續

外幣－續

(b) 交易及結餘

外幣交易按交易當日通行之匯率換算為功能貨幣。因該等交易結算及按年終匯率換算以外幣計值之貨幣資產與負債所產生之外匯收益及虧損，均在綜合損益及其他全面收益表內確認。

非貨幣財務資產及負債之匯兌差額乃作為其公平值之收益或虧損之一部分入賬。

(c) 集團公司

功能貨幣與呈列貨幣不同之目前組成本集團之所有公司（其並無惡性通貨膨脹經濟體之貨幣）之業績及財政狀況均按以下方法換算為呈列貨幣：

- (i) 資產與負債均以收市匯率換算；
- (ii) 收入及開支項目均按平均匯率換算；及
- (iii) 所有因此而產生之匯兌差額被確認為權益之一個分項。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Foreign currencies – continued

(c) Group companies – continued

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to owners' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the consolidated statement of profit or loss and other comprehensive income as part of the gain or loss on sale.

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.

Borrowing costs

Borrowing costs are interests and other costs incurred in connection with the borrowing of funds. All borrowing costs are charged to the consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

4. 重大會計政策概要－續

外幣－續

(c) 集團公司－續

於綜合賬目時，換算於境外業務之投資淨值，以及其他借款及其他用作對沖該投資之貨幣工具而產生之匯兌差額乃記入擁有人權益內。當出售境外業務時，該等匯兌差額於綜合損益及其他全面收益表中確認為出售收益或虧損之一部分。

收購境外實體時產生之商譽及公平值調整乃作為該境外實體之資產及負債處理，並按收市匯率換算。

借款成本

借款成本指因借入資金而產生的利息及其他成本。所有借款成本均於其產生期間在綜合損益及其他全面收益表中扣除。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Related party transactions

A party is considered to be related to the Group if:

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

4. 重大會計政策概要－續

關聯人士交易

與本集團關連之人士指：

- (a) 於以下情況下，一名人士（或其近親）屬與本集團有關連：
 - (i) 該人士控制或共同控制本集團；
 - (ii) 該人士對本集團有重大影響；或
 - (iii) 該人士為本集團或本集團母公司的主要管理層成員。
- (b) 倘符合下列任何條件，一間實體屬與本集團有關連：
 - (i) 該實體及本集團屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司彼此間互有關連）。
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Related party transactions – continued

(b) – continued

- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals payable under the operating leases are charged to the consolidated statement of profit or loss and other comprehensive income on the straight-line basis over the lease terms.

4. 重大會計政策概要 – 續

關聯人士交易 – 續

(b) – 續

- (v) 該實體為本集團或與本集團有關的實體兩者就僱員利益而設立的離職後福利計劃。如本集團為該等計劃，即供付之僱主亦與本集團有關連。
- (vi) 該實體由第(a)項所指人士控制或共同控制。
- (vii) 第(a)(i)項所指明人士對該實體能有重大影響力或為該實體（或該實體的母公司）的主要管理成員。

一名人士的近親指在該人士與實體進行交易時預期可對其造成影響或受其影響的家族成員。

當一項交易關聯人士之間存在資源或責任轉移時，被視為關聯人士交易。

租賃

由出租人保留資產所有權絕大部分回報與風險的租賃入賬列作經營租賃。經營租賃項下應付租金於租賃年期按直線法基準於綜合損益及其他全面收益表中扣除。

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綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Leases – continued

Prepaid lease payments for land use rights

Prepaid lease payments for land use rights are stated as cost less subsequent accumulated amortisation and any accumulated impairment losses. The cost of interest in leasehold land are amortised on a straight line basis over the relevant interest in leasehold land.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purpose). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the net asset) is included in profit or loss in the period in which the property is derecognised.

Segment reporting

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

4. 重大會計政策概要 – 續

租賃 – 續

土地使用權的預付租賃款項

土地使用權的預付租賃款項按成本減其後累計攤銷及任何累計減值虧損列賬。租賃土地的利息成本按租賃土地的相關利息以直線法基準攤銷。

投資物業

投資物業指持有以賺取租金及／或作資本增值的物業（包括就此目的在建中的物業）。投資物業初步按成本（包括交易成本）計量。初步確認後，投資物業按其公平值計量。投資物業公平值變動產生的收益及虧損計入產生期間的損益內。

於投資物業出售或永久停止使用及預計不會從出售該物業中獲得未來經濟收益時，投資物業會終止確認。終止確認物業所產生任何收益或虧損（按出售所得款項淨額與該淨資產的賬面值之差額計算）於該物業終止確認的期間計入損益。

分部報告

經營分部及財務資料所呈報的各分部項目金額，乃根據為就本集團各項業務及地區作資源分配及評估其業績而定期向本集團最高行政管理人員提供的財務資料當中識別。

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綜合財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Segment reporting – continued

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 4, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. 重大會計政策概要－續

分部報告－續

就財務報告而言，個別重要的經營分部不會彙集入賬，除非該等分部的經濟特質相近，且彼等的產品及服務性質、生產工序性質、客戶類型或階層、分銷產品或提供服務的方法及監管環境性質等方面相類近。而個別不重大的經營分部如具備上述大部分特質，則可合併為一個報告分部。

5. 重大會計判斷及估計

於應用附註4所述本集團之會計政策時，管理層須作出有關資產及負債賬面值而目前未能從其他來源得出之判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被認為相關之其他因素。實際結果可能與該等估計有差異。

各項估計和相關假設會持續進行審閱。倘會計估計的修訂僅影響有關期間，有關修訂則會在作出修訂的期間確認；倘修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Income taxes

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

(b) Impairment of property, plant and equipment

The Group assesses whether there are any indicators of impairment for an asset at the end of each reporting period. The asset is tested for impairment when there are indicators that the carrying amount may not be recoverable. When value in use calculations are undertaken, an estimation of the value in use of the cash-generating units to which the asset is allocated will be required. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. A change in the estimated future cash flows and/or the discount rate applied will result in an adjustment to the estimated impairment provision previously made.

5. 重大會計判斷及估計－續

以下為董事於應用本集團的會計政策時所作出及對於綜合財務報表確認的金額具有最重大影響的主要判斷（有關估計者除外）。

(a) 所得稅

本集團須繳納多個稅務機關的所得稅。於釐定所得稅撥備時需要作出重大判斷。於日常業務過程中，有多項交易及計算未能確切釐定其最終稅項。本集團根據於到期是否需繳付額外稅項的估計就預期稅務審核事宜確認負債。倘該等事宜的最終稅務結果有別於最初入賬的金額，有關差額將對作出有關釐定期間的所得稅及遞延稅項撥備造成影響。

(b) 物業、廠房及設備減值

本集團於各報告期末評估資產是否有任何減值跡象。資產於有跡象顯示其賬面值可能無法收回時進行減值測試。於計算使用價值時，須估計獲分配資產的現金產生單位的使用價值。於估計使用價值時，本集團需要估計現金產生單位的預期未來現金流量，並選擇適當的貼現率以計算該等現金流量的現值。倘估計未來現金流量及／或所用貼現率的變動，將導致對先前所作的估計減值撥備作出調整。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

(c) Useful lives and residual values of property, plant and equipment

In determining the useful life and residual value of an item of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment are different from the previous estimation. Useful lives and residual values are reviewed at the end of the reporting period based on changes in circumstances.

(d) Estimated impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in Note 4. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

5. 重大會計判斷及估計－續

(c) 物業、廠房及設備的可使用年期及剩餘價值

於釐定物業、廠房及設備的可使用年期及剩餘價值時，本集團須考慮各項因素，如生產過程的變更或改進，或市場對有關資產生產的產品或提供的服務的需求有變令產品及服務在技術或商業上過時、資產的預期用途、預期物理損耗、資產的維護及保養，以及使用資產的法例或類似限制。資產的可使用年期乃根據本集團作類似用途的類似資產的過往經驗作出估計。倘物業、廠房及設備的估計可使用年期及／或剩餘價值與先前的估計不同，則會作出額外折舊。可使用年期及剩餘價值於報告期末根據情況變動進行審閱。

(d) 商譽減值估計

根據附註4所載的會計政策，本集團會每年測試商譽是否已出現減值。現金產生單位的可收回金額乃根據使用價值計算法釐定。有關計算法須使用管理層就業務的未來營運、稅前貼現率作出的估計及假設，以及其他與計算使用價值相關的假設。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES – continued

(e) Impairment of trade receivables

The aged debt profile of trade debtors is reviewed on a regular basis to ensure that the trade debtor balances are collectible and follow up actions are promptly carried out if the agreed credit periods have been exceeded. However, from time to time, the Group may experience delays in collection. Where recoverability of trade debtor balances are called into doubts, specific provisions for bad and doubtful debts are made based on credit status of the customers, the aged analysis of the trade receivable balances and write-off history. Certain receivables may be initially identified as collectible, yet subsequently become uncollectible and result in a subsequent write-off of the related receivable to the consolidated statement of profit or loss and other comprehensive income. Changes in the collectability of trade receivables for which provisions are not made could affect our results of operations.

(f) Fair value of investment properties

The fair value of each investment property is individually determined at the end of each reporting period based on its market value and by adopting direct comparison method. Direct comparison method assumes each of these properties is capable of being sold in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant market condition, the fair value of the investment properties will change in future.

5. 重大會計判斷及估計－續

(e) 貿易應收款項減值

貿易應收款項的賬齡狀況會定期進行審閱，以確保貿易應收款項結餘可予收回，並在款項超逾協定信貸期時馬上作出跟進行動。然而，本集團可能不時面對延期收款的情況。倘貿易應收款項結餘的可收回性存疑，則會根據客戶的信貸狀況、貿易應收款項結餘的賬齡分析及撇賬記錄作出特定呆壞賬撥備。若干應收款項可能於最初被認定為可予收回，但其後變成不可收回，並導致其後於綜合損益表及其他全面收益表內撇銷有關應收款項。並無作出撥備的貿易應收款項的收回性變動，可對我們的經營業績造成影響。

(f) 投資物業公平值

每項投資物業的公平值於各報告期末根據其市值，採用直接比較法個別釐定。直接比較法假設每項該等物業可以現況交吉出售及參照有關市場上可供比較的銷售證據，投資物業的公平值會於日後變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

6. 金融工具

(a) 按類別劃分的金融工具

		The Group 本集團		The Company 本公司	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Financial assets	財務資產				
Loans and receivables	貸款及應收款項				
– trade and other receivables	– 貿易及其他應收款項	300,680	369,034	–	–
– amount due from the immediate holding company	– 應收直接控股公司款項	5	5	–	–
– amount due from a fellow subsidiary	– 應收一間同系附屬公司款項	2,956	448	–	–
Financial assets at fair value through profit or loss	按公平值透過損益列賬之財務資產	1,259	–	–	–
Cash and cash equivalents	現金及現金等值項目	43,638	30,676	102	10
Pledged bank deposits	已抵押銀行存款	17,431	3,609	–	–
		365,969	403,772	102	10
Financial liabilities	財務負債				
At amortised cost	按攤銷成本				
– trade and other payables	– 貿易及其他應付款項	260,131	303,742	2,577	3
– amount due to the ultimate holding company	– 應付最終控股公司款項	4,008	889,426	405	1,139
– amounts due to fellow subsidiaries	– 應付同系附屬公司款項	1,032	1,062	5	15
– amounts due to subsidiaries	– 應付附屬公司款項	–	–	20,666	8,312
– amounts due to non-controlling shareholders of subsidiary	– 應付附屬公司之非控股股東款項	134	–	–	–
– bank borrowings	– 銀行借款	88,088	50,672	–	–
		353,393	1,244,902	23,653	9,469

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, cash and cash equivalents, pledged bank deposits, amount due from the immediate holding company, amount due from a fellow subsidiary, financial asset at fair value through profit or loss, trade and other payables, bank borrowings, amount due to the ultimate holding company, amounts due to fellow subsidiaries and amounts due to non-controlling shareholders of a subsidiary. The details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Credit risk

The carrying amounts of trade and other receivables included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to the Group's financial assets. No other financial assets carry a significant exposure to credit risk.

6. 金融工具一續

(b) 財務風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、現金及現金等值項目、銀行存款、應收直接控股公司款項、應收一間同系附屬公司款項、按公平值透過損益列賬之財務資產、貿易及其他應付款項、銀行借款、應付最終控股公司款項、應付同系附屬公司款項及應付一間附屬公司之非控股股東款項。該等金融工具的詳情已於相關附註中披露。與該等金融工具相關的風險及降低該等風險的政策載列如下。管理層管理及監控該等風險以確保能及時有效地採取適當措施。

來自本集團金融工具的主要風險為信貸風險、流動資金風險、利率風險及貨幣風險。董事審閱及協定管理上述各項風險的政策，概述如下。

信貸風險

計入綜合財務狀況表內的貿易及其他應收款項賬面值，相當於本集團就本集團財務資產所承受的最大信貸風險。概無其他財務資產具有重大信貸風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

The Group's concentration of credit risk by geographical location is mainly in the PRC. The Group also has concentration of credit risk by customers as approximately 16.4% of total trade receivables were due from the Group's five largest customers as at 31 March 2014 (2013: 12.7%).

In order to minimise the credit risk, the management of the Group has credit approvals and other monitoring procedures to ensure that follow-up action is taken on a timely basis and adequate impairment losses are made for irrecoverable amounts overdue. In these regards, the directors of the Company consider that the Group's credit risk is significantly reduced.

Substantially all of the Group's cash and cash equivalents are mainly deposited in the state controlled PRC banks which the directors assessed the credit risk to be insignificant.

Liquidity risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due, and it results from amount and maturity mismatches of assets and liabilities. The Group will consistently maintain a prudent financial policy and ensure that it maintains sufficient cash to meet its liquidity requirements.

6. 金融工具－續

(b) 財務風險管理目標及政策－續

本集團按地區劃分的信貸風險主要集中於中國。由於在二零一四年三月三十一日，貿易應收款項總額中分別約有16.4%為應收本集團五大客戶的款項，故本集團亦有客戶集中信貸風險（二零一三年：12.7%）。

為盡量減低信貸風險，本集團的管理層設有信貸批核及其他監察程序，以確保就無法收回的逾期款項及時採取跟進行動，及作出足夠的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅減低。

本集團絕大部分的現金及現金等值項目主要存放由國家控制的中國銀行，故董事評定信貸風險並不重大。

流動資金風險

流動資金風險為無法獲得資金應付到期負債的風險，有關風險乃源自資產及負債金額及到期日的錯配。本集團將一如既往，保持審慎財務政策，並確保維持充足現金以應付其流動資金所需。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Liquidity risk – continued

The following tables detail Group's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which Group can be required to pay. The tables include both interest and principal cash flows.

The Group

6. 金融工具 – 續

(b) 財務風險管理目標及政策 – 續

流動資金風險 – 續

下表詳列本集團財務負債尚餘合約年期。此表根據本集團最早須償還日期之財務負債未貼現現金流量編製。下表包括利息及主要現金流量。

本集團

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or within 1 year 按要求或 於一年內 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total undiscounted cash flow 非貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 31 March 2014	於二零一四年三月三十一日					
Trade and other payables	貿易及其他應付款項	-	260,131	-	260,131	260,131
Amount due to the ultimate holding company	應付最終控股公司款項	-	4,008	-	4,008	4,008
Amounts due to fellow subsidiaries	應付同系附屬公司款項	-	1,032	-	1,032	1,032
Amounts due to non-controlling shareholders of subsidiary	應付附屬公司之非控股股東款項	-	134	-	134	134
Bank borrowings	銀行借款	8.1	90,289	-	90,289	88,088
			355,594	-	355,594	353,393
As at 31 March 2013	於二零一三年三月三十一日					
Trade and other payables	貿易及其他應付款項	-	303,742	-	303,742	303,742
Amount due to the ultimate holding company	應付最終控股公司款項	-	889,426	-	889,426	889,426
Amounts due to fellow subsidiaries	應付同系附屬公司款項	-	1,062	-	1,062	1,062
Bank borrowings	銀行借款	7.7	52,104	-	52,104	50,672
			1,246,334	-	1,246,334	1,244,902

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Liquidity risk – continued

The Company

As at 31 March 2014

Accruals and other payables
Amount due to the ultimate holding company
Amounts due to subsidiaries
Amount due to a fellow subsidiary

於二零一四年三月三十一日

應計款項及其他應付款項
應付最終控股公司款項
應付附屬公司款項
應付同系附屬公司款項

As at 31 March 2013

Accruals and other payables
Amount due to the ultimate holding company
Amount due to a subsidiary
Amount due to a fellow subsidiary

於二零一三年三月三十一日

應計款項及其他應付款項
應付最終控股公司款項
應付附屬公司款項
應付同系附屬公司款項

6. 金融工具－續

(b) 財務風險管理目標及政策－續

流動資金風險－續

本公司

Weighted average effective interest rate 加權平均實際利率 %	On demand or within 1 year 按要求或於一年內 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total undiscounted cash flow 非貼現現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
-	2,577	-	2,577	2,577
-	405	-	405	405
-	20,666	-	20,666	20,666
-	5	-	5	5
	23,653	-	23,653	23,653
-	3	-	3	3
-	1,139	-	1,139	1,139
-	8,312	-	8,312	8,312
-	15	-	15	15
	9,469	-	9,469	9,469

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Liquidity risk management

Ultimate responsibility for liquidity management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

As at 31 March 2014, the Group has available unutilised short and medium term bank loan facilities of approximately HK\$111,164,000 (2013: HK\$32,381,000).

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and bank borrowings (Note 34). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates arising from the Group's RMB denominated borrowings.

The Group currently does not have any interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

6. 金融工具－續

(b) 財務風險管理目標及政策－續

流動資金風險管理

董事會肩負管理流動資金風險之最終責任，而董事會已建立一個合適之流動資金風險管理框架，用以管理本集團之短期、中期及長期資金及應付流動資金管理需求。本集團透過保持充足之儲備、銀行信貸及儲備借貸融資，以及持續對預測及實際現金流量進行監察，配合財務資產及財務負債之到期情況，藉以管理流動資金風險。

於二零一四年三月三十一日，本集團有未動用短期及中期銀行貸款額約111,164,000港元（二零一三年：32,381,000港元）。

利率風險

本集團之浮息銀行結餘及銀行借貸（附註34）承受現金流量利率風險。本集團之現金流量利率風險主要集中於本集團以人民幣計值之借貸所產生利率波動。

本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險，並會於有需要時考慮對沖重大利率風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the floating rate bank borrowings. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point increase or decrease throughout the reporting period is used internally for assessment of possible change in interest rate.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year would decrease/increase by approximately HK\$131,000 (2013: HK\$5,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

Currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The main operations of the Group were in the PRC and most of the transactions were denominated in Renminbi ("RMB"). Foreign exchange risk arises from the foreign currency denominated of commercial transactions, assets and liabilities. The Group has no significant direct exposure to foreign currencies as most of the commercial transactions, assets and liabilities are denominated in a currency as the functional currency of each entity of the Group.

6. 金融工具－續

(b) 財務風險管理目標及政策－續

利率之敏感度分析

下文之敏感度分析乃根據浮息銀行借貸之利率風險而釐定。分析乃假設於報告期末之未償還金融工具為於整個年度內未償還而作出。於整個報告增加或減少50個基點會於作內部報告時使用，並對利率之潛在變動作出評估。

倘利率增加／減少50個基點，而所有其他變數維持不變，則本集團之年度溢利將減少／增加約131,000港元（二零一三年：5,000港元）。此乃主要由於本集團之浮息銀行借貸之利率風險所致。

貨幣風險

當未來商業交易或已確認資產及負債並非以該實體之功能貨幣列值，則會產生外匯風險。

本集團主要於中國經營業務，且大部分交易以人民幣列值。外匯風險來自以外幣計值之商業交易、資產及負債。由於大部分商業交易、資產及負債之計值貨幣與本集團各實體之功能貨幣相同，因此本集團並無任何重大直接外幣風險。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Currency risk – continued

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

In the opinion of the directors of the Company, since the Company risk is minimal, no sensitivity analysis is presented.

Fair value measurement

The fair value of financial assets and financial liabilities are determined as follows:

- (i) The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid and ask prices respectively.
- (ii) The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models (e.g. discounted cash flow analysis using observable and/or unobservable inputs).

The carrying amount of other financial assets and liabilities carried at amortised cost, approximate their respective fair values due to the relatively short-term nature of these financial statements.

6. 金融工具－續

(b) 財務風險管理目標及政策－續

貨幣風險－續

本集團現時並無任何有關外幣交易、資產及負債的外幣對沖政策。本集團將密切監察其外幣風險，並會於有需要時考慮對沖重大外幣風險。

本公司董事認為，由於本公司之風險已減至最低，故並無呈列敏感度分析。

公平值計量

財務資產及財務負債的公平值按以下方式釐定：

- (i) 附帶標準條款及條件並於活躍市場買賣的財務資產及財務負債的公平值乃分別參考市場所報買賣價釐定。
- (ii) 其他財務資產及財務負債（不包括衍生工具）之公平值按公認價模式（例如使用可觀察及／或不可觀察數據之貼現現金流量分析）而釐定。

其他財務資產及負債的賬面值按攤銷成本計值，且由於該等財務報表屬相對短期，故其賬面值與公平值相若。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Fair value measurements recognised in the consolidated statement of financial position

The Group's financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quote prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

6. 金融工具－續

(b) 財務風險管理目標及政策－續

於綜合財務狀況表內確認之公平值計量

本集團於初步確認後按公平值計量的金融工具乃按其公平值的可觀察程度分為1級至3級。

- 1級公平值計量指按同類資產或負債於活躍市場的報價（未經調整）計算得出。
- 2級公平值計量指按資產或負債可直接（即價格）或間接（即從價格得出）觀察所得的輸入數據（1級計量所用報價除外）計算得出。
- 3級公平值計量指以估值技術計算得出，有關估值技術使用包括並非根據可觀察市場數據（不可觀察數據）得出的資產或負債輸入數據。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

6. FINANCIAL INSTRUMENTS – continued

(b) Financial risk management objectives and policies – continued

Fair value measurements recognised in the consolidated statement of financial position – continued

As at 31 March 2014

	Level 1 1級 HK\$'000 千港元	Level 2 2級 HK\$'000 千港元	Level 3 3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through profit or loss 按公平值透過損益列賬的財務資產	1,259	-	-	1,259

As at 31 March 2013

	Level 1 1級 HK\$'000 千港元	Level 2 2級 HK\$'000 千港元	Level 3 3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through profit or loss 按公平值透過損益列賬的財務資產	-	-	-	-

During the years ended 31 March 2014 and 2013, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 for both financial assets and financial liabilities.

6. 金融工具－續

(b) 財務風險管理目標及政策－續

於綜合財務狀況表內確認之公平值計量－續

於二零一四年三月三十一日

於二零一三年三月三十一日

截至二零一四年及二零一三年三月三十一日止年度內，1及2級間並無公平值計量轉移，亦無就財務資產及財務負債於3級轉入或轉出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

7. CAPITAL RISK MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value. The Group manages the capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the reporting period.

The Group monitors capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group overall strategy remains unchanged during the reporting period.

7. 資本風險管理

本集團管理資本的首要目標為保障本集團以持續基準經營的能力，以及維持穩健的資本比率，以支援其業務發展及令股東獲得最大價值。本集團會因應經濟環境變化管理資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東的股息款額、退還資本予股東或發行新股份。於報告期間，有關管理資本的目標、政策或過程並無任何變動。

本集團監察資本，以確保本集團內各實體能夠按持續基準經營，同時透過優化債務與股本的平衡，為持份人帶來最大回報。於報告期間，本集團的整體策略並無變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

7. CAPITAL RISK MANAGEMENT – continued

The capital structure of the Group consists of debt (bank borrowings), cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

7. 資本風險管理 – 續

本集團的資本架構包括債務（銀行借款）、現金及現金等值項目以及本公司擁有人應佔權益（包括已發行股本及儲備）。

		The Group 本集團	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Debt (Note (a))	債務（附註(a)）	88,088	50,672
Cash and cash equivalents	現金及現金等值項目	(43,638)	(30,676)
Net debt	債務淨額	<u>44,450</u>	<u>19,996</u>
Equity (Note (b))	權益（附註(b)）	<u>1,045,307</u>	<u>132,762</u>
Gearing ratio	資產負債比率	<u>0.04</u>	<u>0.15</u>

Notes:

- (a) Debts represented by bank borrowings as set out in Note 34.
- (b) Equity includes all capital and reserves attributable to owners of the Company.

附註：

- (a) 債務包括附註34所載的銀行借款。
- (b) 權益包括本公司擁有人應佔的所有資本及儲備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT

Information reported internally to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group organised into two operating divisions: (a) pharmaceutical wholesale and distribution business and (b) pharmaceutical retail chain business in the PRC. These divisions are the basis on which the Group reports its segment information.

Segment revenue and results

For the year ended 31 March 2014

8. 營運分類

向主要營運決策者內部呈報以作資源分配及評核分類表現之資料，乃著重於所交付或提供之貨品或服務類型。本集團組織為兩個經營分類：即於中國之(a)藥品批發及分銷業務及(b)藥品零售連鎖業務。該等分部乃本集團呈報其分類資料之基礎。

分類收益及業績

截至二零一四年三月三十一日止年度

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額				
External sales	對外銷售	1,858,355	238,100	-	2,096,455
Inter-segment sales	分類間銷售	56,861	-	(56,861)	-
Total turnover	總營業額	1,915,216	238,100	(56,861)	2,096,455
Inter-segment sales are charged at arm's length	分類間銷售乃按公平基準收費				
Results	業績				
Segment results	分類業績	68,198	27,730	-	95,928
Unallocated other revenue	未分配之其他收益				1
Unallocated other income	未分配之其他收入				-
Unallocated corporate expenses	未分配之企業支出				(15,733)
Profit from operations	經營業務溢利				80,196
Finance costs	財務費用				(6,015)
Profit before taxation	除稅前溢利				74,181
Taxation	稅項				(25,113)
Profit for the year	本年度溢利				49,068

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT – continued

Segment revenue and results – continued

For the year ended 31 March 2013

8. 營運分類 – 續

分類收益及業績 – 續

截至二零一三年三月三十一日止年度

		Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額				
External sales	對外銷售	1,672,848	212,521	–	1,885,369
Inter-segment sales	分類間銷售	52,597	–	(52,597)	–
Total turnover	總營業額	1,725,445	212,521	(52,597)	1,885,369
Inter-segment sales are charged at arm's length	分類間銷售乃按 公平基準收費				
Results	業績				
Segment results	分類業績	55,902	26,502	–	82,404
Unallocated other revenue	未分配之其他收益				–
Unallocated other income	未分配之其他收入				19
Unallocated corporate expenses	未分配之企業支出				(17,656)
Profit from operations	經營業務溢利				64,767
Finance costs	財務費用				(4,090)
Profit before taxation	除稅前溢利				60,677
Taxation	稅項				(18,772)
Profit for the year	本年度溢利				41,905

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT – continued

Segment assets and liabilities

At 31 March 2014

8. 營運分類－續

分類資產及負債

於二零一四年三月三十一日

Consolidated statement of financial position 綜合財務狀況表

Assets

Segment assets
Goodwill
Unallocated corporate assets

Consolidated total assets

Liabilities

Segment liabilities
Unallocated corporate liabilities

Consolidated total liabilities

資產

分類資產
商譽
未分配之企業資產

綜合資產總值

負債

分類負債
未分配之企業負債

綜合負債總額

Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
522,781	115,488	638,269
		785,521
		8,929
		<u>1,432,719</u>
341,356	39,030	380,386
		6,610
		<u>386,996</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT – continued

Segment assets and liabilities – continued

At 31 March 2013

8. 營運分類 – 續

分類資產及負債 – 續

於二零一三年三月三十一日

	Pharmaceutical wholesale and distribution business 藥品批發及 分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售 連鎖業務 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Consolidated statement of financial position 綜合財務狀況表			
Assets 資產			
Segment assets	508,405	94,729	603,134
Goodwill			785,521
Unallocated corporate assets			2,268
Consolidated total assets			1,390,923
Liabilities 負債			
Segment liabilities	333,518	34,704	368,222
Unallocated corporate liabilities			889,500
Consolidated total liabilities			1,257,722

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT – continued

Other segment information

For the year ended 31 March 2014

Other information	其他資料
Capital expenditure	資本開支
Depreciation	折舊
Amortisation of prepaid lease payments	預付租賃款項攤銷
Reversal of impairment loss of trade and other receivables	撥回貿易及其他應收款項之減值虧損
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收款項確認減值虧損

Note:

Capital expenditure consists of additions to property, plant and equipment.

For the year ended 31 March 2013

Other information	其他資料
Capital expenditure	資本開支
Depreciation	折舊
Amortisation of prepaid lease payments	預付租賃款項攤銷
Reversal of impairment loss of trade and other receivables	撥回貿易及其他應收款項之減值虧損
Change in fair value of investment properties	投資物業之公平值變動
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收款項確認減值虧損

Note:

Capital expenditure consists of additions to property, plant and equipment and prepaid lease payments.

8. 營運分類 – 續

其他分類資料

截至二零一四年三月三十一日止年度

Pharmaceutical wholesale and distribution business 藥品批發及分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售連鎖業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
1,854	3,402	7	5,263
1,570	2,070	13	3,653
-	188	-	188
645	101	-	746
26	-	-	26
499	19	-	518

附註：

資本開支包括對物業、廠房及設備之添置。

截至二零一三年三月三十一日止年度

Pharmaceutical wholesale and distribution business 藥品批發及分銷業務 HK\$'000 千港元	Pharmaceutical retail chain business 藥品零售連鎖業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
1,141	1,073	62	2,276
1,908	2,015	9	3,932
-	182	-	182
476	-	-	476
-	492	-	492
60	216	-	276
859	-	130	989

附註：

資本開支包括對物業、廠房及設備之添置及預付租賃款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT – continued

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 4. Segment results represent the profit generated by each segment without allocation of other revenue, other income, corporate expenses, finance costs and taxation. Unallocated corporate expenses mainly include directors' remuneration and other central administration costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than goodwill and unallocated corporate assets. Unallocated corporate assets mainly include cash and cash equivalents of the central administration companies.
- all liabilities are allocated to reportable segments other than unallocated corporate liabilities. Unallocated corporate liabilities mainly include the amount due to the ultimate holding company, accruals and other payables of the central administration companies.

Geographical information

The Group operates in two principal areas – pharmaceutical wholesale and distribution business and pharmaceutical retail chain business operates in the PRC and administrative activity operates in Hong Kong.

8. 營運分類－續

可報告分類之會計政策與附註4所述之本集團會計政策一致。分類業績指各分類產生之溢利，不計及其他收益、其他收入、企業支出、財務費用及稅項之分配。未分配企業開支主要包括董事酬金及其他中央管理費用。此乃就資源分配及分類表現評估向主要營運決策者報告之計量。

就監控分類表現及分配分類間資源而言：

- 除商譽及未分配企業資產外，所有資產均分配至可報告分類。未分配企業資產主要包括中央管理公司之現金及現金等值項目。
- 除未分配企業負債外，所有負債均分配至可報告分類。未分配企業負債主要包括應付最終控股公司款項、中央管理公司之應計費用及其他應付款項。

地區資料

本集團於兩個主要領域經營－在中國經營藥品批發及分銷業務以及藥品零售連鎖業務及在香港經營管理業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

8. OPERATING SEGMENT – continued

Geographical information – continued

The Group's revenue is solely generated from external customers in the PRC.

The following is an analysis of the carrying amount of non-current assets analysed by the geographical area in which the assets are located:

Hong Kong	香港
PRC	中國

8. 營運分類 – 續

地區資料 – 續

本集團之收益全部來自於中國外部客戶。

以下為按資產所處地區分析之非流動資產之賬面值分析：

Carrying amount of non-current assets 非流動資產之賬面值

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
47	52
810,858	809,164
810,905	809,216

Information about major customers

For the years ended 31 March 2014 and 2013, no single customers contributed 10% or more to the Group's revenue.

Revenue from major products

The Group's revenue from its major products were stated in Note 9 to the consolidated financial statements.

有關主要客戶之資料

截至二零一四年及二零一三年三月三十一日止年度，概無單一客戶對本集團之收益貢獻10%或以上。

主要產品之收益

本集團主要產品之收益載於綜合財務報表附註9。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

9. TURNOVER

The Group's turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts. The turnover is as follows:

9. 營業額

本集團的營業額為經扣除退貨及交易折扣撥備後的已售商品發票淨值。營業額如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Retail of pharmaceutical and related products	藥品及相關產品零售	238,100	212,521
Wholesale and distribution of pharmaceutical and related products	藥品及相關產品批發及分銷	1,858,355	1,672,848
		<u>2,096,455</u>	<u>1,885,369</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

10. OTHER REVENUE

10. 其他收益

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Interest income on bank deposits	銀行存款之利息收入	695	632
Realised gain on financial assets at fair value through profit or loss	透過損益以公平值計量之 財務資產之變現收益	44	-
Rental income	租金收入	2,373	1,410
Exhibition income	展會收入	2,816	4,505
Sundry income	雜項收入	1,615	1,182
		7,543	7,729

11. OTHER INCOME

11. 其他收入

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Reversal of impairment loss of trade and other receivables	貿易及其他應收款項之減值 虧損撥回	746	476
Change in fair value of investment properties	投資物業之公平值變動	-	492
Exchange gain	匯兌收益	-	110
		746	1,078

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

12. PROFIT FROM OPERATIONS

The Group's profit from operations is arrived at after charging:

12. 經營業務溢利

本集團經營業務之溢利乃經扣除下列項目後達致：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Staff costs:	員工費用：		
Employee benefits expense (including directors' emoluments (Note 14)):	僱員收益開支 (包括董事酬金(附註14)):		
Salaries and allowance	薪金及津貼	54,542	47,583
Pension scheme contributions	退休金計劃供款	6,128	5,750
		60,670	53,333
Other items:	其他項目：		
Depreciation of owned property, plant and equipment (Note 20)	所擁有物業、廠房及設備折舊 (附註20)	3,653	3,932
Amortisation of prepaid lease payments (Note 21)	預付租賃款項攤銷(附註21)	188	182
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	850	–
– non-audit services	– 非審核服務	2,169	–
Cost of inventories sold	已售存貨成本	1,906,991	1,721,210
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	26	276
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收款項確認之減值虧損	518	989
Operating lease rentals in respect of land and building	就土地及樓宇之經營租賃租金	18,380	15,661
		18,380	15,661

For the years ended 31 March 2014 and 2013, the cost of inventories recognised as cost of sales were approximately HK\$1,906,991,000 and HK\$1,721,210,000 respectively.

截至二零一四年及二零一三年三月三十一日止年度，確認為銷售成本之存貨成本分別約為1,906,991,000港元及1,721,210,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

13. FINANCE COSTS

Interest on:
– Bank borrowings wholly
repayable within five years

以下項目之利息：
– 須於五年內全數償還之
銀行借貸

13. 財務費用

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
	6,015	4,090

14. DIRECTORS' EMOLUMENTS

Pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, the aggregate amounts of emoluments paid by the companies now comprising the Group to the directors of the Company during the reporting period are as follows:

14. 董事薪酬

根據上市規則及香港公司條例第161節，現組成本集團之該等公司於報告期間支付予本公司董事之薪酬總額如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Fees	袍金	535	251
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	105	141
Provident fund contributions	公積金供款	23	11
Total	總計	663	403

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

14. DIRECTORS' EMOLUMENTS – continued

Details for the emoluments of each director of the Company during the reporting period are as follows:

14. 董事薪酬一續

本公司各董事於報告期間之薪酬詳情如下：

		Fees	Salaries, allowances and benefits in kind	Provident fund contributions	Total remuneration
		袍金	薪金、津貼及實物利益	公積金供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended 31 March 2014		截至二零一四年三月三十一日止年度			
<i>Executive directors:</i>		<i>執行董事：</i>			
Mr. Weng Jiaying (Note (a))	翁加興先生(附註(a))	264	-	15	279
Mr. Chen Yong (Note (b))	陳勇先生(附註(b))	-	105	8	113
<i>Independent non-executive directors:</i>		<i>獨立非執行董事：</i>			
Mr. Liang Yichi (Note (c))	梁一池先生(附註(c))	75	-	-	75
Mr. Zhu Donghai (Note (d))	朱東海先生(附註(d))	68	-	-	68
Dr. Liu Yongping (Note (e))	劉勇平博士(附註(e))	11	-	-	11
Mr. Wong Hon Kit (Note (f))	黃漢傑先生(附註(f))	117	-	-	117
		535	105	23	663

		Fees	Salaries, allowances and benefits in kind	Provident fund contributions	Total remuneration
		袍金	薪金、津貼及實物利益	公積金供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended 31 March 2013		截至二零一三年三月三十一日止年度			
<i>Executive directors:</i>		<i>執行董事：</i>			
Mr. Weng Jiaying (Note (a))	翁加興先生(附註(a))	162	-	-	162
Mr. Chen Yong (Note (b))	陳勇先生(附註(b))	-	141	11	152
<i>Independent non-executive directors:</i>		<i>獨立非執行董事：</i>			
Mr. Liang Yichi (Note (c))	梁一池先生(附註(c))	42	-	-	42
Mr. Zhu Donghai (Note (d))	朱東海先生(附註(d))	47	-	-	47
Mr. Wong Hon Kit (Note (f))	黃漢傑先生(附註(f))	-	-	-	-
		251	141	11	403

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

14. DIRECTORS' EMOLUMENTS – continued

During the year ended 31 March 2014 and 2013, no emoluments were paid by the Group to the directors or chief executive officer as an inducement to join or upon joining the Group or as compensation for loss of office.

None of the directors or chief executive officer agreed to waive or waived any emoluments during year end 31 March 2014 and 2013.

Notes:

- (a) Mr. Weng Jiaying is the chief executive officer and was appointed as executive director from 9 July 2012.
- (b) Mr. Chen Yong was appointed as executive director on 4 September 2012.
- (c) Mr. Liang Yichi was appointed as independent non-executive directors on 4 September 2012.
- (d) Mr. Zhu Donghai was appointed as independent non-executive directors on 4 September 2012 and resigned on 27 February 2014.
- (e) Dr. Liu Yongping was appointed as independent non-executive directors on 27 February 2014.
- (f) Mr. Wong Hon Kit was appointed as independent non-executive directors on 11 April 2013.

14. 董事薪酬一續

於截至二零一四年及二零一三年三月三十一日止年度，本集團概無向董事及行政總裁支付任何酬金，作為其加入本集團或在其加入本集團時的獎勵或離職補償。

於截至二零一四年及二零一三年三月三十一日止年度，概無董事及行政總裁同意放棄或已放棄任何酬金。

附註：

- (a) 翁加興先生為行政總裁，並於二零一二年七月九日起獲委任為執行董事。
- (b) 陳勇先生於二零一二年九月四日獲委任為執行董事。
- (c) 梁一池先生於二零一二年九月四日獲委任為獨立非執行董事。
- (d) 朱東海先生於二零一二年九月四日獲委任為獨立非執行董事，並於二零一四年二月二十七日辭任。
- (e) 劉勇平博士於二零一四年二月二十七日獲委任為獨立非執行董事。
- (f) 黃漢傑先生於二零一三年四月十一日獲委任為獨立非執行董事。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

15. EMPLOYEES EMOLUMENTS

Senior management emoluments and five highest paid employees

The five highest paid individuals during the year included 1 director (2013: 1).

Details of whose remuneration are set out in Note 14. The detail of the emoluments of the remaining 4 (2013: 4) highest paid employees are as follows:

15. 僱員酬金

高級管理人員酬金及五名最高薪僱員

年內五名最高薪僱員包括一名(二零一三年: 一名)董事。

彼等薪酬之詳情載於附註14。餘下四名(二零一三年: 四名)之最高薪僱員之酬金詳情如下:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	1,433	892
Retirement scheme contributions	退休福利計劃供款	49	33
		1,482	925

The number of these non-director, highest paid employees whose remuneration fell within the following band is as follows:

該等非董事、最高薪僱員的薪酬介乎以下範圍:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Nil to HK\$1,000,000	0至1,000,000港元	4	4

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

15. EMPLOYEES EMOLUMENTS – continued

Senior management emoluments and five highest paid employees – continued

The emoluments of the senior management (excluding directors) of the Company are within the following band.

Nil to HK\$1,000,000 0至1,000,000港元

During the years ended 31 March 2014 and 2013, no emoluments were paid by the Group to five highest paid employees or the senior management as an inducement to join or upon joining the Group or as compensation for loss of office. None of the five highest paid employees or senior management waived or agreed to waive any emoluments during the reporting period (2013: Nil).

15. 僱員酬金 – 續

高級管理人員酬金及五名最高薪僱員 – 續

除董事外，本公司高級管理層（不包括董事）的薪酬介乎以下範圍。

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
	<u>6</u>	<u>6</u>

截至二零一四年及二零一三年三月三十一日止年度，本集團並無向五名最高薪僱員或高級管理人員支付薪酬，以作為吸引加盟本集團或於加盟後的獎勵，或作為離職補償。於報告期內，概無五名最高薪僱員或高級管理人員放棄或同意放棄任何酬金（二零一三年：無）。

16. TAXATION

Current tax for the year
– PRC enterprise income tax
– PRC withholding tax paid/(refund)

年內即期稅項
– 中國企業所得稅
– 已付／（退還）中國預扣稅

Under provision in prior year
– PRC enterprise income tax

過往年度撥備不足
– 中國企業所得稅

16. 稅項

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
	<u>22,389</u>	19,384
	<u>2,383</u>	(612)
	<u>24,772</u>	18,772
	<u>341</u>	–
	<u>341</u>	–
	<u>25,113</u>	18,772

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

16. TAXATION – continued

The Group is subject to income tax on an entity basis on profits arising or derived from the jurisdictions in which members of the Group are domiciled and operate.

No provision for Hong Kong profits tax has been made during the year as the Group has no assessable profits arising in Hong Kong (2013: Nil).

The National People's Congress which was concluded on 16 March 2007, the PRC Enterprise Income Tax Law was approved and became effective from 1 January 2008. The PRC Enterprise Income Tax Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rates for domestic-invested and foreign-invested enterprises at 25%.

According to the PRC Enterprise Income Tax Law, starting from 1 January 2008, 10% withholding income tax will be imposed on dividend relating to profits earned by the companies established in the PRC in the calendar year 2008 onwards to their foreign shareholders. For investors incorporated in Hong Kong which hold at least 25% of equity interest of those PRC companies, a preferential rate of 5% will be applied. The Group has applied the preferential rate of 5% as the Group's subsidiaries in the PRC are directly held by an investment holding company incorporated in Hong Kong. No deferred tax has been provided for in respect of the temporary differences attributable to such profits as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

A reconciliation of the income tax expense applicable to profit before taxation using the statutory rate for the location in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rate are as follows:

16. 稅項 – 續

本集團須就本集團成員公司所處及經營所在司法權區所產生或賺取之溢利，按實體基準繳納所得稅。

由於本集團於年內並無在香港產生任何應課稅溢利，故並無作出香港利得稅撥備（二零一三年：無）。

於二零零七年三月十六日結束的全國人民代表大會會議上，中國企業所得稅法獲通過，並由二零零八年一月一日起生效。中國企業所得稅法引入一系列變動，包括但不限於將境內投資及外資企業的所得稅率統一為25%。

根據中國企業所得稅法，自二零零八年一月一日起，將對在中國成立的公司自二零零八年曆年起賺取的溢利支付其境外股東的股息徵收10%的預扣所得稅。對於在香港註冊成立且持有該等中國公司至少25%股權的投資者，將實施5%的優惠稅率。由於本集團在中國的附屬公司均由一間在香港註冊成立的投資控股公司直接持有，故本集團按5%的優惠稅率繳納稅項。由於本集團有能力控制撥回暫時差額的時間，且不大可能於可見將來撥回暫時差額，故並無就該等溢利應佔之暫時差額作出遞延稅項撥備。

使用本公司及其附屬公司所處地點之法定稅率計算適用於除稅前溢利之所得稅開支與按實際稅率計算之稅項開支之對賬如下：

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16. TAXATION – continued

For the year ended 31 March 2014

Profit/(loss) before taxation	除稅前溢利/(虧損)
Tax at the statutory tax rate	按法定稅率計算稅項
Tax effect of income not taxable and expenses not deductible for tax purpose	毋須課稅收入及不可扣稅開支的稅務影響
Under provision in prior year	過往年度撥備不足
PRC withholding tax refund	退還中國預扣稅
Tax loss not recognised	未確認的稅項虧損
Tax charge and effective tax rate for the year	年內稅項支出及實際稅率

16. 稅項 – 續

截至二零一四年三月三十一日止年度

The PRC 中國		Hong Kong 香港		Total 總計	
HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
89,914		(15,733)		74,181	
22,479	25.0	(2,596)	(16.5)	19,883	26.8
(90)	0.1	830	5.3	740	1.0
341	0.4	-	-	341	0.5
-	-	2,383	15.1	2,383	3.2
-	-	1,766	11.2	1,766	2.4
22,730	25.5	2,383	15.1	25,113	33.9

For the year ended 31 March 2013

截至二零一三年三月三十一日止年度

The PRC 中國		Hong Kong 香港		Total 總計		
HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%	
Profit/(loss) before taxation	除稅前溢利/(虧損)	78,315		(17,638)	60,677	
Tax at the statutory tax rate	按法定稅率計算稅項	19,579	25.0	(2,910)	16,669	27.5
Tax effect of income not taxable and expenses not deductible for tax purpose	毋須課稅收入及不可扣稅開支的稅務影響	(195)	(0.2)	1,055	860	1.4
PRC withholding tax refund	退還中國預扣稅	-	-	(612)	(612)	(1.0)
Tax loss not recognised	未確認的稅項虧損	-	-	1,855	1,855	3.0
Tax charge/(credit) and effective tax rate for the year	年內稅項支出/(抵免)及實際稅率	19,384	24.8	(612)	18,772	30.9

17. LOSS OF THE COMPANY

The loss for the year dealt with in the financial statements of the Company amounted to HK\$8,355,000 (2013: HK\$7,423,000).

17. 本公司虧損

在本公司財務報表處理的年度虧損為8,355,000港元(二零一三年:7,423,000港元)。

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18. DIVIDENDS

The directors of the Company do not recommend the payment of any dividend for the year ended 31 March 2014 (2013: Nil).

18. 股息

本公司董事不建議宣派截至二零一四年三月三十一日止年度的任何股息（二零一三年：無）。

19. EARNINGS PER SHARE

19. 每股盈利

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Earnings	盈利		
Profit attributable to owners of the Company for the purpose of basic earnings per share calculation	本公司擁有人應佔溢利 (用以計算每股基本盈利)	48,920	41,763
Number of shares	股份數目		
Weighted average number of shares for the purpose of basic earnings per share	加權平均股數 (用以計算每股基本盈利)	648,405,300	648,405,300

The calculation of basic earnings per share is based on the profit attributable to owners of the Company for the reporting period and on the assumptions that the proposed 648,405,300 ordinary shares in issue as at the date of listing of the Company's shares on the Stock Exchange as described in the sub-section headed "Written resolutions of the sole shareholder dated 24 September 2013" under the section headed "Statutory and General Information" in Appendix VI to the prospectus of the Company dated 30 September 2013, as if the shares were outstanding throughout the years ended 31 March 2014 and 2013.

Diluted earnings per share is the same as the basic earnings per share as there were no potential diluted ordinary share in existence for the years ended 31 March 2014 and 2013.

計算每股基本盈利乃根據於報告期間之本公司擁有人應佔溢利及假設本公司日期為二零一三年九月三十日之招股書附錄六「法定及一般資料」一節內「日期為二零一三年九月二十四日之主要股東書面決議案」一段所述之於本公司股份於聯交所上市日期已發行之建議648,405,300股本公司普通股於截至二零一四年及二零一三年三月三十一日止年度一直發行在外。

由於截至二零一四年及二零一三年三月三十一日止年度並無具潛在攤薄影響的普通股，故每股攤薄盈利與每股基本盈利相同。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

20. PROPERTY, PLANT AND EQUIPMENT

20. 物業、廠房及設備

		Leasehold improvement 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicle 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本				
As at 1 April 2012	於二零一二年四月一日	3,704	14,283	2,390	20,377
Additions	添置	324	1,467	425	2,216
Disposal	出售	(231)	(556)	(110)	(897)
Exchange realignment	匯兌調整	31	117	19	167
As at 31 March 2013 and 1 April 2013	於二零一三年三月三十一日 及二零一三年四月一日	3,828	15,311	2,724	21,863
Additions	添置	2,177	2,616	470	5,263
Disposal	出售	(384)	(551)	(286)	(1,221)
Exchange realignment	匯兌調整	86	332	58	476
As at 31 March 2014	於二零一四年三月三十一日	5,707	17,708	2,966	26,381
Accumulated depreciation	累計折舊				
As at 1 April 2012	於二零一二年四月一日	1,309	5,561	653	7,523
Charge for the year	年內已扣除	892	2,650	390	3,932
Disposal	出售	(231)	(336)	(54)	(621)
Exchange realignment	匯兌調整	20	73	10	103
As at 31 March 2013 and 1 April 2013	於二零一三年三月三十一日及 二零一三年四月一日	1,990	7,948	999	10,937
Charge for the year	年內已扣除	1,022	2,178	453	3,653
Disposal	出售	(384)	(475)	(192)	(1,051)
Exchange realignment	匯兌調整	51	195	27	273
As at 31 March 2014	於二零一四年三月三十一日	2,679	9,846	1,287	13,812
Net book value	賬面淨值				
As at 31 March 2014	於二零一四年三月三十一日	3,028	7,862	1,679	12,569
As at 31 March 2013	於二零一三年三月三十一日	1,838	7,363	1,725	10,926

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21. PREPAID LEASE PAYMENTS

21. 預付租賃付款

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Leasehold land in the PRC:	中國租賃土地：		
– Medium-term lease	– 中期租賃	4,697	4,796
Analysed for reporting purpose as:	分析作呈報用途：		
– Current assets (included in trade and other receivables and deposits) (Note 25)	– 流動資產（包括貿易及其他應收款項）（附註25）	188	184
– Non-current assets	– 非流動資產	4,509	4,612
		4,697	4,796

As at 31 March 2014, the amount of approximately HK\$1,979,000 (2013: Nil) are pledged as collaterals for Group's bank borrowings, details please refer Note 42.

於二零一四年三月三十一日，約1,979,000港元（二零一三年：無）之金額被抵押為本公司銀行借貸之抵押品，詳情請參閱附註42。

The Group's prepaid lease payments amounts represent the payments for land use rights situated in the PRC. The leasehold lands have lease term of 35 years and the Group has processed the land use rights of the leasehold land during the lease term.

本集團預付租賃付款指就位於中國之土地使用權之付款。租賃土地之租賃期為35年，而本集團於租賃期內擁有租賃土地之土地使用權。

Amortisation on prepaid lease payments of approximately HK\$188,000 (2013: HK\$182,000) have been charged to the administrative expenses in the consolidated statement of profit or loss and other comprehensive income for the years ended 31 March 2014 and 2013 respectively.

約188,000港元（二零一三年：182,000港元）之預付租賃款項已分別於截至二零一四年及二零一三年三月三十一日止年度之綜合損益表及其他全面收益表中計算。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

22. INVESTMENT PROPERTIES

22. 投資物業

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Completed investment properties	已竣工投資物業	8,306	8,157
At fair value	按公平值		
At beginning of the year	於年初	8,157	7,611
Exchange realignment	匯兌調整	149	54
Fair value change	公平值變動	-	492
At end of the year	於年末	8,306	8,157

Note:

The investment property with net book approximately HK\$8,306,000 as at 31 March 2014 (2013: Nil) was pledged as collaterals for the Group's bank borrowings, please refer to Note 42.

(a) Valuation of investment properties

The investment properties amounted of approximately HK\$8,306,000 of the Group were stated at fair value as at 31 March 2014. The fair value were arrived at based on the valuations carried out by an independent firm of qualified professional valuers, Asset Appraisals Limited, ("AAL"), who have among their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of the properties being values. The valuations conform to the Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors. The completed investment property has been valued using the direct comparison approach.

附註：

於二零一四年三月三十一日，投資物業賬面淨值約8,306,000港元（二零一三年：無）已質押作本集團銀行借貸之抵押品。詳情請參閱附註42。

(a) 投資物業之估值

於二零一四年三月三十一日，本集團約8,306,000港元之投資物業按公平值列賬。公平值乃根據由獨立合資格專業估值師中誠達資產評估顧問有限公司（「AAL」）所作估值而釐定。進行前述估值的AAL職員為香港測量師學會會員，並對進行估值物業之位置及類別擁有近期估值經驗。有關估值符合香港測量師學會出版之估值準則（二零一二年版）。已落成投資物業使用直接比較法進行估值。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

22. INVESTMENT PROPERTIES – continued

(a) Valuation of investment properties – continued

The direct comparison approach is adopted where comparison based on prices information of comparable properties is made.

There had been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

(b) The analysis of the carrying amount of investment properties is as follows:

22. 投資物業

(a) 投資物業之估值－續

已採取根據可比較物業的價格資料進行比較之直接比較法。

於過往年度所採用的估值法並無發生任何變動。於估計物業的公平值時，物業的最高及最佳使用為其當前用途。

(b) 投資物業之賬面值分析如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Land in the PRC:	於中國土地：		
Medium-term lease	中期租約	<u>8,306</u>	<u>8,157</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

22. INVESTMENT PROPERTIES – continued

(c) Details of the Group's investment properties and information about the fair value hierarchy as at 31 March 2014 and 2013 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 2014 於二零一四年之 公平值 HK\$'000 千港元
	1級 HK\$'000 千港元	2級 HK\$'000 千港元	3級 HK\$'000 千港元	
Investment property unit located in PRC	-	8,306	-	8,306
Investment property unit located in PRC	-	8,157	-	8,157

	Level 1	Level 2	Level 3	Fair value as at 2013 於二零一三年之 公平值 HK\$'000 千港元
	1級 HK\$'000 千港元	2級 HK\$'000 千港元	3級 HK\$'000 千港元	
Investment property unit located in PRC	-	8,157	-	8,157

22. 投資物業 – 續

(c) 於二零一四年及二零一三年三月三十一日，本集團投資物業及公平值層級資料詳情如下：

There were no transfers into or out of level 3 during the years ended 31 March 2014 and 2013.

截至二零一四年及二零一三年三月三十一日止年度內，3級並無任何轉入或轉出。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

22. INVESTMENT PROPERTIES – continued

(d) Investment properties leased out under operating leases

All of the Group's property interests held under operating lease to earn rentals are measured using the fair value model and classified accounted for investment properties.

The Group leases out its investment properties which is a shop unit of a 9-storey composite building to various tenants. The leases typically run for an initial period of 1 year to 5 years, at the end of which all terms are renegotiable. None of the leases includes contingent rentals. The rental income for investment properties is approximately HK\$450,000 (2013: HK\$436,000). There were no direct operating expenses arising from investment properties for the years ended 31 March 2014 and 2013.

The properties held had committed tenants for the 1.5 years (2013: 2.5 years). At the end of the reporting period, the Group contracted with tenants for the following future minimum lease receivables:

22. 投資物業 – 續

(d) 根據經營租賃出租之投資物業

本集團所有根據經營租賃持有以賺取租金收入的物業權益均採用公平值模式計量，並分類作投資物業入賬。

本集團向多名租戶出租其投資物業，即九層綜合大樓之一個商舖單元。租約一般初步為期一年至五年，期滿時重新磋商所有條款。租約概不附帶或然租金。來自投資物業之租金收入約為450,000港元（二零一三年：436,000港元）。截至二零一四年及二零一三年三月三十一日止年度，投資物業概無產生直接經營開支。

所持有之物業在未來1.5年（二零一三年：2.5年）已有願意承租之租戶。於本報告期末，本集團已與租戶訂約，於未來收取之最低租金如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Within one year	一年內	300	457
In the second to the fifth years inclusive	第二至五年（包括首尾兩年）	54	300
		354	757

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

23. GOODWILL

23. 商譽

		HK\$'000 千港元
Cost	成本	
As at 1 April 2012	於二零一二年四月一日	785,519
Exchange realignment	匯兌調整	2
		<hr/>
As at 31 March 2013 and 1 April 2013 and 31 March 2014	於二零一三年三月三十一日及於二零一三年 四月一日及二零一四年三月三十一日	785,521
		<hr/> <hr/>
Impairment	減值	
As at 1 April 2012, 31 March 2013, 1 April 2013 and 31 March 2014	於二零一二年四月一日，二零一三年 三月三十一日，於二零一三年 四月一日及二零一四年三月三十一日	-
		<hr/>
Carrying value	賬面值	
As at 31 March 2014	於二零一四年三月三十一日	785,521
		<hr/> <hr/>
As at 31 March 2013	於二零一三年三月三十一日	785,521
		<hr/> <hr/>

As at 31 March 2014 and 2013, the Group assessed the recoverable amount of the cash generating units in which goodwill is allocated, and determined that no impairment loss on goodwill is recognised in the consolidated statement of profit or loss and other comprehensive income during the years ended 31 March 2014 and 2013.

於二零一四年及二零一三年三月三十一日，本集團對分配至商譽之現金產生單位之可收回金額進行估值，並釐定於截至二零一四年及二零一三年三月三十一日止年度內，並無於綜合損益及其他全面收益表內確認商譽減值虧損。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

23. GOODWILL – continued

Impairment Tests for Cash-generating Units

Containing Goodwill

Goodwill acquired has been allocated for impairment testing purposes to the following cash generating unit (“CGU”):

- Nurture Fit Limited (“Nurture Fit”) and its subsidiaries
- Huihao Medicine (Quanzhou) Co. Ltd (“Quanzhou Huihao”)

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

Before recognition of impairment losses, the carrying amount of goodwill was allocated to CGU as follows:

23. 商譽－續

含有商譽之現金產生單位減值測試

所收購商譽已就減值測試目的分配予以下現金產生單位（「現金產生單位」）：

- 葆宜有限公司（「葆宜」）及其附屬公司
- 惠好醫藥（泉州）有限公司（「泉州惠好」）

本集團每年進行一次商譽減值測試，或於有跡象顯示商譽可能已經減值時更頻繁地進行減值測試。

於確認減值虧損前，分配予現金產生單位之商譽賬面值如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Nurture Fit and its subsidiaries – retail, wholesales and distribution of pharmaceutical and related products	葆宜及其附屬公司 – 零售、批發及分銷藥品及 相關產品	785,169	785,169
Quanzhou Huihao – retail of pharmaceutical and related products	泉州惠好 – 零售藥品及相關產品	352	352
		785,521	785,521

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

23. GOODWILL – continued

Impairment Tests for Cash-generating Units Containing Goodwill – continued

Note:

Nurture Fit and its subsidiaries

The recoverable amount of this cash generating unit (“CGU”) is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-year period and with discount rates of 10.33% (2013: 9.01%) per annum. Cash flow projections during the budgeted period are based on the same expected gross margins throughout the budget period. The management considers that it is prudent and appropriate to adopt a steady 1% (2013: 1%) annual growth rate of cash flows projections for each flows beyond the budgeted period. This growth rate does not exceed the long-term average growth rate for the market. Management believes that any reasonably possible change in the other key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of this CGU. Management determined the budgeted gross margin based on past performance and its expectations for the market development.

The discount rate used reflects specific risks relating to the relevant business and consistent with external sources of information. Assuming the growth rate decreases by 150 basis points or discount rate increase by 150 basis points there is still sufficient headroom and no impairment charge is required for goodwill as at 31 March 2014 (2013: Nil).

23. 商譽－續

含有商譽之現金產生單位減值測試 －續

附註：

葆宜及其附屬公司

此現金產生單位（「現金產生單位」）之可收回金額乃根據使用價值計算釐定，而使用價值根據管理層所批准之涵蓋五年期財務預算所得出之現金流量預測，以及貼現率每年10.33%（二零一三年：9.01%）計算。預算期內之現金流量預測，乃基於整個預算期內相同之預測毛利率計算。管理層認為，採納預算期後現金流量之穩定年增長率1%（二零一三年：1%）推算乃屬審慎及適當。此增長率並不超過市場之長期平均增長率。管理層相信，計算可收回金額所依據之其他重大假設可能出現之合理變動，不會導致此現金產生單位之賬面總值超逾其可收回金額總值。管理層根據過往表現及其對市場發展之預測釐定預算毛利率。

所使用貼現率反映相關業務之特定風險，並與外部所得資料相符。假設增長率減少150個基點或貼現率增加150個基點，仍有足夠空間，故於二零一四年三月三十一日之商譽無需減值支出（二零一三年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

23. GOODWILL – continued

Impairment Tests for Cash-generating Units

Containing Goodwill – continued

Note :- continued

Quanzhou Huihao

The recoverable amount of this cash generating unit (“CGU”) is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-year period and with discount rates of 10.33% (2013: 9.01%) per annum. Cash flow projections during the budgeted period are based on the same expected gross margins throughout the budget period. The management considers that it is prudent and appropriate to adopt a steady 1% (2013: 1%) annual growth rate of cash flows projections for each flows beyond the budgeted period. This growth rate does not exceed the long-term average growth rate for the market. Management believes that any reasonably possible change in the other key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of this CGU. Management determined the budgeted gross margin based on past performance and its expectations for the market development.

The discount rate used reflects specific risks relating to the relevant business and consistent with external sources of information. Assuming the growth rate decreases by 150 basis points or discount rate increase by 150 basis points there is still sufficient headroom and no impairment charge is required for goodwill as at 31 March 2014 (2013: Nil).

23. 商譽－續

含有商譽之現金產生單位減值測試－續

附註：－續

泉州惠好

此現金產生單位（「現金產生單位」）之可收回金額乃根據使用價值計算釐定，而使用價值根據管理層所批准之涵蓋五年期財務預算所得出之現金流量預測，以及貼現率每年10.33%（二零一三年：9.01%）計算。預算期內之現金流量預測，乃基於整個預算期內相同之預測毛利率計算。管理層認為，採納預算期後現金流量之穩定年增長率1%（二零一三年：1%）推算乃屬審慎及適當。此增長率並不超過市場之長期平均增長率。管理層相信，計算可收回金額所依據之其他重大假設可能出現之合理變動，不會導致此現金產生單位之賬面總值超逾其可收回金額總值。管理層根據過往表現及其對市場發展之預測釐定預算毛利率。

所使用貼現率反映相關業務之特定風險，並與外部所得資料相符。假設增長率減少150個基點或貼現率增加150個基點，仍有足夠空間，故於二零一四年三月三十一日之商譽無需減值支出（二零一三年：無）。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

24. INVENTORIES

Inventories in the consolidated statement of financial position comprises:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Finished goods	製成品	128,541	119,570

24. 存貨

於綜合財務狀況表之存貨包括：

25. TRADE AND OTHER RECEIVABLES AND DEPOSITS

25. 貿易及其他應收款項及按金

		The Group 本集團		The Company 本公司	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Trade receivables	貿易應收款項	271,763	345,800	-	-
Bills receivables	應收票據	7,748	7,490	-	-
Prepayments and deposit paid	預付款項及已付按金	127,116	58,181	113	2,036
Prepaid lease payments (Note 21)	預付租賃款項(附註21)	188	184	-	-
Other receivables	其他應收款項	22,321	16,976	-	-
		429,136	428,631	113	2,036
Less: Impairment loss recognised in respect of other receivables	減：就其他應收款項確認的減值虧損	(1,152)	(1,232)	-	-
		427,984	427,399	113	2,036

As at 31 March 2014, bills receivable of approximately HK\$7,748,000 (2013: HK\$7,490,000) will be matured within six months after the end of the reporting period. All the bills receivable are denominated in RMB.

於二零一四年三月三十一日，應收票據約7,748,000港元(二零一三年：7,490,000港元)將於報告期末六個月內到期。所有應收票據均以人民幣計值。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

25. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

Included in other receivables was the value added tax (“VAT”) recoverable of approximately HK\$9,750,000 as at 31 March 2014 (2013: HK\$10,753,000).

Payment terms with customers from the pharmaceutical wholesale and distribution business and pharmaceutical retail chain business are mainly on credit. Invoices are normally payable from 30 to 90 days of issuance. The following is an aged analysis of trade receivables based on invoice date at the end of the reporting period:

25. 貿易及其他應收款項及按金 —續

於二零一四年三月三十一日，計入其他應收款項之可收回增值稅（「增值稅」）約9,750,000港元（二零一三年：10,753,000港元）。

藥品批發及分銷業務以及藥品零售連鎖店業務客戶的付款方式主要為記賬收款。款項一般須於發票日期後30至90日內支付。以下為於報告期末根據發票日期的貿易應收款項的賬齡分析：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Within 90 days	90日以內	223,387	284,759
91 – 180 days	91至180日	27,562	56,130
181 – 365 days	181至365日	15,439	3,489
Over 365 days	超過365日	6,711	2,859
		273,099	347,237
Less: Impairment loss recognised in respect of trade receivables	減：就貿易應收款項確認的 減值虧損	(1,336)	(1,437)
		271,763	345,800

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

25. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

Trade receivables disclosed above include amounts which are past due at the end of the reporting period but against which the Group has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Group to the counterparty. The individually impaired receivables related to customers that were in financial difficulties and the Directors assessed that the amounts are not expected to be recovered.

Ageing of impaired trade receivables

Over 365 days 超過365日

25. 貿易及其他應收款項及按金 一續

上文披露的貿易應收款項包括於報告期末已逾期但本集團並無確認應收款項呆賬撥備的款項，原因為有關款項的信貨質素並無重大變動且仍認為可予收回。本集團並無就此等結餘持有任何抵押品或其他信貸加強項目，亦無法定權利可以本集團結欠交易對手的任何款項作抵銷。個別減值的應收款項涉及有財務困難的客戶，董事的評估為預計該等金額不能收回。

已減值貿易應收款項之賬齡

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Over 365 days 超過365日	1,336	1,437

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

25. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

Ageing of past due but not impaired

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Overdue by:	已逾期:		
1 – 90 days	1至90日	27,562	56,130
91 – 180 days	91至180日	15,439	3,489
Over 180 days	超過180日	5,375	1,422
		48,376	61,041

Included in the Group's trade receivables balances are balances with aggregate carrying amount of approximately HK\$48,376,000 (2013: HK\$61,041,000) which was past due as at the reporting date for which the Group not provided for impairment loss.

Movement in the provision for impairment loss recognised in respect of trade receivables is summarised as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Balance at beginning of the year	於年初之結餘	1,437	1,044
Impairment losses recognised	已確認之減值虧損	518	859
Impairment losses reversed	減值虧損撥回	(645)	(476)
Exchange realignment	匯兌調整	26	10
		1,336	1,437
Balance at end of the year	於年末之結餘		

25. 貿易及其他應收款項及按金 一續

已逾期但尚未減值的賬齡

計入本集團貿易應收款項結餘中之賬面總額約48,376,000港元(二零一三年: 61,041,000港元)為於本報告日期已逾期之結餘,本集團並無就其計提減值虧損。

就貿易應收款項確認之減值虧損撥備變動概述如下:

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

25. TRADE AND OTHER RECEIVABLES AND DEPOSITS – continued

Included in allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$1,336,000 (2013: HK\$1,437,000). For overdue debts, based on the past default experience, payment history of the customers and subsequent settlement, the Group assessed the corporate customers for potential impairment losses. Full provision has been made for individual trade receivables aged over one year with no subsequent settlement as historical evidence shows that such amounts are not recoverable.

Movement in the provision for impairment loss of the Group recognised in respect of other receivables is summarised as follows:

25. 貿易及其他應收款項及按金 一續

呆賬撥備中計入個別減值之貿易應收賬款之總結餘為1,336,000港元(二零一三年:1,437,000港元)。就逾期債務而言,本集團根據過往被拖欠款項之經驗,客戶付款記錄及其後結算評估企業客戶之潛在減值虧損。本公司已為賬齡超過一年之其後並無結算之個別貿易應收賬款作出全額撥備,原因是根據過往證據顯示,此等金額無法收回。

就其他應收款項確認之本集團減值虧損撥備變動概述如下:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Balance at beginning of the year	於年初之結餘	1,232	1,095
Impairment losses recognised	已確認之減值虧損	-	130
Impairment losses reversed	減值虧損撥回	(101)	-
Exchange realignment	匯兌調整	21	7
Balance at end of the year	於年末之結餘	<u>1,152</u>	<u>1,232</u>

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

26. INVESTMENT IN SUBSIDIARIES

26. 於附屬公司之投資

		The Company 本公司	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Unlisted share, at cost	未上市股份，按成本	6,484	–

Details of the Company's principal subsidiaries, all of which are limited liability companies, at 31 March 2014 are as follows:

於二零一四年三月三十一日，本公司之主要附屬公司（均為有限公司）詳情如下：

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ registration capital and operation 註冊成立/ 註冊資本及 經營地點及日期	Class of share held 所持 股份類別	Particulars of issued and fully paid ordinary share capital/registered capital/registered 發行及 繳足或普通股/ 註冊資本之詳情	Percentage of equity, effective interest and voting power held by the Company 本公司持有之股權、 實際權益及投票權之比例		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Luxuriant Expand 茂加	British Virgin Island/ 10 April 2012 英屬處女群島/ 二零一二年四月十日	Ordinary 普通股	US\$100/ US\$50,000 100美元/ 50,000美元	100	–	Investment holding 投資控股
Timely Hero 時雄	British Virgin Island/ 1 December 2006 英屬處女群島/ 二零零六年十二月一日	Ordinary 普通股	US\$1/ US\$50,000 1美元/ 50,000美元	–	100	Investment holding 投資控股
Nurture Fit 葆宜	British Virgin Island/ 16 July 2009 英屬處女群島/ 二零零九年七月十六日	Ordinary 普通股	US\$1/ US\$50,000 1美元/ 50,000美元	–	100	Investment holding 投資控股
Hui Hao (HK) Group Limited ("Huihao Hong Kong") 惠好(香港)醫藥集團有限公司 (「惠好香港」)	Hong Kong/ 1 March 2004 香港/ 二零零四年三月一日	Ordinary 普通股	HK\$1,000,000 1,000,000港元	–	100	Investment holding 投資控股

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

26. INVESTMENT IN SUBSIDIARIES – continued

26. 於附屬公司之投資 – 續

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ registration capital/ and operation 註冊成立/ 註冊資本及 經營地點及日期	Class of share held 所持 股份類別	Particulars of issued and fully paid ordinary share capital/registered 發行及 繳足或普通股/ 註冊資本之詳情	Percentage of equity, effective interest and voting power held by the Company 本公司持有之股權、 實際權益及投票權之比例		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Fujian Huihao Sihai Pharmaceutical Chain Company Limited ("Huihao Sihai") [#] 福建惠好四海醫藥連鎖 有限責任公司 (「惠好四海」) [#]	The PRC/ 30 November 2001	Registered	RMB15,856,350	-	99.29	Pharmaceutical retail chain business in the PRC 於中國藥品零售連鎖店業務
Fujian Province Fuzhou City Huihao Pharmaceutical Co. Ltd. ("Fuzhou Huihao") [#] 福建省福州市惠好藥業 有限公司 (「福州惠好」) [#]	The PRC/ 9 July 2008	Registered	RMB60,000,000	-	100	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Putian Huihao Medicine Co. Ltd. ("Putian Huihao") [#] 福建莆田惠好醫藥 有限公司 (「莆田惠好」) [#]	The PRC/ 11 July 2008	Registered	RMB10,000,000	-	100	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Fujian Huiming Medicine Co. Ltd. ("Fujian Huiming") [#] 福建省惠明醫藥有限公司 (「福建惠明」) [#]	The PRC/ 10 July 2008	Registered	RMB20,000,000	-	100	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務
Quanzhou Huihao [#] 泉州惠好 [#]	The PRC/ 17 May 2007	Registered	RMB10,000,000	-	100	Pharmaceutical wholesale and distribution business in the PRC 於中國藥品批發及分銷業務

[#] The English names of the Company's subsidiaries in the PRC are transliteration of their respective Chinese names have not has been registered.

[#] 本公司中國附屬公司之按彼等各自之中文名稱翻譯之英文名稱尚未註冊。

In addition, the directors of the Company made an assessment as at the date of initial application of HKFRS 12 and at the end of the reporting period. In the opinion of the directors, there is no subsidiary that have non-controlling interest individually that are material to the Group and therefore no information is disclosed for the non-wholly owned subsidiary.

此外，本公司董事已於首次應用香港財務報告準則第12號之日期及於報告期末進行評估。董事認為，概無附屬公司個別擁有對本集團而言屬重大的非控股股東權益，故並無披露該非全資附屬公司之資料。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

26. INVESTMENT IN SUBSIDIARIES – continued

Significant restrictions

Cash and short-term deposits of RMB held in the PRC are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the PRC, other than through normal dividends.

26. 於附屬公司之投資 – 續

重大限制

於中國以人民幣持有的現金及短期存款，皆須遵守當地匯兌管控條例。該等當地匯兌控制條例就中國之對外資本提出限制，惟透過一般股息發放者除外。

27. AMOUNT DUE FROM A FELLOW SUBSIDIARY

27. 應收一間同系附屬公司款項

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Name of a fellow subsidiary	一間同系附屬公司名稱		
Edward Hospital Company Limited	重慶愛德華醫院有限公司	<u>2,956</u>	<u>448</u>

The maximum amount due from a fellow subsidiary outstanding during the years ended 2014 and 2013 are as follows:

截至二零一四年及二零一三年止年度，應收同系附屬公司款項尚未收取的最高金額如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Name of a fellow subsidiary	一間同系附屬公司名稱		
Edward Hospital Company Limited	重慶愛德華醫院有限公司	<u>2,956</u>	<u>3,419</u>

The amount due from a fellow subsidiary is unsecured, interest-free and recoverable on demand.

應收一間同系附屬公司款項為無抵押、免息及須按要求償還。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

28. AMOUNT DUE FROM THE IMMEDIATE HOLDING COMPANY

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Name of the immediate holding company	直接控股公司名稱		
Greatly Wealth	大發	5	5

The maximum amount due from the immediate holding company outstanding during the years ended 2014 and 2013 are as follows:

截至二零一四年及二零一三年止年度，應收直接控股公司款項尚未收取的最高金額如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Name of the immediate holding company	直接控股公司名稱		
Greatly Wealth	大發	5	5

The amount due from the immediate holding company is unsecured, interest-free and recoverable on demand.

應收直接控股公司款項為無抵押、免息及須按要求償還。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

29. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

29. 按公平值透過損益列賬之金融工具

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Investment at fair value	按公平值列賬之投資	1,259	–
Fair value	公平值	1,259	–

As at 31 March 2014, the Group's investment in open-end asset portfolio wealth management products were designated at financial assets at fair value through profit or loss of which fair values are determined by reference to the quoted market bid prices available on the relevant PRC market.

於二零一四年三月三十一日，本集團於開放式資產組合型理財產品之投資乃指定為按公平值透過損益列賬之金融工具，其公平值乃參考中國相關市場可得之市場報價釐定。

30. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

30. 現金及現金等值項目及已質押銀行存款

		The Group 本集團		The Company 本公司	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值項目	43,638	30,676	102	10

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綜合財務報表附註

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30. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS – continued

At the end of the reporting period, the cash at banks and in hand of the Group denominated in RMB amounted to approximately HK\$34,835,000 (2013: approximately HK\$30,501,000). The cash and cash equivalents are deposits with creditworthy banks with no recent history of default.

The RMB is not freely convertible into other currencies, but conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorization to conduct foreign exchange business.

Pledged bank deposits:

As at 31 March 2014, a bank deposit denominated in RMB amounted to approximately HK\$17,431,000 (2013: approximately HK\$3,609,000) were pledged as collateral for bank borrowings and bill payables. And the effective interest rate on pledged bank deposits is 2.8% (2013: 3.0%).

30. 現金及現金等值項目及已質押銀行存款 – 續

於報告期末，本集團以人民幣列值之銀行現金及手頭現金合共約為34,835,000港元（二零一三年：30,501,000港元）。現金及現金等價物乃存於近期並無違約記錄而信譽良好之銀行。

人民幣不可自由兌換為其他貨幣，惟人民幣兌換為外幣乃須遵守中國內地的外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

已質押存款：

於二零一四年三月三十一日，以人民幣列值之銀行存款達約17,431,000港元（二零一三年：約3,609,000港元）乃就銀行借貸及應付票據質押作為抵押品。及已質押銀行存款之實際利率為2.8%（二零一三：3.0%）。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

31. TRADE AND OTHER PAYABLES

31. 貿易及其他應付款項

		The Group 本集團		The Company 本公司	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Trade payables	貿易應付款項	192,298	278,309	-	-
Bills payables	應付票據	36,070	4,350	-	-
Accruals and other payables	應計費用及其他應付款項	31,763	21,083	2,577	3
Receipt in advance	預收款項	22,949	3,016	-	-
		283,080	306,758	2,577	3

Included in accruals and other payables was the deposits from customers of approximately HK\$16,117,000 as at 31 March 2014 (2013: HK\$1,242,000).

計入應計費用及其他應付款項為截至二零一四年三月三十一日止來自客戶之按金約16,117,000港元(二零一三年: 1,242,000港元)。

The following is an aged analysis of trade payables at the end of the reporting period:

以下為於報告期末之貿易應付款項賬齡分析:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Within 90 days	90日以內	131,694	157,368
91 – 180 days	91至180日	15,492	56,640
181 – 365 days	181至365日	18,504	51,350
Over 365 days	超過365日	26,608	12,951
		192,298	278,309

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

31. TRADE AND OTHER PAYABLES – continued

The credit period on purchases of certain goods in range from 30 to 90 days.

The bills payables are matured within six months from the ended of the reporting period. And the bills payables were secured by certain pledged bank deposits. All the bill payables are denominated in RMB.

32. AMOUNT DUE TO THE ULTIMATE HOLDING COMPANY

The Company and the Group

Amount due to the ultimate holding company is unsecured, interest free and repayable on demand.

33. AMOUNTS DUE TO SUBSIDIARIES/FELLOW SUBSIDIARIES/NON-CONTROLLING SHAREHOLDERS OF A SUBSIDIARY

The Company and the Group

Amounts due to subsidiaries/fellow subsidiaries/non-controlling shareholders of subsidiary are unsecured, interest free and repayable on demand.

31. 貿易及其他應付款項－續

購買若干貨品之信貸期介乎30至90日之間。

應付票據自報告期末起計六個月內到期。應付票據以若干已抵押銀行存款作為抵押。所有應付票據均以人民幣計值。

32. 應付最終控股公司款項

本公司及本集團

應付最終控股公司款項為無抵押、免息及須按要求償還。

33. 應付附屬公司／同系附屬公司／一間附屬公司之非控股股東之款項

本公司及本集團

應付附屬公司／同系附屬公司／一間附屬公司之非控股股東之款項為無抵押、免息及須按要求償還。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

34. BANK BORROWINGS

34. 銀行借貸

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Bank borrowings – secured	銀行借貸 – 有抵押	<u>88,088</u>	<u>50,672</u>
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Carrying amount repayables: Within one year shown under current liabilities	應償還賬面金額： 一年內，計入流動負債	<u>88,088</u>	<u>50,672</u>

Bank borrowings at:

銀行借貸按以下計息：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
– Variable interest rate	– 浮息	62,920	1,236
– Fixed interest rate	– 定息	<u>25,168</u>	<u>49,436</u>
		<u>88,088</u>	<u>50,672</u>

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

34. BANK BORROWINGS – continued

The contractual variable and fixed interest rates per annum in respect of bank borrowings were within the following ranges:

		2014 二零一四年 %	2013 二零一三年 %
Variable rate	浮息	7.78 to 8.40	7.80
Fixed rate	定息	8.10	7.57 to 7.80

Notes:

- (a) As at 31 March 2013, the secured bank borrowings of approximately HK\$12,359,000 were secured by personal guarantee by Mr. Weng Jiaying who is executive director of the Company and an independent third party.
- (b) As at 31 March 2013, the secured bank borrowing of approximately HK\$37,077,000 were secured by corporate guarantee by independent third parties and inter-group company, carries fixed interest rate at 7.57% to 7.80% per annum as at 31 March 2013.
- (c) As at 31 March 2014, the secured bank borrowings of approximately HK\$62,920,000 (2013: approximately HK\$1,236,000) were secured by corporate guarantee by inter-group company, carries variable interest rate at 7.78% to 8.40% (2013: 7.80%).
- (d) As at 31 March 2014, the secured bank borrowings of approximately HK\$25,168,000 were secured by corporate guarantee by inter-group company, carried at fixed interest rate at 8.10% per annum.
- (e) Details of assets were pledged to bank to secure the Group's banking facilities, please refer to the Note 42.

34. 銀行借貸－續

有關銀行借貸以合約浮息及定息計息之年利率於下列範圍內：

附註：

- (a) 於二零一三年三月三十一日，有抵押銀行借貸約12,359,000港元乃以翁加興先生（本公司之執行董事）及一名獨立第三方提供的個人擔保作為抵押。
- (b) 於二零一三年三月三十一日，有抵押銀行借貸約37,077,000港元則以獨立第三方及集團內公司提供的公司擔保作抵押，兩筆借款按於二零一三年三月三十一日之年利率7.57厘至7.80厘以定息計息。
- (c) 於二零一四年三月三十一日，有抵押銀行借貸約62,920,000港元（二零一三年：約1,236,000港元）以集團內公司提供的公司擔保作為抵押，並按年利率7.78厘至8.40厘（二零一三年：7.80厘）以浮息計息。
- (d) 於二零一四年三月三十一日，有抵押銀行借貸約25,168,000港元以集團內公司提供的公司擔保作為抵押，並按年利率8.10厘以定息計息。
- (e) 抵押予銀行以擔保本集團獲授之銀行信貸之資產之詳情請參閱附註42。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

34. BANK BORROWINGS – continued

Notes: – continued

- (f) Details of guarantees provided by related parties are set out in Note 40(c) & (d).
- (g) The carrying amount of the Group's bank borrowings are all originally denominated in RMB.

35. DEFERRED TAXATION

No deferred tax liabilities or assets are recognised in the consolidated financial statements as the Group and the Company did not have material temporary difference arising between the tax bases of liabilities or assets and their carrying amounts at 31 March 2014 and 2013.

36. SHARE CAPITAL

34. 銀行借貸－續

附註：－續

- (f) 由關連方提供擔保之詳情載於附註40(c)及(d)。
- (g) 本集團之銀行借貸之賬面值最初全部以人民幣列值。

35. 遞延稅項

由於本集團於二零一四年及二零一三年三月三十一日之負債或資產稅基及其賬面值並無出現重大差異，故並無任何遞延稅項負債或資產於綜合財務報表中確認。

36. 股本

		Number of shares 股份數目	Nominal value of ordinary shares 普通股之 賬面值 HK\$'000 千港元
Authorised:	法定：		
On the date of incorporation and 31 March 2013 Ordinary share of HK\$0.01 each	於註冊成立日期及 二零一三年三月三十一日 每股面值0.01港元之普通股	38,000,000	380
Increase of ordinary shares	普通股增加	1,962,000,000	19,620
		<hr/>	<hr/>
At 31 March 2014	於二零一四年三月三十一日	2,000,000,000	20,000
		<hr/>	<hr/>
Issued and fully paid:	已發行及繳足：		
On the date of incorporation and 31 March 2013	於註冊成立日期及 二零一三年三月三十一日	1	1
Issue of share under the Reorganisation	根據重組發行股份	648,405,299	6,483
		<hr/>	<hr/>
At 31 March 2014	於二零一四年三月三十一日	648,405,300	6,484
		<hr/>	<hr/>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

36. SHARE CAPITAL – continued

Notes:

- (a) The Company was incorporated on 9 July 2012 with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of par value HK\$0.01 each.
- (b) On 9 July 2012, one share was allotted and issued in nil paid form the incorporation share to Codan Trust Company (Cayman) Limited as subscriber, which was then transferred by Codan Trust Company (Cayman) Limited to Greatly Wealth at nil consideration on the same date.
- (c) Pursuant to the written resolutions of our sole Shareholder passed on 3 September 2013, the authorised share capital of the Company was increased from HK\$380,000 to HK\$20,000,000 by the creation of a further 1,962,000,000 shares.
- (d) On 3 September 2013, the Company acquired the entire issued share capital of Luxuriant Expand from Hua Xia in consideration of the Company allotting and issuing 648,405,299 fully paid up shares (all credited as fully paid) to Greatly Wealth and the crediting as fully paid at par of the incorporation share registered in the name of Greatly Wealth.
- (e) Immediately following the completion of the spin-off, without taking into account of any shares which may be issued upon the exercise of any options which may be granted under the share option scheme, the authorised share capital of the Company will be HK\$20,000,000 divided into 2,000,000,000 shares, of which 648,405,300 shares have been allotted and issued, fully paid or credited as fully paid and 1,351,594,700 shares remain unissued. Other than the shares issuable pursuant to the exercise of any options which may fall to be granted under the share option scheme, or the exercise of the general mandate referred to in the paragraph headed "Written resolutions of our sole shareholder dated 24 September 2013" in the prospectus of the Company dated 30 September 2013, under this section, the Directors have no present intention to issue any part of the authorised but unissued capital of our Company, and without the prior approval of the members of our Company in general meeting, no issue of shares will be made which would effectively alter the control of the Company.
- (f) Save as aforesaid, there has been no alteration in the share capital of the Company since its incorporation.

36. 股本一續

附註：

- (a) 本公司於二零一二年七月九日註冊成立時的法定股本為380,000港元，分為38,000,000股每股面值0.01港元的股份。
- (b) 於二零一二年七月九日，向Codan Trust Company (Cayman) Limited (作為認購人)配發及發行一股未繳股款股份，該股份其後於同日由Codan Trust Company (Cayman) Limited無償轉讓予大發。
- (c) 根據唯一股東於二零一三年九月三日通過的書面決議案，本公司藉進一步增設1,962,000,000股股份，將本公司法定股本由380,000港元增至20,000,000港元。
- (d) 於二零一三年九月三日，本公司向華夏收購茂加的全部已發行股本，作為本公司向大發配發及發行648,405,299股繳足股款股份(全部入賬列作繳足)及按面值以入賬方式繳足登記於大發名下的註冊成立股份的代價。
- (e) 緊隨分拆完成後，不計及根據購股權計劃可能授出的任何購股權獲行使而可能發行的任何股份，本公司的法定股本將為20,000,000港元(分為2,000,000,000股股份)，其中648,405,300股股份已獲配發及發行、繳足或入賬列作繳足，1,351,594,700股股份仍未發行。除根據購股權計劃可能授出的任何購股權獲行使或本公司日期為二零一三年九月三十日之招股書中「日期為二零一三年九月二十四日的唯一股東書面決議案」一段所指的一般授權獲行使而可發行的股份外，根據此節，董事目前無意發行本公司法定但尚未發行股本的任何部分，且未經本公司股東於股東大會上事先批准，不會發行實際上改變本公司控制權的股份。
- (f) 除上述者外，本公司股本自註冊成立之日以來並無任何變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

37. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the years ended 31 March 2014 and 2013 are presented in the consolidated statement of changes in equity of the consolidated financial statements.

Details of change in the Company's individual components of equity are set out below:

The Company

37. 儲備

本集團

本集團截至二零一四年及二零一三年三月三十一日止年度之儲備及其變動金額呈列於綜合財務報表之綜合權益變動表。

本公司之個別部分權益之變動詳情載列如下：

本公司

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 9 April 2012 (the date of incorporation)	於二零一二年四月九日 (註冊成立日期)	-	-	-
Loss for the period	期間虧損	-	(7,423)	(7,423)
Total comprehensive loss for the period	期內全面虧損總額	-	(7,423)	(7,423)
At 31 March 2013 and 1 April 2013	於二零一三年 三月三十一日及 二零一三年四月一日	-	(7,423)	(7,423)
Loss for the year	年度虧損	-	(8,355)	(8,355)
Total comprehensive loss for the year	年內全面虧損總額	-	(8,355)	(8,355)
Share issuing expenses	股份發行開支	(7,653)	-	(7,653)
At 31 March 2014	於二零一四年 三月三十一日	(7,653)	(15,778)	(23,431)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

38. RETIREMENT BENEFITS PLAN

The Group operates as Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, this contribution is matched by employees.

The employees of the Group's subsidiaries established in the PRC are members of state-managed retirement benefits schemes operated by the local government. The subsidiaries are required to contribute a certain percentage of their payroll costs to the retirement benefits to fund the benefits. The only obligations of the Group with respect to the retirement benefits schemes are to make the specified contributions.

38. 退休福利計劃

本集團為香港全體合資格僱員設立強制性公積金計劃。計劃之資產與本集團之資產分開持有，存入由信託人控制之基金。本集團按有關薪酬成本5%向計劃供款，僱員亦會作出相應供款。

本集團於中國成立之附屬公司之僱員為當地政府管理之國家管理退休福利計劃成員。該等附屬公司須按薪酬開支之若干百分比向退休福利計劃供款以撥付退休福利。本集團就退休福利計劃之唯一責任為作出所需供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

39. SHARE OPTION SCHEMES

On 24 September 2013, the Company adopted a share option scheme (the "Share Option Scheme") whereby the Board can grant options for the subscription of our shares to the employees, managerial staff and senior employees and those other persons that the Board considers that they will contribute or have contributed to the Group (the "Participants") as described in the Share Option Scheme in order to serve as compliment and to reciprocate their contribution to the Group. The maximum number of shares that can be issued according to the Share Option Scheme was 64,840,530 shares, which is equivalent to 10% of the issued capital of the Company after completion of the Listing on the Stock Exchange. The number of options that may be granted pursuant to the terms of the Share Option Scheme shall not exceed 10% of the issued shares immediately after the completion of the Listing. Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to a Participant under the options shall not exceed 1% within any 12-month period (other than those granted to the substantial shareholders (as defined in the Listing Rules) of the Company or the independent non-executive Directors or any of their respective associates (as defined in the Listing Rules)), or the total number of shares that may be granted under the options to the substantial shareholders of the Company or the independent non-executive Directors or any of their respective associates shall not exceed 0.1% of the shares in issue of the Company from time to time. There is no minimum period that the options must be held before they become exercisable, and the options granted shall be exercised within the period decided by the Board; however no options shall be exercised 10 years after they have been granted. The exercise price of the option shall be the higher of (a) the closing price of the shares on the daily quotation sheet of the Stock Exchange on the date of grant; (b) the average closing price of the shares on the daily quotation sheet of the Stock Exchange for the five trading days immediately preceding the date of grant; and (c) nominal value of the share. Each grantee shall pay a consideration of HK\$1.00 at the time the option is granted. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

Since the Share Option Scheme was adopted, no options have been granted during the reporting period (2013: Nil).

39. 購股權計劃

於二零一三年九月二十四日，本公司採納一項購股權計劃（「購股權計劃」），據此，董事會可向本集團僱員、行政人員及高級職員以及購股權計劃所述董事會認為將會對或曾經對本集團作出貢獻的該等其他人士（「參與人士」）授出購股權，以認購本公司股份，藉此向彼等給予獎勵及回報彼等對本集團作出的貢獻。根據購股權計劃可發行的最高股份數目為64,840,530股股份，相等於本公司於聯交所完成上市後已發行股本的10%。根據購股權計劃條款可授出的購股權數目不得超過緊隨完成上市後本公司已發行股份的10%。除非本公司股東於股東大會另行批准，否則可根據購股權授予參與人士的股份數目於任何12個月內不得超過1%（向本公司主要股東（定義見上市規則）或獨立非執行董事或彼等各自之聯繫人士（定義見上市規則）授出者除外），或根據購股權可授予本公司主要股東或獨立非執行董事或彼等各自的任何聯繫人士的股份總數不得超過本公司不時已發行股份的0.1%。概無規定購股權可行使前須持有的最短期間，而授出的購股權須於董事會決定的期間內行使，但並無購股權可於授出後超過10年再行使。購股權行使價須為(a)股份於授出日期聯交所每日報價表上所列的收市價；(b)股份於緊接授出日期前五個交易日聯交所每日報價表上所列的平均收市價；及(c)股份的面值之較高者。各承授人須於獲授購股權之時支付1.00港元之代價。購股權計劃於獲採納當日生效，直至該日起計10年期間內仍然有效。

自採納購股權計劃以來，於本報告期間並未授出任何購股權（二零一三年：無）。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

40. SIGNIFICANT RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements of Notes 12, 14, 15, 27, 28, 32 and 33 the Group had entered into transactions with related parties which, in the opinion of directors, were carried out with normal commercial terms and in the ordinary course of the Group's business, as shown below:

(a) Key management personnel remuneration:

40. 重大關聯人士交易

除財務報表附註12、14、15、27、28、32及33之其他部分所披露者外，本集團曾與關聯人士進行下列交易，董事認為，該等交易乃按正常商業條款並於本集團日常業務過程中進行，列示如下：

(a) 主要管理人員薪酬：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Short term employees benefits	短期僱員福利	640	392
Provident fund contributions	公積金供款	23	11
		663	403

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綜合財務報表附註

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40. SIGNIFICANT RELATED PARTY TRANSACTIONS – continued

(b) The transactions with related parties during the reporting periods:

40. 重大關聯人士交易－續

(b) 於報告期間，與關聯人士進行之交易如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Sales to fellow subsidiaries:	銷售予同系附屬公司：		
– Edward Hospital Company Limited	– 重慶愛德華醫院有限公司	3,962	5,335
– Jiaxing City Shuguang Western and Chinese Hospital Limited	– 嘉興市曙光中西醫結合醫院有限公司	19	970
Administrative service fee paid to the ultimate holding company:	支付予最終控股公司之管理服務費：		
– Hua Xia	– 華夏	6,384	9,379
Rental expenses paid to the ultimate holding company:	支付予最終控股公司之租金開支：		
– Hua Xia	– 華夏	–	224
Licence fee paid to the ultimate holding company:	支付予最終控股公司之許可費：		
– Hua Xia	– 華夏	411	–
Rental expenses paid to the spouse of Mr. Yung Kwok Leong	支付予翁國亮先生之配偶之租金開支	97	–

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

40. SIGNIFICANT RELATED PARTY TRANSACTIONS – continued

- (c) Mr. Weng Jiaxing who is executive director of the Company, has entered into a personal guarantee agreement on 30 October 2012 with Industrial and Commercial Bank of China Limited to secure banking facilities on behalf of the Group in an aggregate amount of RMB10,000,000 for two years and had been settled during the year.
- (d) Mr. Yung Kwok Leong who is a substantial shareholder of ultimate holding company, he has entered into a personal guarantee agreement on 14 March 2014 with China CITIC Bank Corporation Limited to secure banking facilities on behalf of the Group in aggregate amount of RMB10,000,000 for one and half years, and the amount have not been utilised as at 31 March 2014.

The Group had entered into a number of transactions with connected parties which, upon the listing of the Shares on the Stock Exchange, became connected persons of the Company under the Listing Rules. These transactions are continuing connected transactions exempt from the independent shareholder's approval requirements under the Listing Rules. The detailed information has been disclosed on page 48.

41. CONTINGENT LIABILITIES

As at 31 March 2014 and 2013, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the directors to be pending or threatened against any member of the Group.

40. 重大關聯人士交易－續

- (c) 翁加興先生(本公司執行董事)於二零一二年十月三十日與中國工商銀行股份有限公司訂立個人擔保協議,代表本集團就總金額為人民幣10,000,000元的銀行融資作擔保,為期兩年及已於年內償還。
- (d) 翁國亮先生(最終控股公司之主要股東)於二零一四年三月十四日與中信銀行股份有限公司訂立個人擔保協議,代表本集團就銀行信貸總額人民幣10,000,000元作出擔保,為期一年半而該款項於二零一四年三月三十一日尚未獲動用。

本集團與關連方訂立多項交易,於股份在聯交所上市後,根據上市規則,該等關連方成為本公司之關連人士。該等交易屬持續關連交易,故豁免遵守上市規則項下須獲獨立股東批准之規定。詳細資料已於第48頁披露。

41. 或然負債

於二零一四年及二零一三年三月三十一日,本集團成員公司概無涉及任何重大訴訟或仲裁,且就董事所知,本集團任何成員公司亦無尚未了結或可能面臨威脅之重大訴訟或索償。

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

42. PLEDGED OF ASSETS

At the end of the reporting period, the followings assets were pledged to bank to secure the Group's banking facilities in Note 34:

42. 資產抵押

於報告期末，下列資產已抵押予銀行以令本集團獲授附註34之銀行融資：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Pledged deposits (Note 30)	已抵押存款 (附註30)	17,431	3,609
Prepaid lease payments (Note 21)	預付租賃款項 (附註21)	1,979	-
Investment properties (Note 22)	投資物業 (附註22)	8,306	-
		27,716	3,609

43. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of each reporting period, the Group were committed to make the following future minimum lease payments in respect of land and buildings rented under non-cancellable operating leases with lease terms from one year to ten years which fall due as follows:

43. 經營租賃承擔

本集團作為承租人

於各報告期末，本集團根據不可撤銷經營租賃就租賃土地及樓宇於一年至十年之租賃年期到期支付的未來最低租金付款承擔如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Within one year	一年內	14,581	12,795
In the second to fifth years, inclusive	第二至五年 (包括首尾兩年)	17,883	21,050
Over five years	五年以上	441	229
		32,905	34,074

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綜合財務報表附註

For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

44. CAPITAL COMMITMENTS

As at 31 March 2014 and 2013, the Group and the Company did not have any significant capital commitments.

45. EVENTS AFTER THE END OF THE REPORTING PERIOD

Completion of the proposed acquisition

On 9 April 2014, the Company's wholly owned subsidiary, Fuzhou Huihao, (the "Purchaser") and Hui Hao Yi Yao (Xiamen) Company Limited (formerly name as Xiamen Hui Sheng Yi Yao Company Limited), a PRC pharmaceutical wholesale and distribution corporation, entered into an arrangement agreement in relation to the conditional acquisition 60% of net assets value of Hui Hao Yi Yao (Xiamen) Company Limited (the "Proposed Acquisition") by the Purchaser. The consideration of acquisition of RMB4,944,500 (equivalent to approximately HK\$6,204,000). Upon completion of the Proposed Acquisition, Hui Hao Yi Yao (Xiamen) Company Limited will become a 60% owned subsidiary of the Purchaser. The acquisition was completed on 23 April 2014 with all the conditions precedent under the arrangement agreement being fulfilled.

44. 資本承擔

於二零一四年及二零一三年三月三十一日，本集團及本公司並無任何重大資本承擔。

45. 報告期末後事項

完成建議收購事項

於二零一四年四月九日，本公司之全資附屬公司福州惠好（「買方」）與惠好醫藥（廈門）有限公司（前稱廈門暉晟醫藥有限公司，一間中國藥品批發及分銷公司）就買方有條件收購惠好醫藥（廈門）有限公司之60%資產淨值（「建議收購事項」）訂立安排協議。收購事項之代價為人民幣4,944,500元（相等於約6,204,000港元）。於完成建議收購事項後，惠好醫藥（廈門）有限公司將成為買方擁有60%權益之附屬公司。收購事項已於二零一四年四月二十三日於安排協議項下之所有先決條件已獲達成下完成。

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For the year ended 31 March 2014 截至二零一四年三月三十一日止年度

45. EVENTS AFTER THE END OF THE REPORTING PERIOD – continued

Completion of the proposed acquisition – continued

After the acquisition, the Company has engaged an independent qualified professional valuer to measure the fair value of the property, plant and equipment on the completion date. Since the valuation is still in progress, the Company is unable to measure any possible goodwill or gain from bargain purchase as at the date of completion. Therefore, the directors considered that it is not practicable to disclose the financial information of Hui Hao Yi Yao (Xiamen) Company Limited on the completion date at this stage.

Legal Proceedings

On 12 April 2014, Fuzhou Huihao as plaintiff initiated legal proceedings against a customer at the People's Court of Minhou County for a sale and purchase agreement, in which the amount is not material.

46. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 25 June 2014.

45. 報告期末後事項－續

完成建議收購事項－續

於完成收購事項後，本公司已委聘一名獨立合資格專業估值師，對物業、廠房及設備於完成日期之公平值進行估值。由於估值仍在進行當中，本公司未能計量於完成日期議價購買產生之任何可能商譽或收益。故此，董事認為於現階段披露惠好醫藥（廈門）有限公司於完成日期之財務資料乃不切實際。

法律訴訟

於二零一四年四月十二日，福州惠好（作為原告）就一份買賣協議於閩侯縣人民法院向一名客戶提出法律訴訟，其訴訟金額並不重大。

46. 批准綜合財務報表

綜合財務報表於二零一四年六月二十五日獲董事會批准及授權刊發。

Four Years Financial Summary

四年財務摘要

A summary of the results and of the assets and liabilities of the Group for the last three financial years, as extracted from the published audited financial statements and the prospectus, is set out below:

摘錄自己刊發經審核財務報表及招股書之本集團於對上三個財政年度之業績及資產與負債之概要載列如下：

RESULTS

業績

For the year ended 31 March
截至三月三十一日止年度

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Turnover	營業額	2,096,455	1,885,369	1,712,147	1,357,679
Cost of sales	銷售成本	(1,906,991)	(1,721,210)	(1,551,795)	(1,224,365)
Gross profit	毛利	189,464	164,159	160,352	133,314
Other revenue	其他收益	7,543	7,729	6,258	3,265
Other income	其他收入	746	1,078	1,922	231
Selling and distribution expenses	銷售及分銷費用	(70,524)	(61,397)	(54,899)	(38,929)
Administrative expenses	行政開支	(47,033)	(46,802)	(40,163)	(41,233)
Profit from operations	經營溢利	80,196	64,767	73,470	56,648
Finance costs	財務費用	(6,015)	(4,090)	(4,928)	(4,388)
Profit before taxation	除稅前溢利	74,181	60,677	68,542	52,260
Taxation	稅項	(25,113)	(18,772)	(23,210)	(19,420)
Profit for the year	本年度溢利	49,068	41,905	45,332	32,840
Profit for the year attributable to:	以下人士應佔本年度溢利：				
Owners of the Company	本公司擁有人	48,920	41,763	45,228	32,765
Non-controlling interests	非控股權益	148	142	104	75
		49,068	41,905	45,332	32,840

As at 31 March
於三月三十一日

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債				
Total assets	總資產	1,432,719	1,390,923	1,293,698	1,206,595
Total liabilities	總負債	386,996	(1,257,722)	(1,203,905)	(1,168,247)
Total equity	權益總額	1,045,723	133,201	89,793	38,348



WANJIA GROUP
萬嘉集團