



金利豐金融集團有限公司 KINGSTON FINANCIAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 01031)



2017

ANNUAL REPORT 年報

CONTENTS 目錄

- 2 Corporate Information
公司資料
- 4 Chairman's Statement
主席報告
- 6 Management Discussion and Analysis
管理層討論及分析
- 21 Corporate Governance Report
企業管治報告
- 37 Environmental, Social and Governance Report
環境、社會及管治報告
- 56 Report of the Directors
董事局報告
- 76 Independent Auditor's Report
獨立核數師報告
- 84 Consolidated Statement of Profit or Loss and Other
Comprehensive Income
綜合損益及其他全面收益表
- 86 Consolidated Statement of Financial Position
綜合財務狀況表
- 88 Consolidated Statement of Changes in Equity
綜合權益變動表
- 89 Consolidated Statement of Cash Flows
綜合現金流量表
- 91 Notes to the Financial Statements
財務報表附註

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chu, Nicholas Yuk-yui (*Chairman*)
Mrs. Chu Yuet Wah (*Chief Executive Officer*)
Mr. Chu, Kingston Chun Ho
Mr. Ho Chi Ho

Independent Non-executive Directors

Dr. Wong Yun Kuen
Mr. Lau Man Tak
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)

COMPANY SECRETARY

Mr. Chan Chun Lam

AUDIT COMMITTEE

Mr. Lau Man Tak (*Chairman*)
Dr. Wong Yun Kuen
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)

REMUNERATION COMMITTEE

Ms. Lo, Miu Sheung Betty (*Chairman*)
(appointed on 1 September 2016)
Dr. Wong Yun Kuen
Mr. Lau Man Tak
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)

NOMINATION COMMITTEE

Dr. Wong Yun Kuen (*Chairman*)
Mr. Lau Man Tak
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)

AUDITORS

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited
Chong Hing Bank Limited
Bank of Communications Co., Ltd.
Industrial and Commercial Bank of China (Macau) Limited

董事局

執行董事

朱沃裕先生 (*主席*)
李月華女士 (*行政總裁*)
朱俊浩先生
何志豪先生

獨立非執行董事

黃潤權博士
劉文德先生
羅妙嫦女士 (於二零一六年九月一日獲委任)
余伯仁先生 (於二零一六年九月一日辭任)

公司秘書

陳俊霖先生

審核委員會

劉文德先生 (*主席*)
黃潤權博士
羅妙嫦女士 (於二零一六年九月一日獲委任)
余伯仁先生 (於二零一六年九月一日辭任)

薪酬委員會

羅妙嫦女士 (*主席*) (於二零一六年九月一日獲委任)

黃潤權博士

劉文德先生
余伯仁先生 (於二零一六年九月一日辭任)

提名委員會

黃潤權博士 (*主席*)
劉文德先生
羅妙嫦女士 (於二零一六年九月一日獲委任)
余伯仁先生 (於二零一六年九月一日辭任)

核數師

香港立信德豪會計師事務所有限公司
香港
干諾道中 111 號
永安中心 25 樓

主要往來銀行

香港上海滙豐銀行有限公司
東亞銀行有限公司
創興銀行有限公司
交通銀行股份有限公司
中國工商銀行(澳門)股份有限公司

CORPORATE INFORMATION

公司資料

BERMUDA LEGAL ADVISERS

Conyers Dill & Pearman
Room 2901, One Exchange Square
8 Connaught Place
Central
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2801, 28th Floor
One International Finance Centre
1 Harbour View Street
Central
Hong Kong

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

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

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE IN HONG KONG

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

STOCK CODE

1031

WEBSITE

<http://www.kingston.com.hk>

百慕達法律顧問

Conyers Dill & Pearman
香港
中環
康樂廣場8號
交易廣場一座2901室

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港主要營業地點

香港
中環
港景街1號
國際金融中心一期
28樓2801室

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

1031

網址

<http://www.kingston.com.hk>

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the Board of directors (the "Board") of Kingston Financial Group Limited (the "Company"), I am pleased to present to you the Company's (together with its subsidiaries, the "Group") annual performance and business development for the year ended 31 March 2017 (the "Year").

The Group recorded a 8% decrease in revenue from approximately HK\$3,115,050,000 for the year ended 31 March 2016 ("the Previous Year") to HK\$2,878,897,000 for the Year. Profit attributable to the Company's shareholders for the Year decreased by 13% from approximately HK\$1,700,374,000 for the Previous Year to approximately HK\$1,484,943,000. It was mainly attributed to the decrease in income from securities brokerage, underwriting and placements business, hindered by the unstable, global financial environment which caused a strong pressure to the Hong Kong capital market and led to a 34% decrease in the average daily turnover of the Hong Kong securities market during the Year.

The Group has navigated the challenging financial atmosphere in Hong Kong and weathered the inevitable fluctuations in the market underpinned by its strong capital base, prudent risk control and team of professionals. The Group achieved satisfactory results in the industry with total revenue generated from the financial service business segment of approximately HK\$2,206,109,000 for the year ended 31 March 2017, representing a decrease of 10% as compared with HK\$2,443,448,000 in the Previous Year.

Encouragingly, stepping into 2017, businesses and financial markets began to respond more optimistically to the political and financial events around the globe, and there are also signs of recovery among advanced and developing economies. At a regional level, the Group is looking forward to the official confirmation of the bond connect scheme to be introduced through collaboration between Hong Kong Monetary Authority and the People's Bank of China, citing a desire to get access to northbound and southbound trading that drive up cross border investment activities and onshore exposure of international enterprises. As a leading player in the Hong Kong bourse, the Group will continue to explore proactive business engagement and opportunities.

各位股東：

本人謹代表金利豐金融集團有限公司(「本公司」)董事局(「董事局」)欣然向閣下呈報本公司(連同其附屬公司為「本集團」)截至二零一七年三月三十一日止年度(「本年度」)之年度業績及業務發展。

本集團收益錄得8%跌幅，由截至二零一六年三月三十一日止年度(「上一年度」)約3,115,050,000港元減至本年度之2,878,897,000港元。於本年度，本公司股東應佔溢利由上一年度約1,700,374,000港元減少13%至約1,484,943,000港元，主要由於本年度全球金融環境不穩，導致香港資本市場承受龐大壓力，香港證券市場每日平均成交金額因而下跌34%，令來自證券經紀、包銷及配售業務之收入減少。

面對充滿挑戰的香港金融市場，本集團憑藉雄厚的資本實力、審慎的風險監控及專業團隊，順利渡過難以避免的市場波動。本集團於截至二零一七年三月三十一日止年度取得業內令人滿意的成績，金融服務業務分類錄得總收益約2,206,109,000港元，較上一年度之2,443,448,000港元減少10%。

踏入二零一七年，商業及金融市場開始對環球政治及金融事件持更樂觀態度，發達經濟體系及發展中經濟體系亦呈現復甦跡象，情況令人鼓舞。就地區層面而言，本集團期望香港金融管理局與中國人民銀行正式落實引入債券通計劃，促進南北雙向交易，推動跨境投資活動及提高國際企業於境內的知名度。作為香港市場之領先券商之一，本集團將繼續積極發掘業務及商機。

CHAIRMAN'S STATEMENT

主席報告

Macau's gaming and tourism industry has seen a nascent recovery since last summer. With its efforts to reinvent itself as a Hollywood-themed resort, Macau remains one of the world's most popular tourist destinations. We believe the development of tourism and gaming business will remain stable in the long run. Supported by the steady demand, the Group's hotel business contributed revenue of approximately HK\$180,693,000 for the Year (the Previous Year: HK\$190,780,000), and gaming revenue amounted to approximately HK\$492,095,000 for the Year (the Previous Year: HK\$480,822,000).

Furthermore, the Group is cautiously optimistic about the tourism outlook of Macau. The Group would also like to diversify the origins of customers through enhanced membership programs and marketing activities.

Lastly, I would like to take this opportunity to express my gratitude to our board of directors, dedicated team of the Group professionals for their unwavering commitment and passion for the business over the past years. I would also like to sincerely thank all our valued service providers and business partners as well as you the shareholder for the continuous supports.

By Order of the Board

Chu, Nicholas Yuk-yui

Chairman

Hong Kong, 29 June 2017

澳門博彩及旅遊業自去年夏季起剛剛復甦。澳門努力將其打造為荷里活主題度假勝地，仍為全球最受歡迎的旅遊景點之一。我們相信，旅遊及博彩業務長遠而言將保持平穩發展。由於市場需求穩定，本集團酒店業務於本年度錄得收益約180,693,000港元(上一年度：190,780,000港元)，而於本年度之博彩收益則約為492,095,000港元(上一年度：480,822,000港元)。

此外，本集團對澳門旅遊業前景抱持審慎樂觀態度。本集團將透過完善會員計劃及市場推廣活動，進一步多元化發展客源。

最後，本人謹藉此機會衷心感謝董事局及本集團旗下專業團隊多年來對工作堅定不移且充滿熱誠。本人亦謹此向各服務供應商及業務夥伴和全體股東對本集團之不懈支持致以衷心謝意。

承董事局命

主席

朱沃裕

香港，二零一七年六月二十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On behalf of the Board of directors (the “Board”) of Kingston Financial Group Limited (the “Company”), I am pleased to announce the annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 March 2017 (the “Year”).

OVERVIEW

The Group is principally engaged in the provision of a wide range of financial services including securities brokerage, underwriting and placements, margin and initial public offering financing, corporate finance advisory, futures brokerage and asset management services. The Group also provides gaming and hospitality services in Macau.

Total revenue recorded by the Group for the Year amounted to approximately HK\$2,878,897,000, representing a decrease approximately of 8% as compared to approximately HK\$3,115,050,000 for the year ended 31 March 2016 (“the Previous Year”).

Profit attributable to the Company's shareholders for the Year amounted to approximately HK\$1,484,943,000, representing a decrease of approximately 13% as compared to approximately HK\$1,700,374,000 for the Previous Year. Basic earnings per share for the Year 2017 was approximately HK8.55 cents, representing a decrease of approximately 13% as compared to approximately HK9.79 cents for the Previous Year. The decreases were mainly due to the decrease in income from securities brokerage, underwriting and placements business.

本人謹代表金利豐金融集團有限公司(「本公司」)董事局(「董事局」)欣然宣佈本公司及其附屬公司(統稱「本集團」)截至二零一七年三月三十一日止年度(「本年度」)之年度業績。

概覽

本集團主要業務為提供全面金融服務，包括證券經紀、包銷及配售、保證金及首次公開發售融資、企業財務顧問、期貨經紀及資產管理服務。本集團亦在澳門提供博彩及酒店服務。

本集團於本年度錄得總收益約2,878,897,000港元，較截至二零一六年三月三十一日止年度(「上一年度」)約3,115,050,000港元減少約8%。

於本年度，本公司股東應佔溢利約為1,484,943,000港元，較上一年度約1,700,374,000港元減少約13%。於本年度，每股基本盈利約為8.55港仙，較上一年度約9.79港仙減少約13%。有關減少主要由於來自證券經紀、包銷及配售業務之收入減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS AND FINANCIAL REVIEW

2016 was a year clouded by uncertainties surrounding U.S. administration and its global spillovers. Economic growth among advanced economies for 2016 stayed modest, where financial conditions have generally tightened with unresolved structural issues. Meanwhile, the emerging markets are gradually recovering on the back of a pick-up in global demand. Against this background, China stands out with relatively stable economic performance. Despite worries over volatile Renminbi exchange rate, the Belt and Road initiative has been progressing rapidly. China reported GDP growth for the first quarter of 2017 accelerated at 6.9%, which was faster than the expected 6.5% annual pace. It is convinced that closer linkages with the Mainland's financial markets, the internationalisation of the Renminbi, the "going-out" of Mainland enterprises, as well as the Belt and Road Initiative are vital to Hong Kong's economic development over the longer run.

The local stock market has been navigating a volatile economic environment in 2016, until favourable developments such as slower-than-expected US interest rate hike, and the approval of Shenzhen-Hong Kong Stock Connect scheme came to revive market sentiment. For the Year, the average daily turnover of the Hong Kong securities market was HK\$67.4 billion (2016: HK\$102.9 billion), representing a 34% decrease. With the geographical advantages of its close proximity to China and the integration of the Hong Kong and China markets, listing activities in Hong Kong continued their stellar performance. A number of 146 newly listed companies were recorded during the Year, as compared to 130 reported newly listed companies for the Previous Year. The growing local financial market has brought in synergistic values to drive up the Company's business activities.

For the Year, the Group recorded satisfactory results in the industry amid the challenging financial atmosphere underpinned by its strong capital base and strategic management, especially across margin and IPO financing segments.

Gambling tourism in Macau began to benefit from the stable growth in Macau's tourist numbers along with new hotel establishments. For the Year, total gross revenue of Macau's gaming industry increased 4.1% to MOP231 billion as compared to MOP222 billion for the Previous Year.

業務及財務回顧

回顧二零一六年，國際政局受美國新政府影響而波譎雲詭。於二零一六年，發達經濟體系之經濟穩步增長，但由於地方政治問題懸而未決，財務狀況普遍緊張。與此同時，在全球消費需求回升之際，新興市場亦見逐步復甦。在此情況下，中國突圍而出，其經濟表現相對穩定。儘管市場憂慮人民幣匯率出現波動，惟「一帶一路」政策一直進展快速。中國於二零一七年第一季度錄得國內生產總值按年增長6.9%，高於全年預期增長6.5%。本集團深信，與內地金融市場保持更緊密聯繫、人民幣國際化、內地企業「走出去」及「一帶一路」政策均對香港長遠經濟發展相當重要。

本地股市於二零一六年一直面對經濟環境反覆波動，直至美國加息速度較預期緩慢及深港通落實，市場氣氛才得以改善。於本年度，香港證券市場之每日平均成交金額為674億港元（二零一六年：1,029億港元），減幅為34%。憑藉鄰近中國的地理優勢及中港市場不斷融合，香港之上市活動仍然表現卓越。於本年度，新增上市公司數量達146家，而上一年度則為130家。本地金融市場持續增長，帶來協同效應，推動本公司業務增長。

於本年度，全賴本集團之雄厚資本實力及策略管理，本集團得以在充滿挑戰的金融市場取得業內滿意成績，尤其在保證金及首次公開發售融資分類方面。

澳門博彩及旅遊業開始受惠於澳門旅客人數穩步增長及新酒店落成。於本年度，澳門博彩業收益總額為2,310億澳門元，較上一年度之2,220億澳門元增長4.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Securities Brokerage, Underwriting and Placements

Securities brokerage, underwriting and placement services is one of the main sources of income for the Group. The Group undertakes the origination, structuring and marketing of placements of equity and equity-related securities. It offers across-the-board solutions to clients' financing needs. The Group plays significant roles as placing agents and underwriters for a wide range of listed companies in different sectors.

The local market fell amid lingering concerns about the economic outlook in the Mainland and global uncertainties about US administration policy. During the Year, the Group's securities trading segment was hindered with revenue of approximately HK\$293,920,000 (2016: HK\$710,318,000, representing a significant decrease of approximately 59% compared to the Previous Year, which also accounted for approximately 13% (2016: 29%) of the Group's financial service segment revenue.

Margin and IPO Financing

To complement the Group's securities brokerage services, we also provide margin and IPO financing services. Margin financing is made available to clients who have opened margin accounts with the Group to purchase securities with funds borrowed from it to leverage their investments. IPO financing is the grant of loans to clients for subscriptions of shares relating to an IPO.

During the Year, revenue generated from the margin and IPO financing segment amounted to approximately HK\$1,879,222,000 (2016: HK\$1,697,925,000), representing a rise of approximately 11% as compared to the Previous Year, which also accounted for approximately 85% (2016: 69%) of the Group's financial service segment revenue.

證券經紀、包銷及配售

證券經紀、包銷及配售服務為本集團主要收入來源之一。本集團處理股權及股權相關證券配售之發起、組織及營銷，並向客戶提供切合其融資需要之全面解決方案。本集團成功擔當各行各業上市公司配售代理及包銷商之角色。

本地市場受到內地經濟前景憂慮及因美國新政府帶來之全球局勢不明拖累而下跌。於本年度，本集團證券買賣分類受到影響，收益約為293,920,000港元(二零一六年：710,318,000港元)，較上一年度大幅減少約59%，同時佔本集團金融服務分類收益約13%(二零一六年：29%)。

保證金及首次公開發售融資

本集團亦提供保證金及首次公開發售融資服務，以配合其證券經紀業務。在本集團開立保證金賬戶之客戶獲提供保證金融資，以便其運用借入資金購買證券，進行槓桿投資。首次公開發售融資乃指向認購首次公開發售股份之客戶授出貸款。

於本年度，保證金及首次公開發售融資分類收益約為1,879,222,000港元(二零一六年：1,697,925,000港元)，較上一年度增加約11%，同時佔本集團金融服務分類收益約85%(二零一六年：69%)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other Financial Services — Corporate Finance Advisory Services, Futures Brokerage and Asset Management

Complementing the securities brokerage, underwriting and placements, and margin and IPO financing, the Group also provides a full range of financial services to its clients including corporate finance advisory services, futures brokerage and asset management.

The Group holds license under the Securities and Futures Ordinance to engage in advising on corporate finance activities. The scope of services provided includes advising on corporate finance transactions, sponsoring IPOs and advising clients on deal structure and financing strategies in the context of mergers and acquisitions, equity fund raising exercises, takeovers and other notifiable transactions.

The Group provides brokerage services for index futures trading on the Futures Exchange, including After Hours Futures Trading, clients can place orders online and through telephone.

The Group also provides portfolio management services. The asset management business generates revenue by charging management fees and incentive fees based on the amount of assets under management, and returns of portfolios, respectively.

During the Year, this segment recorded revenue of approximately HK\$32,967,000 (2016: HK\$35,205,000), representing a decrease of approximately 6% as compared to the Previous Year, which also accounted for approximately 2% (2016: 2%) of the Group's financial service segment revenue.

Goodwill Impairment Assessment

Goodwill has arisen upon the Group's acquisition of financial services business completed in April 2011. An independent professional valuer was engaged to perform impairment assessment on the goodwill. It was found that the recoverable amount of all 3 cash generating units, namely the Placing and Underwriting segment, the Margin and IPO Financing segment and the Corporate Finance segment, exceed their respective carrying amount. Under this circumstance, no impairment on the goodwill is considered necessary.

其他金融服務 — 企業財務顧問服務、期貨經紀及資產管理

為與證券經紀、包銷及配售、保證金及首次公開發售融資相輔相成，本集團亦向客戶提供全面金融服務，包括企業財務顧問服務、期貨經紀及資產管理。

本集團持有證券及期貨條例項下牌照，可就機構融資活動提供意見。服務範疇包括就機構融資交易提供意見、保薦首次公開發售以及就併購、股本集資活動、收購及其他須予公佈交易之交易結構及融資策略向客戶提供意見。

本集團就於香港期交所買賣之指數期貨提供經紀服務，包括期貨夜市。客戶可透過網上及電話落盤。

本集團亦同時提供投資組合管理服務。資產管理業務之收益來源分別為按管理資產金額收取管理費及按投資組合回報收取獎勵費。

於本年度，此分類錄得收益約32,967,000港元(二零一六年：35,205,000港元)，較上一年度減少約6%，同時佔本集團金融服務分類收益約2%(二零一六年：2%)。

商譽減值評估

商譽於本集團於二零一一年四月完成收購金融服務業務時產生。本公司已委聘一名獨立專業估值師就商譽進行減值評估。全部三個現金產生單位(即配售及包銷分類、保證金及首次公開發售融資分類以及企業財務分類)之可收回金額超出其各自之賬面值。在此情況下，毋須作出商譽減值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Hotel Business

In addition to operating finance business, the Group is also engaged in hotel business in Macau, which comprises of hotel room rental, food and beverage operation catering to international and local markets.

The general performance of hotel business remained constant, revenue for the Year amounted to approximately HK\$180,693,000 (2016: HK\$190,780,000), representing a slightly decrease of approximately 5% compared to the Previous Year. Hotel business contributed approximately 27% (2016: 28%) of the total hotel and gaming business turnover.

Credit to our innovative marketing, promotional programs and excellent hospitality, the average occupancy rates of the two hotels, namely Casa Real and Grandview, were approximately 85% (2016: 82%) and 76% (2016: 70%) during the Year.

Gaming Business

The Group's casino operation is run by the licence holder Sociedade de Jogos de Macau, S.A. During the Year, the two casinos consistently provided solid contributions to the Group which was in line with the healthy growth of the gaming industry in Macau.

Gaming revenue, amounted to approximately HK\$492,095,000 for the Year, representing an increase of approximately 2% as compared to approximately HK\$480,822,000 of the Previous Year. Gaming revenue accounted for approximately 73% (2016: 72%) of total hotel and gaming business turnover.

As at 31 March 2017, the Group has 64 tables (2016: 61) in the mass market halls, 12 tables (2016: 14) in the VIP rooms and 280 slot machines (2016: 238) and 140 live baccarat machines (2016: 134) in the electronic gaming halls. Live baccarat machines brought additional crowd to the casino, achieving synergy with the slot machine business as well.

Other Income

Other income mainly represents handling charges received from securities clients, bad debts recovered and other miscellaneous income. The income decreased by approximately 35% from approximately HK\$45,490,000 for the Previous Year to approximately HK\$29,743,000 for this Year. The decrease was due to the decrease in securities handling charges and bad debts recovery during the Year.

酒店業務

除金融服務業務外，本集團亦在澳門從事酒店業務，包括出租酒店客房及經營餐飲業務，兼顧國際及本地市場。

酒店業務整體表現保持平穩，於本年度之收益約為180,693,000港元（二零一六年：190,780,000港元），較上一年度輕微減少約5%。酒店業務佔酒店及博彩業務總營業額約27%（二零一六年：28%）。

有賴本集團創新的市場營銷及推廣計劃，加上出色服務，兩家酒店（即皇家金堡及君怡）之平均入住率分別約為85%（二零一六年：82%）及76%（二零一六年：70%）。

博彩業務

本集團博彩業務由持牌人澳門博彩股份有限公司經營。於本年度，隨著澳門博彩業健康發展，該兩家賭場一直為本集團帶來穩定貢獻。

於本年度，博彩收益約為492,095,000港元，較上一年度約480,822,000港元增加約2%。博彩收益佔酒店及博彩業務總營業額約73%（二零一六年：72%）。

於二零一七年三月三十一日，本集團於中場設有64張（二零一六年：61張）賭檯、於貴賓廳設有12張（二零一六年：14張）賭檯以及於電子博彩廳設有280台（二零一六年：238台）角子機及140台（二零一六年：134台）直播百家樂機器。直播百家樂機器為賭場帶來更多顧客，與角子機業務產生協同效益。

其他收入

其他收入主要指向證券客戶收取之手續費、收回之壞賬及其他雜項收入。收入由上一年度約45,490,000港元減少約35%至本年度約29,743,000港元。有關減少乃由於本年度證券手續費及收回壞賬減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Fair value gain on held for trading investments

During the Year, the Hong Kong equity market experienced fluctuations. The market value of the held for trading investments held by the Group during the year recorded a fair value gain of approximately HK\$19,665,000 (2016: HK\$12,056,000). As at 31 March 2017, the Group was holding trading investments of approximately HK\$134,955,000 (2016: HK\$114,921,000) in market value.

Inventory consumed

Inventory consumed represents the cost of guest supplies and food and beverage consumed upon provision of accommodation and catering services to the customers. During the Year, it amounted to approximately HK\$21,871,000 (2016: HK\$23,296,000).

Staff costs

Staff costs amounted to approximately HK\$274,407,000 (2016: HK\$253,264,000), representing an increase of approximately 8%. Such an increase was mainly due to increase in compensation and benefits to employee to match market rates. Packages commensurate with employees' qualifications and experience were provided to retain good employees in the Group as well as to hire potential talents.

Gaming commission

Gaming commission represents amount paid as an incentive to attract customers. The commission paid by the Group was in line with market level. The amount dropped by approximately 20% from approximately HK\$114,479,000 in the Previous Year to approximately HK\$91,470,000 in the Year. The decrease was due to the decrease in chips turnover in the Group's two casinos as there was stiff competition in the gaming industry in Macau during the Year.

Broker Commission

Broker commission decreased significantly by approximately 64% from approximately HK\$130,801,000 in the Previous Year to approximately HK\$46,955,000 in the Year. The decrease was in line with the decrease in income from securities brokerage, underwriting and placements segment.

持作買賣投資之公平值收益

於本年度，香港股市反覆波動。於本年度，本集團持有之持作買賣投資市值錄得公平值收益約19,665,000港元(二零一六年：12,056,000港元)。於二零一七年三月三十一日，本集團持作買賣投資市值約為134,955,000港元(二零一六年：114,921,000港元)。

所耗用存貨

所耗用存貨指向客戶提供住宿與餐飲服務期間所耗用客人用品、食品及飲料之成本。於本年度，所耗用存貨約為21,871,000港元(二零一六年：23,296,000港元)。

員工成本

員工成本約為274,407,000港元(二零一六年：253,264,000港元)，增幅約為8%。有關增長主要由於僱員補償及福利因配合市場價格而增長所致。本集團根據僱員之資歷及經驗提供待遇，務求留聘本集團之優秀員工及招聘具潛質之人才。

博彩佣金

博彩佣金指作為吸引客戶之獎勵所支付之款項。本集團支付之佣金與市場水平相若。有關金額由上一年度約114,479,000港元下跌約20%至本年度約91,470,000港元。有關減幅乃由於本年度因澳門博彩業競爭激烈而令本集團旗下兩家賭場轉碼數下跌。

經紀佣金

經紀佣金由上一年度約130,801,000港元大幅減少約64%至本年度約46,955,000港元。有關減幅與來自證券經紀、包銷及配售分類之收入減幅一致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Interest expenses for securities brokerage, underwriting and placements, margin and IPO financing operations

The related interest expenses increased from approximately HK\$203,395,000 in the Previous Year to approximately HK\$247,090,000 in the Year, representing an increase of approximately 21% as overall cost of funding of the Group increased during the Year.

Impairment loss on advances to customers in margin financing

Due to the volatility in the local stock market during the Year, impairment loss of approximately HK\$58,754,000 (2016: HK\$7,995,000) were made on some particular clients with margin loans shortfall on a prudent basis after reviewing their margin accounts portfolio and financial positions.

Administrative expenses

Administrative expenses mainly represent rent and rates, legal and professional fees, advertising and Macau property tax. During the year, it amounted to approximately HK\$110,856,000 (2016: HK\$102,326,000), representing an increase of approximately 8%. The increase was mainly due to the rent paid for the 15 subsurface mineral leases as recorded under intangible assets of the Group.

Other operating expenses

Other operating expenses mainly represented operating expenses for gaming facilities and promotion expenses and other hotel rooms operating expenses. During the Year, it amounted to approximately HK\$153,619,000 (2016: HK\$141,077,000) representing approximately a 9% increase. To cope with strong competition in gaming business in Macau, more promotion expenses on the VIP room were incurred during the Year.

Finance cost

During the Year, finance cost of approximately HK\$20,200,000 (2016: HK\$20,200,000) represented the effective interest expenses on the amount due to a shareholder.

Amortisation

The amount of approximately HK\$14,132,000 (2016: HK\$14,132,000) for the Year represented the amortisation expenses of the intangible assets which has been amortised on a straight-line basis over its estimated useful life of 24 years.

證券經紀、包銷及配售、保證金及首次公開發售融資業務之利息開支

由於本年度本集團整體資金成本增加，相關利息開支由上一年度約203,395,000港元增加至本年度約247,090,000港元，增幅約為21%。

向客戶墊付保證金融資之減值虧損

由於本年度本地股市波動不穩，經審閱部分特定客戶之保證金賬戶組合及財務狀況後，本集團審慎就帶有保證金借貸差額之特定客戶作出減值虧損約58,754,000港元(二零一六年：7,995,000港元)。

行政開支

行政開支主要指租金和差餉、法律和專業費用、廣告費及澳門房屋稅。於本年度，行政開支約為110,856,000港元(二零一六年：102,326,000港元)，增幅約為8%。有關增加主要由於就本集團無形資產項下所列賬15份地下礦產租賃支付租金。

其他經營開支

其他經營開支主要指博彩設施之經營開支、推廣開支及其他酒店房間之經營開支。於本年度，其他經營開支約為153,619,000港元(二零一六年：141,077,000港元)，增幅約為9%。為應付澳門博彩業務劇烈競爭，於本年度產生更多貴賓廳推廣開支。

融資成本

於本年度，融資成本約20,200,000港元(二零一六年：20,200,000港元)指應付一名股東款項之實際利息開支。

攤銷

本年度金額約14,132,000港元(二零一六年：14,132,000港元)指已按直線基準於其估計可使用年期24年內攤銷之無形資產攤銷開支。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FUTURE PROSPECTS

Financial service segments

Following an eventful year in both the macroeconomic and political situations worldwide, the global market showed some encouraging signs of recovery. Coupled with the Belt and Road Initiative, stock connect programmes and the internationalisation of Renminbi, foreign investment activities of “going out” mainland enterprises are enhanced. Hong Kong, as a gateway for Chinese outbound investment, these initiatives allow the local market to thrive and provide great momentum for further growth. The local government is seen to be on track to meet its growth projection of 2–3% in 2017, while the Mainland economy is expected to stage some stable pick up.

The financial markets have been strengthened by governments and regulatory authorities through various schemes such as Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and improved regulatory systems throughout the year. The board is looking forward to the bond connect scheme to be established through collaboration between the Hong Kong Monetary Authority and the People’s Bank of China. It is expected to create a new channel for Hong Kong and international investors to invest in Mainland China’s bond market. Nonetheless, the launch of bond connect would likely accelerate business growth for local dealers and onshore exposures for international enterprises.

Stepping into 2017, Hong Kong has been officially admitted as a new member of the Asian Infrastructure Investment Bank. The market is confident that the participation of Hong Kong in the Asian Infrastructure Investment Bank is going to create opportunities for relevant sectors and reinforce Hong Kong’s position as a premier international financial centre.

In the coming financial years, the Group would strive to gain further exposure and expand business network in the capital markets of Hong Kong and the PRC. Meanwhile, the Group would gather resources and seize the opportunities to scale new height from the Belt and Road Initiative, and the development of Guangdong-Hong Kong-Macau Big Bay Area, which will also allow the Group to further expand its geographical network.

未來前景

金融服務分類

經歷全球宏觀經濟及政治局勢重大變化的一年後，全球市場紛紛出現復甦跡象。加上「一帶一路」政策，股市互聯互通機制以及人民幣國際化，內地企業「走出去」之對外投資活動得以強化。香港作為中國對外投資門戶，多項利好因素令本地市場蓬勃發展，並為未來增長注入龐大動力。本地政府有望於二零一七年實現2%至3%之增長預測，而內地經濟預期將穩步回升。

於本年度，政府及監管機關強化金融市場發展，透過滬港通及深港通計劃多方面合作，監管制度亦得以改善。董事局正期待香港金融管理局及中國人民銀行攜手開展債券通計劃，此舉將為香港及國際投資者投資於中國內地債券市場開拓全新渠道。不單如此，推行債券通有望加快本地券商之業務增長，並提高國際企業在境內的知名度。

踏入二零一七年，香港正式獲批成為亞洲基礎設施投資銀行的新成員。市場抱有信心，香港加入亞投行將為相關行業創造機會，並鞏固香港作為首屈一指之國際金融中心地位。

未來，本集團將致力進一步增強其於香港及內地資本市場之知名度及擴大業務網絡。同時，本集團將善用資源並把握機會，借助「一帶一路」建設以及粵港澳大灣區發展將業務推向新高，並進一步擴展其地理網絡。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Hotel and gaming segments

Despite the worries of slowdown in tourist spending, the steady demand from international and local markets as well as the increase in number of tourists in Macau have stabilized our segment performance.

Furthermore, the Group will continue to invest in marketing and promotion activities for continuous customer experience enhancement in order to achieve sustainable growth and development in the long term.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 31 March 2017 the shareholders' fund and net current assets of the Group amounted to approximately HK\$19,581,267,000 (2016: HK\$18,615,992,000) and approximately HK\$6,928,355,000 (2016: HK\$5,766,314,000) respectively. On the same date, the Group had cash and bank balance of approximately HK\$304,762,000 (2016: HK\$169,339,000) and the current ratio was 1.4 (2016: 1.4).

As at 31 March 2017, the Group had bank borrowings of approximately HK\$3,235,834,000 (2016: HK\$3,936,000,000), amounts due to shareholders of approximately HK\$2,311,911,000 (2016: HK\$2,321,911,000), loan from a related company of approximately HK\$7,948,861,000 (2016: HK\$7,179,238,000) and subordinated loans of approximately HK\$700,000,000 (2016: HK\$700,000,000). On the same date, the net gearing ratio, measured on the basis of total borrowings less bank and cash balances over net assets, was approximately 71% (2016: 75%).

酒店及博彩分類

儘管旅客消費放緩，惟在國際及本地市場之穩定需求以及澳門旅客人數上升支持下，此分類之表現靠穩。

此外，本集團將繼續斥資推行營銷及推廣活動以不斷提升客戶體驗，長遠達致可持續增長及發展。

流動資金、財務資源及資金

於二零一七年三月三十一日，本集團之股東資金及流動資產淨值分別約為19,581,267,000港元(二零一六年：18,615,992,000港元)及約6,928,355,000港元(二零一六年：5,766,314,000港元)。同日，本集團之現金及銀行結餘約為304,762,000港元(二零一六年：169,339,000港元)，流動比率為1.4(二零一六年：1.4)。

於二零一七年三月三十一日，本集團之銀行借貸約為3,235,834,000港元(二零一六年：3,936,000,000港元)、應付股東款項約為2,311,911,000港元(二零一六年：2,321,911,000港元)、來自一家關連公司之貸款約為7,948,861,000港元(二零一六年：7,179,238,000港元)及後償貸款約為700,000,000港元(二零一六年：700,000,000港元)。同日，淨資產負債比率約為71%(二零一六年：75%)，該比率以總借貸減銀行及現金結餘除資產淨值計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table details the Cash and bank balances — general account and bank loan of the Group at the end of the reporting period denominated in original currencies:

下表載列於報告期末以原有貨幣計值之本集團現金及銀行結餘 — 一般賬戶以及銀行貸款詳情：

		2017 二零一七年							
		HKD	CNY	USD	JPY	SGD	GBP	AUD	MOP
		港元	人民幣	美元	日圓	新加坡元	英鎊	澳洲元	澳門元
		('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
		(千元)	(千元)	(千元)	(千元)	(千元)	(千鎊)	(千元)	(千元)
Cash and bank balances — general account	現金及銀行結餘 — 一般賬戶	293,662	2,750	10	—	109	8	9	7,003
Bank loan	銀行貸款	3,235,834	—	—	—	—	—	—	—

		2016 二零一六年							
		HKD	CNY	USD	JPY	SGD	GBP	AUD	MOP
		港元	人民幣	美元	日圓	新加坡元	英鎊	澳洲元	澳門元
		('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
		(千元)	(千元)	(千元)	(千元)	(千元)	(千鎊)	(千元)	(千元)
Cash and bank balances — general account	現金及銀行結餘 — 一般賬戶	162,317	1,991	5	—	59	8	9	4,950
Bank loan	銀行貸款	3,936,000	—	—	—	—	—	—	—

COMMITMENTS AND CONTINGENT LIABILITIES

Details of commitments and contingent liabilities of the Group as at 31 March 2017 are set out in note 44 to the financial statements of this annual report.

承擔及或然負債

本集團於二零一七年三月三十一日之承擔及或然負債詳情載於本年報財務報表附註44。

CAPITAL STRUCTURE

During the Year, no material fluctuation was noted on the Company's capital structure.

資本結構

於本年度，本公司資本結構並無重大波動。

CAPITAL COMMITMENTS

At 31 March 2017, the Group had capital commitments of approximately HK\$1,335,000 (2016: HK\$2,450,000) in respect of acquisition of plant and equipment.

資本承擔

於二零一七年三月三十一日，本集團就收購廠房及設備之資本承擔約為1,335,000港元（二零一六年：2,450,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK2.5 cents (2016: HK2 cents) per Share for the year ended 31 March 2017 ("Final Dividend"), amounting to approximately HK\$434,113,000 (2016: HK\$347,290,000). The proposed Final Dividend is subject to approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM. If the resolution for the proposed Final Dividend is passed at the AGM, the proposed Final Dividend is expected to be paid on 7 September 2017 to the Shareholders whose names appear on the register of members of the Company on 28 August 2017.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders' right to attend and vote at AGM

Latest time to lodge transfers	4:30 p.m. on 14 August 2017 (Monday)
Latest time to lodge proxy form	11:00 a.m. on 16 August 2017 (Wednesday)
Book close date	15 August 2017 (Tuesday) to 18 August 2017 (Friday)
Record date	18 August 2017 (Friday)
AGM	18 August 2017 (Friday)

For ascertaining shareholders' entitlement to the proposed Final Dividend

Latest time to lodge transfers	4:30 p.m. on 24 August 2017 (Thursday)
Book close date	25 August 2017 (Friday) to 28 August 2017 (Monday)
Record date	28 August 2017 (Monday)
Final Dividend expected payment date	7 September 2017 (Thursday)

In order to qualify for the right to attend and vote at the AGM and for the proposed Final Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong before the above latest time to lodge transfers.

末期股息

董事局建議就截至二零一七年三月三十一日止年度派付末期股息每股2.5港仙(二零一六年:2港仙)(「末期股息」),合共約434,113,000港元(二零一六年:347,290,000港元)。擬派末期股息須待股東於股東周年大會批准後方可作實,本公司將於股東周年大會上提呈決議案以供股東表決。倘擬派末期股息決議案於股東周年大會獲得通過,擬派末期股息預期將於二零一七年九月七日派付予於二零一七年八月二十八日名列本公司股東名冊之股東。

暫停辦理股份過戶登記手續

就確定股東出席股東周年大會並於會上表決之權利

遞交股份過戶文件之最後時限	二零一七年八月十四日 (星期一)下午四時三十分
遞交代表委任表格之最後時限	二零一七年八月十六日 (星期三)上午十一時正
暫停辦理股份過戶登記手續	二零一七年八月十五日 (星期二)至二零一七年八月十八日(星期五)
記錄日期	二零一七年八月十八日 (星期五)
股東周年大會	二零一七年八月十八日 (星期五)

就確定股東享有擬派末期股息之權利

遞交股份過戶文件之最後時限	二零一七年八月二十四日 (星期四)下午四時三十分
暫停辦理股份過戶登記手續	二零一七年八月二十五日 (星期五)至二零一七年八月二十八日(星期一)
記錄日期	二零一七年八月二十八日 (星期一)
末期股息預期派付日期	二零一七年九月七日 (星期四)

為符合資格出席股東周年大會並於會上表決及享有擬派末期股息,所有股份過戶文件連同相關股票必須於上述遞交股份過戶文件之最後時限前,送達本公司之香港股份過戶登記分處卓佳雅柏勤有限公司,地址為香港皇后大道東183號合和中心22樓。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue from sales of goods or rendering of services during the year ended 31 March 2017 attributable to the Group's five largest customers were less than 30% of the Group's total revenue from sales of goods or rendering of services. The aggregate purchases during the year ended 31 March 2017 attributable to the Group's five largest suppliers were less than 30% of the Group's total purchases.

EMPLOYEES

As at 31 March 2017, the Group employed a total of approximately 884 (2016: 873) staff. The total staff cost for the Year was approximately HK\$274,407,000 (2016: HK\$253,264,000). The employees' remuneration, promotion and salary adjustment are assessed based on their work performance, working and professional experiences and the prevailing market condition.

PLEDGE OF ASSETS

As at 31 March 2017, the Group had pledged clients' securities at a value of approximately HK\$6,414,393,000, a bond at a value of HK\$46,512,000 and certificates of deposit at a value of HK\$48,470,000 (2016: marketable securities of HK\$14,222,660,000) to secure certain banking facilities provided to the Group.

In addition, the Group's term loans are secured by:

- the pledge of leasehold land and buildings held for own use with carrying amounts of approximately HK\$2,140,000,000 (2016: HK\$2,350,000,000);
- shares of a subsidiary;
- corporate guarantee from a subsidiary;
- a charge over operating bank accounts of two subsidiaries;
- assignment of income and receivables arising from commercial operations of two subsidiaries.

主要客戶及供應商

截至二零一七年三月三十一日止年度，來自本集團五大客戶有關銷售貨品或提供服務之收益合共佔本集團來自銷售貨品或提供服務之總收益少於30%。截至二零一七年三月三十一日止年度，來自本集團五大供應商之採購額合共佔本集團總採購額少於30%。

僱員

於二零一七年三月三十一日，本集團合共僱用約884名(二零一六年：873名)僱員。本年度之員工成本總額約為274,407,000港元(二零一六年：253,264,000港元)。僱員待遇、升遷及薪酬調整乃根據彼等之工作表現、工作與專業經驗及現行市況釐定。

資產抵押

於二零一七年三月三十一日，本集團已就本集團所獲若干銀行融資抵押價值約6,414,393,000港元之客戶證券、價值46,512,000港元之債券及價值48,470,000港元之存款證(二零一六年：有價證券14,222,660,000港元)。

此外，本集團之定期貸款以下列各項作擔保：

- 抵押賬面值約為2,140,000,000港元(二零一六年：2,350,000,000港元)持作自用之租賃土地及樓宇；
- 一家附屬公司之股份；
- 來自一家附屬公司之公司擔保；
- 質押兩家附屬公司之營運銀行賬戶；
- 轉讓兩家附屬公司商業營運所產生收入及應收賬款。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MATERIAL ACQUISITIONS AND DISPOSALS

There was no material acquisition nor disposal conducted by the Group during the Year.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk and uncertainty facing the Group is the market economy of China, Hong Kong and the surrounding regions as significant changes in their economic conditions will have significant impact on China and Hong Kong's stock market, as well as Macau's tourism.

Other risks include credit risks, market risks, liquidity risks and interest rate risks. The Group has been adopting prudent risk management policy to mitigate exposure to various risks.

RISK MANAGEMENT

Credit risk

The Group's Risk Management Committee has put in place credit management policies and procedures which cover the examination of the approval of clients' trading and credit limits, approval and review of the margin lending ratio of individual stock, monitoring of credit exposures and the follow up of credit risks associated with overdue debts. Day-to-day credit monitoring is performed by the Group's Credit and Risk Control Department in accordance with the policies and procedures approved by the Risk Management Committee with toleration and exception reports reviewed by Responsible Officers and senior management of the Group as well as by the Risk Management Committee at regular meetings.

Market risk

If the market value of a margin client's portfolio falls below his margin loan amount and the margin client fails to meet margin calls, the Group will be exposed to the risk that the margin loan being delinquent. Similarly, if the value of the underlying products of a client's futures contract fluctuates such that the outstanding balances in his account falls below the required maintenance margin level, the Group may suffer loss if the client's account incurs loss even after liquidation of the open position. The management of the Group keeps close monitoring of the market condition so that immediate precautionary measures will be taken to reduce such risk that the Group may encounter. Follow up actions such as reducing the margin ratio for the pledged securities and requiring clients to top up their position would be taken if considered appropriate.

重大收購事項及出售事項

於本年度，本集團並無進行任何重大收購事項或出售事項。

主要風險及不明朗因素

本集團面對之主要風險及不明朗因素為中國、香港及周邊地區之市場經濟，當地經濟狀況如出現重大變動，將對中國及香港股票市場以及澳門旅遊業構成重大影響。

其他風險包括信貸風險、市場風險、流動資金風險及利率風險。本集團已採納審慎之風險管理政策以緩和各類風險。

風險管理

信貸風險

本集團之風險管理委員會已制定信貸管理政策及程序，包括審視客戶獲批之交易及信貸限額、批准及檢討個別股份之保證金借貸比率、監控信貸風險以及跟進與逾期債項有關之信貸風險。本集團之信貸及風險管理部門會按照風險管理委員會批准之政策及程序執行日常信貸監控，而寬鬆處理及特殊個案之報告則會呈交予本集團之專責人員及高級管理層以及風險管理委員會於定期會議中審閱。

市場風險

若保證金客戶所持投資組合之市值跌至低於其保證金借貸金額，而該保證金客戶未能補倉，本集團將承受該保證金借貸受拖欠之風險。同樣，若客戶之期貨合約相關產品之價值波動，致使其賬戶之結餘金額跌至低於規定必須維持之按金水平，而該客戶之賬戶被斬倉後仍然出現虧損，則本集團或會蒙受損失。本集團管理層密切監察市況，以便可即時採取預防措施以減低本集團可能面對之風險。本集團於認為合適時會採取跟進行動，如減低已抵押證券之保證金比率及要求客戶補倉。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity risk

As part of its ordinary brokerage activities, the Group is exposed to liquidity risk arising from timing difference between settlement with clearing houses or brokers and clients. The goal of liquidity management is to enable the Group to adequately fund such business commitments as well as to comply with relevant financial resources rules applying to various licensed subsidiaries. To address the risk, the Group's Accounts Department and the senior management will review and monitor the Group's liquidity position on daily basis to ensure the availability of sufficient liquid funds. In addition, the Group has also put in place stand-by banking and other facilities in order to meet any contingency in its operations. The management believes the Group's working capital is adequate to meet its financial obligations.

Interest rate risk

The Group charged interest on its margin clients on the basis of its cost of fund plus mark-up. Financial assets such as margin loans and deposit with banks are primarily at floating rates. Financial liabilities such as bank loans are primarily at floating rates. The Group income and operating cash flows are not subject to significant interest rate risk.

FOREIGN CURRENCY EXPOSURE

As the Group's hotel revenues are mostly denominated in Macau Patacas ("MOP"), and given the exchange rate of MOP has been fairly stable, its exposure to exchange rate risk is considered to be limited.

The Group's financial services businesses and gaming revenue are mainly denominated in Hong Kong Dollars and hence no significant exchange rate risk is identified.

TREASURY POLICY

The Group may invest its surplus funds or funds not designated for specific purpose or funds designated for specific purpose but application of which is not immediately required (collectively "the Group's Funds") in the form of short term (i.e. less than one year) and liquid stocks through investing the Group's Funds in diversified portfolio of investments products including listed or unlisted securities, unit trust funds, or such other investments as the Board of the Company, or such committees or person as the Board may authorize, may decide from time to time so as to preserve the value of the Group's Funds and/or achieve capital appreciation.

流動資金風險

作為日常經紀業務之一部分，本集團面對結算所或經紀與客戶之間結算時差所產生流動資金風險。流動資金管理之目的為讓本集團具備充足資金應付有關業務承擔，以及遵守適用於旗下多家持牌附屬公司之相關財務資源規則。為應付有關風險，本集團之會計部門以及高級管理層將每日審閱及監察本集團之流動資金狀況，以確保備有足夠可用流動資金。此外，本集團亦已備妥備用銀行及其他融資，以備其業務不時之需。管理層相信，本集團之營運資金充裕，足以履行其財務責任。

利率風險

本集團按資金成本加毛利基準向其保證金客戶收取利息。保證金貸款及銀行存款等金融資產主要按浮動利率計息。銀行貸款等金融負債主要按浮動利率計息。本集團之收入及經營現金流量毋須承受重大利率風險。

外匯風險

由於本集團之酒店收益大部分以澳門元(「澳門元」)計值，而澳門元匯率一直相當穩定，故本集團認為其匯率風險有限。

本集團之金融服務業務及博彩收益主要以港元計值，因此並無發現任何重大匯率風險。

庫務政策

就剩餘資金或並無指定用途之資金或有指定用途但毋須立刻動用之資金(統稱「集團資金」)而言，本集團或會以短期(少於一年)及以流通股形式將集團資金投資於多元化之投資產品組合，包括上市或非上市證券、單位信託基金、或作出本公司董事局或獲董事局授權之委員會或人士可能不時決定之其他投資，以保障集團資金之價值及／或達致資本增值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) meets the external auditors at least twice a year to discuss any areas of concerns during the audits. The Audit Committee reviews the interim and annual reports before submission to the Board. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the Rules Governing the Listing of Securities (the “Listing Rules”) and the legal requirements in the review of the Company interim and annual reports. The Group’s annual results for the year ended 31 March 2017 have been reviewed by the Audit Committee.

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

During the year ended 31 March 2017, there were no purchases, sales or redemption of the Company’s listed securities by the Company or any of its subsidiaries.

CORPORATE GOVERNANCE

The Group had complied with all code provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 of the Listing Rules on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during the year ended 31 March 2017.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the “Model Code”) set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 March 2017.

By order of the Board

Chu Yuet Wah
Chief Executive Office

Hong Kong, 29 June 2017

經由審核委員會審閱

本公司審核委員會(「審核委員會」)每年與外聘核數師最少會晤兩次，以討論審核方面之任何須關注事宜。審核委員會在中期報告及年報提交董事局批准前先行審閱。在審閱本公司中期報告及年報時，審核委員會不單專注於會計政策及常規變動之影響，同時亦會注意有否遵循會計準則、證券上市規則(「上市規則」)及法律規定。本集團截至二零一七年三月三十一日止年度之年度業績已由審核委員會審閱。

購買、出售或贖回本公司之上市證券

截至二零一七年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

企業管治

截至二零一七年三月三十一日止年度，本集團一直遵守香港聯合交易所有限公司(「聯交所」)上市規則附錄14所載企業管治守則(「守則」)之所有守則條文。

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)。在本公司作出查詢後，本公司全體董事已確認，彼等於截至二零一七年三月三十一日止年度內已遵守標準守則所規定之各項準則。

承董事局命

行政總裁
李月華

香港，二零一七年六月二十九日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present this Corporate Governance Report in the Group's annual report for the year ended 31 March 2017.

Good corporate governance has always been recognised as vital to the Group's success and to sustain development of the Group. We commit ourselves to a high standard of corporate governance as an essential component of quality and have introduced corporate governance practices appropriate to the conduct and growth of the business of the Group.

The Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules sets out the principles of good corporate governance (the "Principles") and two levels of corporate governance practices:

- (a) code provisions (the "Code Provisions") which listed issuers are expected to comply with or to give considered reasons for any deviation; and
- (b) recommended best practices (the "Recommended Best Practices") for guidance only, which listed issuers are encouraged to comply with or give considered reasons for deviation.

The Company has applied the Principles and the Code Provisions as set out in the CG Code and complied with all the Code Provisions. It also put in place certain Recommended Best Practices as set out in the CG Code.

The Company periodically reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code, and acknowledges the important role of its Board in providing effective leadership and direction to the Company's business, and ensuring transparency and accountability of the Company's operations.

董事局欣然於本集團截至二零一七年三月三十一日止年度之年報內提呈本企業管治報告。

良好企業管治對本集團之成功以至持續發展至關重要。作為企業質素重要一環，吾等致力維持高水準之企業管治，並推出適合本集團業務營運及發展之企業管治常規。

企業管治常規守則(「企管常規守則」)載於上市規則附錄14。企管常規守則載列良好企業管治原則(「該等原則」)及兩個層面之企業管治常規：

- (a) 守則條文(「守則條文」)，指期望上市發行人遵守之條文，或如有偏離有關條文則必須給予考慮因素；及
- (b) 建議最佳常規(「建議最佳常規」)僅作為指引，指鼓勵上市發行人遵守之常規，或如有偏離有關常規則應給予考慮因素。

本公司已應用企管常規守則內所載該等原則及守則條文，並已遵守所有守則條文。本公司亦已推行企管常規守則所載若干建議最佳常規。

本公司定期檢討其企業管治常規，確保其持續符合企管常規守則之規定，並確認董事局就向本公司業務提供有效領導及指引以確保本公司營運透明度及問責性方面之重要作用。

CORPORATE GOVERNANCE REPORT

企業管治報告

The key corporate governance principles and practices of the Company are summarised as follows:

THE BOARD Responsibilities

The Board provides leadership, approves policies, strategies and plans, and oversees their implementation to further the healthy growth of the Company, in the interests of its shareholders.

The Board takes responsibility for all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, financial information, appointment of Directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed.

Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and work tasks are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned officers.

The Board has the full support of the senior management to discharge its responsibilities.

Composition

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership of the Company and independence in decision making. The Board currently comprises 7 members, consisting of 4 Executive Directors and 3 Independent Non-executive Directors.

本公司主要企業管治原則及常規概述如下：

董事局 職責

董事局負責領導、批准政策、策略及計劃，並監控本公司在符合股東利益之情況下執行有關政策、策略及計劃以進一步穩健發展。

董事局負責本公司一切主要事宜，包括批准及監督一切政策事宜、整體策略及預算、內部監控及風險管理制度、財務資料、委任董事以及其他重大財務及營運事宜。

全體董事已全面和及時取得所有相關資料及獲公司秘書提供建議及服務，確保已遵循董事局程序以及所有適用規則及規例。

各董事一般可在適當情況下向董事局提出要求諮詢獨立專業意見，費用由本公司承擔。

本公司之日常管理、行政及業務經營委派予行政總裁及高級管理人員。所委派職能及工作任務由董事局定期檢討。上述高級職員於進行任何重大交易前必須取得董事局批准。

董事局獲高級管理人員全力支持履行其職責。

組成

董事局成員組合具備有助本公司有效領導及獨立決策所需適當技術及經驗。董事局目前由七名成員組成，包括四名執行董事及三名獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board comprises the following Directors:

Executive Directors:

Mr. Chu, Nicholas Yuk-yui (*Chairman*)
Mrs. Chu Yuet Wah (*Chief Executive Officer*)*
Mr. Chu, Kingston Chun Ho#
Mr. Ho Chi Ho

Independent Non-executive Directors:

Dr. Wong Yun Kuen (*Chairman of Nomination Committee and Member of Audit Committee and Remuneration Committee*)
Mr. Lau Man Tak (*Chairman of Audit Committee and Member of Remuneration Committee and Nomination Committee*)
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016) (*Chairman of Remuneration Committee and Member of Audit Committee and Nomination Committee*)
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

During the year ended 31 March 2017, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors with at least one Independent Non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. The number of Independent Non-executive Directors also represented at least one third of the members of the Board.

The Company has received written annual confirmation from each Independent Non-executive Director of independence pursuant to the requirements of the Listing Rules. The Company considers all independent Non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

* Mrs. Chu Yuet Wah is the spouse of Mr. Chu, Nicholas Yuk-yui.

Mr. Chu, Kingston Chun Ho is the son of Mr. Chu, Nicholas Yuk-yui and Mrs. Chu Yuet Wah.

董事局由以下董事組成：

執行董事：

朱沃裕先生(主席)
李月華女士(行政總裁)*
朱俊浩先生#
何志豪先生

獨立非執行董事：

黃潤權博士(提名委員會主席兼審核委員會及薪酬委員會成員)
劉文德先生(審核委員會主席兼薪酬委員會及提名委員會成員)
羅妙嫦女士(於二零一六年九月一日獲委任)
(薪酬委員會主席兼審核委員會及提名委員會成員)
余伯仁先生(於二零一六年九月一日辭任)

董事名單(按類別劃分)亦於本公司根據上市規則不時發出之所有公司通訊中披露。

截至二零一七年三月三十一日止年度，董事局一直符合上市規則有關委任最少三名獨立非執行董事且最少一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專業知識之規定。獨立非執行董事之人數亦最少佔董事局成員人數三分之一。

本公司已收到各獨立非執行董事根據上市規則規定就其獨立身份發出之年度確認書。本公司認為，根據上市規則所載獨立身份指引，全體獨立非執行董事均為獨立人士。

* 李月華女士為朱沃裕先生之配偶。

朱俊浩先生為朱沃裕先生及李月華女士之兒子。

CORPORATE GOVERNANCE REPORT

企業管治報告

Mr. Lau Man Tak is a non-executive director, chairman and substantial shareholder of REF Holdings Limited (“REF”), a company listed on the Main Board of the Stock Exchange. The Group entered into certain connected transactions (“Connected Transactions”) with REF and its subsidiary during the year under review. Details are set out in note 46 to the financial statements. Mr Lau does not have any management role in the Company and its subsidiaries since his appointment. He has expressed his willingness clearly to exercise independent judgement and has been giving objective views to the Company. There is no evidence that the Connected Transactions, given its immateriality, has an unfavourable influence on his independence, the Board is satisfied that, as proven by the valuable independent judgement and advice given by Mr. Lau over the years, Mr. Lau has the required character, integrity, independence and experience to perform the role of an Independent Non-executive Director. The Board is not aware of any circumstances that might influence Mr. Lau in exercising his independent judgement and therefore believes he is still independent.

In accordance with bye-law 87(1) of the Bye-laws, Mr. Chu, Nicholas Yuk-yui and Mr. Ho Chi Ho shall retire at the AGM and being eligible, will offer themselves for re-election.

In accordance with the bye-law 86(2), Ms. Lo, Miu Sheung Betty will retire by rotation at the forthcoming annual general meeting, and being eligible, will offer herself for re-election.

The Independent Non-executive Directors bring a wide range of business and financial expertise, experiences and independent judgement to the Board. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board Committees, all Independent Non-executive Directors make various contributions to the effective direction of the Company.

Appointment and Succession Planning of Directors

The Company has established formal, considered and transparent procedures for the appointment and succession planning of Directors.

The term of office for each of Executive Directors and Independent Non-executive Directors is the period up to his retirement by rotation and re-election at annual general meeting of the Company in accordance with the Company's bye-laws.

劉文德先生為聯交所主板上市公司緯豐控股有限公司（「緯豐」）之非執行董事、主席及主要股東。本集團於回顧年度與緯豐及其附屬公司訂立若干關連交易（「該等關連交易」）。有關詳情載於財務報表附註46。劉先生自彼獲任命以來於本公司及其附屬公司中並無任何管理職務。彼清楚表示願意作出獨立判斷，並一直為本公司提供客觀意見。鑒於該等關連交易並不重大，概無跡象顯示對彼之獨立性構成負面影響。董事局信納，在劉先生多年來提供之寶貴獨立判斷及意見支持下，劉先生具備履行獨立非執行董事職務所需之品格、誠信、獨立性及經驗。董事局並不知悉有任何情況可能影響劉先生作出獨立判斷，故相信彼仍具備獨立性。

根據公司細則第87(1)條規定，朱沃裕先生及何志豪先生將於股東周年大會退任，惟彼等符合資格並願意重選連任。

根據公司細則第86(2)條規定，羅妙嫦女士將於應屆股東周年大會輪席退任，惟彼符合資格並願意重選連任。

獨立非執行董事具備廣泛業務及財務專業知識及經驗，為董事局提供獨立判斷。透過積極參與董事局會議，在處理涉及潛在利益衝突之問題上發揮主導作用，並服務董事委員會，全體獨立非執行董事均對本公司之有效方針作出多項貢獻。

董事委任及繼任計劃

本公司已就董事委任及繼任計劃設立正式、深思熟慮及具透明度之程序。

根據本公司之公司細則，各執行董事及獨立非執行董事之任期為直至其輪值告退期間止，並於本公司股東周年大會重選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

All Non-executive Directors have executed a letter of appointment with the Company for a term of one year which commenced on 1 April 2017, and subject to compliance with relevant requirements of the Listing Rules, and will continue thereafter until terminated by either party by giving not less than three months' written notice.

In accordance with the Company's bye-laws, any Director so appointed by the Board shall hold office only until the following annual general meeting ("AGM") and shall then be eligible for re-election at that meeting.

At each AGM, one-third of the Directors for the time being shall retire from office by rotation.

In August 2013, on the recommendation of the Nomination Committee, the Board has approved and adopted the revised terms of reference of the Nomination Committee in light of the amendments of the CG Code, and the same are published on the websites of the Stock Exchange and the Company. The Board also approved the adoption of the Board Diversity Policy. The Company seeks to achieve Board diversity through the consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Training for Directors

In case there is any newly appointed Director, he/she will be provided an induction so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and the relevant regulatory requirements.

All Directors have provided records of the training they received to the Company. The trainings included attending experts briefings, seminars, and conferences, reading materials relevant to the business, corporate governance and directors' duties.

全體非執行董事已與本公司簽訂委任函件，自二零一七年四月一日起為期一年，須遵守上市規則之相關規定，並將於其後持續生效，直至任何一方發出不少於三個月之書面通知予以終止。

根據本公司之公司細則，就此獲董事局委任之任何董事之任期僅至其後舉行之股東周年大會（「股東周年大會」）為止，而屆時將符合資格於會上重選連任。

於每屆股東周年大會上，當時三分之一董事須輪值退任。

於二零一三年八月，依照企管常規守則之修訂，董事局已因應提名委員會之推薦建議，批准及採納提名委員會經修訂之職權範圍，其於聯交所及本公司網頁刊載。董事局亦通過採納董事局成員多元化政策。本公司透過考慮多方面因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年資，達致董事局多元化局面。一切董事局成員之委任將以用人唯才為依據，並會按客觀準則，考慮候選人是否有利於董事局成員之多元性。

董事培訓

任何新委任董事將獲提供入職指導，以確保其充分了解本公司業務及營運以及完全明白其職責與上市規則及其他相關監管規定項下責任。

全體董事均已向本公司提供彼等之培訓記錄。培訓包括出席專家簡介會、研討會及會議、閱讀有關業務、企業管治及董事職責之材料。

CORPORATE GOVERNANCE REPORT

企業管治報告

There are also arrangements in place for providing continuing briefing and professional development to Directors whenever necessary. In April 2017, the Company has organised a training session to all Directors conducted by qualified professionals on “Regulatory Update on Pre-IPO investments” and “Issues related to controlling shareholder”. All directors attended that session.

Board Meetings

Number of Meetings and Directors' Attendance

Regular Board meetings are held at least four times a year at approximately quarterly intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. The Board is also responsible for determining the policy for corporate governance and performed the duties under the terms of reference in code provision D.3.1 of Appendix 14 of the Listing Rules during the year.

During the year ended 31 March 2017, 5 full Board meetings and 2 general meetings were held. The individual attendance record of each Director at the Board meeting and general meeting during the year ended 31 March 2017 is set out below:

本集團亦於有需要時安排向董事提供持續簡報及專業發展。於二零一七年四月，本公司曾為全體董事舉辦一節由合資格專業人士所主持「首次公開發售前投資之最新監管資料」及「有關控股股東之事宜」之培訓課程。全體董事均已參加該課程。

董事局會議

會議及董事出席次數

董事局每年最少舉行四次常規會議，會議大概每季舉行，以檢討及批准財務及經營表現以及考慮及批准本公司整體策略及政策。年內董事局亦負責制定企業管治政策及按上市規則附錄 14 守則條文 D.3.1 規定之職權履行彼等之職責。

截至二零一七年三月三十一日止年度，本公司曾舉行五次董事局會議及兩次股東大會。截至二零一七年三月三十一日止年度，各董事於董事局會議及股東大會之個人出席記錄載列如下：

Name of Directors		Attendance at Board meetings	Attendance at general meeting
董事姓名		出席董事局會議次數	出席股東大會次數
Mr. Chu, Nicholas Yuk-yui	朱沃裕先生	5/5	1/2
Mrs. Chu Yuet Wah	李月華女士	4/5	1/2
Mr. Chu, Kingston Chun Ho	朱俊浩先生	5/5	1/2
Mr. Ho Chi Ho	何志豪先生	5/5	2/2
Dr. Wong Yun Kuen	黃潤權博士	5/5	2/2
Mr. Lau Man Tak	劉文德先生	5/5	1/2
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)	羅妙嫦女士 (於二零一六年九月一日獲委任)	3/3	1/1
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)	余伯仁先生 (於二零一六年九月一日辭任)	2/2	1/1

Annual meeting schedules and draft agenda of each meeting are normally made available to Directors in advance. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings.

周年會議日程及各會議之草擬議程一般預先送交董事。董事局常會通告會於會議舉行前最少 14 日送交全體董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

For other Board and committee meetings, reasonable notice is generally given. Board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

All Directors have been provided with monthly updates by the Group's management, giving a balanced and understandable assessment of the Group's performance, position, recent developments and prospects in sufficient detail to keep them abreast of the Group's affairs and facilitate them to discharge their duties under the relevant requirements of the Listing Rules.

The Company Secretary of the Company is responsible for keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. The Company's Bye-laws also contains provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company fully supports the division of responsibility between the Chairman of the Board and the Chief Executive Officer to ensure a balance of power and authority. The positions of the Chairman and Chief Executive Officer are held by Mr. Chu, Nicholas Yuk-yui and Mrs. Chu Yuet Wah respectively.

Their respective responsibilities are clearly defined and set out in writing. The Chairman provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practice. With the support of the senior management, the Chairman is also responsible for ensuring that the Directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings.

本公司一般會就其他董事局及委員會會議發出合理通告。董事局文件連同所有適用之完整可靠資料，將於每次董事局會議或委員會會議舉行日期前最少三日寄交全體董事，致令董事獲悉本公司最新發展及財務狀況，從而作出知情決定。董事局及各董事在有需要時亦可各自及個別接觸高級管理人員。

全體董事已獲本集團管理層提供每月最新資料，當中載有對本集團之表現、狀況、近期發展及前景作出公正及易於理解之評估，內容足以讓董事緊貼本集團事務，並有助彼等按照上市規則相關規定履行職務。

本公司之公司秘書負責保存所有董事局會議及委員會會議記錄。草擬記錄一般於各會議後合理時間內供董事傳閱，以作評論，而最終版本可供董事查閱。

根據現行董事局常規，涉及主要股東或董事之利益衝突之任何重大交易，將由董事局於正式召開之董事局會議考慮及處理。本公司之公司細則亦載有條文，規定於批准董事或其任何聯繫人士於當中擁有重大權益之交易之會議上，有關董事須放棄投票及不計入法定人數。

主席及行政總裁

本公司全力支持董事局主席及行政總裁之職權分離，以確保權力及授權平衡。主席及行政總裁職位分別由朱沃裕先生及李月華女士擔任。

彼等各自之職權以書面方式清晰界定及列明。根據良好企業管治常規，主席提供領導，並負責確保董事局之有效運作。在高級管理人員支援下，主席亦負責確保董事及時收到充足、完整而可靠之資料及於董事局會議所提出事項之適當簡報。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Chief Executive Officer focuses on implementing objectives, policies and strategies approved and delegated by the Board. She is in charge of the Company's day-to-day management and operations. She is also responsible for developing strategic plans and formulating the company practices and procedures, business objectives, and risk assessment for the Board's approval.

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference which are available on the websites of the Company and the Stock Exchange.

All the members of the three Board committees are Independent Non-executive Directors. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Audit Committee

The Audit Committee comprises three Independent Non-executive Directors (including one Independent Non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant, compliance officer or external auditors before submission to the Board.
- (b) To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditors.
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

行政總裁專注於實施董事局所批准及委派之目標、政策及策略。彼負責本公司日常管理及營運。並負責開發策略計劃以及制定公司常規及程序、業務目標及風險評估，供董事局批准。

董事委員會

董事局設有三個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本公司之特定事務範疇。本公司所有董事委員會均已制定清晰書面權責範圍，職權範圍於本公司及聯交所網頁可供閱覽。

三個董事委員會全體成員均為獨立非執行董事。董事委員會獲提供足夠資源，以履行其職責，及在適當情況下可於提出合理要求下尋求獨立專業意見，費用由本公司承擔。

審核委員會

審核委員會由三名獨立非執行董事組成，包括一名具備適當專業資格或會計或相關財務管理專業知識之獨立非執行董事。審核委員會成員均非本公司現時之外聘核數師之前合夥人。

審核委員會主要職責包括下列各項：

- (a) 審閱財務報表及報告，並先行考慮合資格會計師、合規主任或外聘核數師提出之任何重大或非尋常事宜後始提交董事局。
- (b) 參考核數師進行之工作、其酬金及受聘條款檢討與外聘核數師之關係，並就委聘、續聘及撤換外聘核數師向董事局提供建議。
- (c) 檢討本公司財務申報制度、內部監控制度及風險管理制度以及相關程序是否足夠及有效。

CORPORATE GOVERNANCE REPORT

企業管治報告

Due to the amendments to the CG Code, the terms of reference of the Audit Committee has been amended to include the duty to review the risk management system of the Company with effect from 31 March 2016.

The Audit Committee is also responsible for performing the corporate governance duties which include: (i) to develop and review the Company's policies and practices on corporate governance; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (iv) to develop, review and monitor the code of conduct and compliance (if any) applicable to the Directors and employees; and (v) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Audit Committee held 4 meetings during the year ended 31 March 2017. During the year under review, work performed by the Audit Committee included (i) reviewing the audited annual results and the unaudited interim results of the Group; (ii) reviewing the compliance and internal audit reports on adequacy and effectiveness of risk management and internal control systems, and the compliance and corporate governance issues of the Group; and (iii) discussing with external auditor the audit planning work (including the nature and scope of the audit and reporting obligations) in respect of the audit of the annual results of the Group.

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

The Audit Committee has not taken a different view from the Board regarding the selection, appointment, resignation or dismissal of external auditors.

The Company's final results for the year ended 31 March 2017 have been reviewed by the Audit Committee.

因應企管常規守則之修訂，審核委員會之職權範圍獲修訂以涵蓋審視本公司風險管理制度之職責，自二零一六年三月三十一日起生效。

審核委員會亦負責履行企業管治職務，包括(i)制定及檢討本公司之企業管治政策及常規；(ii)檢討及監察董事及高級管理人員之培訓及持續專業發展；(iii)檢討及監察本公司就遵守法律及監管規定方面之政策及常規；(iv)制定、檢討及監察適用於董事及僱員之操守及合規守則(如有)；及(v)檢討本公司遵守企管常規守則之情況及於企業管治報告內之披露。

審核委員會於截至二零一七年三月三十一日止年度曾舉行四次會議。於回顧年度內，審核委員會進行之工作包括(i)審閱本集團之經審核全年業績及未經審核中期業績；(ii)就風險管理及內部監控制度之充足性及成效審閱本集團之合規及內部審核報告，並檢討合規及企業管治事宜；及(iii)與外聘核數師討論有關審核本集團全年業績之審核計劃工作(包括審核及報告責任之性質及範圍)。

本公司並不存在有關可能對其持續經營能力產生重大疑問或重大不確定性之事件或情況。

審核委員會就甄選、委任、辭退或撤換外聘核數師與董事局之意見一致。

本公司截至二零一七年三月三十一日止年度之末期業績經審核委員會審閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

The individual attendance record of each Director at the Audit Committee meeting during the year ended 31 March 2017 is set out below:

截至二零一七年三月三十一日止年度，各董事於審核委員會會議之個人出席記錄載列如下：

Name of Audit Committee Members		Attendance at Audit Committee meetings
審核委員會成員姓名		出席審核委員會會議次數
Mr. Lau Man Tak	劉文德先生	4/4
Dr. Wong Yun Kuen	黃潤權博士	4/4
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)	羅妙嫦女士(於二零一六年九月一日獲委任)	2/2
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)	余伯仁先生(於二零一六年九月一日辭任)	2/2

Remuneration Committee

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions. The Remuneration Committee has assessed the performance of executive directors and reviewed the terms of service contract of Directors.

The Remuneration Committee normally meets for reviewing the remuneration policy and structure and determination of the annual remuneration packages of the executive Directors and the senior management and other related matters. The human resources department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee shall consult the Chairman and/or the Chief Executive Officer of the Company about these recommendations on remuneration policy and structure and remuneration packages.

薪酬委員會

薪酬委員會主要目標包括就薪酬政策及架構以及董事及高級管理人員之薪酬組合作出建議及審批。薪酬委員會亦負責就制定薪酬政策及架構設立具透明度之程序，以確保董事或其任何聯繫人士並無參與決定其本身之薪酬，薪酬會參考個人及本公司表現及市場慣例及狀況釐定。薪酬委員會已評估執行董事之表現及審閱董事服務合約之條款。

薪酬委員會一般會為檢討薪酬政策及架構以及釐定執行董事及高級管理人員之年度酬金組合及其他相關事項會晤。人力資源部負責收集及管理人力資源數據，並向薪酬委員會作出建議以供考慮。薪酬委員會須就其對薪酬政策及架構與薪酬組合之推薦建議，諮詢本公司主席及／或行政總裁之意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year under review, work performed by the Remuneration Committee included (i) assessing performance of Executive Director and senior management and, where applicable, approving their terms of services including the Directors' fees and the emoluments of Executive Directors; and (ii) reviewing and determining on policy and structure of the remuneration package of Directors and senior management.

The remuneration packages of the Board for the year ended 31 March 2017 had been reviewed by the Remuneration Committee and approved by the Board by taking into consideration factors such as salaries paid by comparable companies, time commitment, responsibility, market conditions elsewhere in the Group and desirability of performance-based remuneration. Details of the remuneration of each of the Directors for the year under review are set out in note 16 to the financial statements.

The Remuneration Committee met twice during the year ended 31 March 2017 and reviewed the existing remuneration policy and structure of the Company and remuneration packages of the Directors and the senior management. The attendance record is as follows:

於回顧年度內，薪酬委員會進行之工作包括(i)評核執行董事及高級管理人員之表現，並(如適用)批准彼等之服務條款(包括董事袍金及執行董事之酬金)；及(ii)檢討及釐定董事及高級管理人員之薪酬待遇政策及架構。

截至二零一七年三月三十一日止年度之董事局薪酬待遇已由薪酬委員會作出檢討，並獲董事局批准，當中已考慮多項因素，如可比較公司支付之薪金、董事投入之時間及職責、本集團其他方面之市場情況以及與表現掛鈎之薪酬是否可取。各董事於回顧年度之薪酬詳情載於財務報表附註16。

薪酬委員會於截至二零一七年三月三十一日止年度曾會晤兩次，並檢討本公司現有薪酬政策及架構以及董事及高級管理人員之酬金組合。出席會議記錄載列如下：

Name of Remuneration Committee Members		Attendance at Remuneration Committee meetings
薪酬委員會成員姓名		出席薪酬委員會會議次數
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)	羅妙嫦女士(於二零一六年九月一日獲委任)	—
Dr. Wong Yun Kuen	黃潤權博士	2/2
Mr. Lau Man Tak	劉文德先生	2/2
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)	余伯仁先生(於二零一六年九月一日辭任)	2/2

CORPORATE GOVERNANCE REPORT

企業管治報告

The remuneration of the members of senior management by band for the year ended 31 March 2017 is set out as below:

截至二零一七年三月三十一日止年度，按薪酬組別劃分之高級管理層成員薪酬載列如下：

Remuneration bands (HK\$)		Number of person
薪酬組別 (港元)		人數
Nil to 1,000,000	零至 1,000,000	2
1,000,001 to 2,000,000	1,000,001 至 2,000,000	1
3,000,001 to 4,000,000	3,000,001 至 4,000,000	1
11,000,001 to 12,000,000	11,000,001 至 12,000,000	1

Nomination Committee

The Nomination Committee is responsible for formulating nomination policy for the consideration of the Board and to implement the Board's approved nomination policy. During the nomination process, the nomination committee will consider the competency, independency (in case of independent non-executive director), conflict of interests, capacity, management experience of a candidate which makes him/herself suitable for the role as a director and make recommendation to the Board for consideration.

The Nomination Committee is also responsible for monitoring the appointment and succession planning of Directors and assessing the independence of Independent Non-executive Directors.

The Nomination Committee reviewed the Board's structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company. Where vacancies on the Board exist, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

提名委員會

提名委員會負責制定提名政策以供董事局考慮，並實施經董事局批准之提名政策。於提名過程中，提名委員會將考慮候選人之能力、獨立身份(就獨立非執行董事而言)、利益衝突、資歷及管理經驗是否適合出任董事一職，並向董事局提供推薦建議以供考慮。

提名委員會亦負責監控董事委任及繼任計劃以及評估獨立非執行董事之獨立身分。

提名委員會已定期檢討董事局本身架構、規模及組成，以確保其於切合本公司業務需要之專業知識、技能及經驗方面取得平衡。倘董事局出現空缺，提名委員會將參考獲提名候選人之技能、經驗、專業知識、個人誠信及投入時間、本公司之需要以及其他相關法律及規例進行甄選程序。於有需要時，本公司可能委聘外界招聘代理進行招聘及甄選程序。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year under review, work performed by the Nomination Committee included (i) determining the policy for the nomination of Directors with reference to the structure, size and composition (including the skills, knowledge and experience) of the Board; (ii) reviewing the annual confirmation of independence submitted by the Independent Non-executive Directors and assessing their independence; and (iii) adopting of a policy concerning diversity of board members in accordance with the new Code Provision A.5.6 in the revised CG Code which came into effect on 1 September 2013. Nomination procedures and the process and criteria will be determined by the Nomination Committee should there be the need to select and recommend candidates for directorship.

Details of the duties and powers of the Nomination Committee are set out in its written terms of reference which has been revised during the year under review in line with the amendment of the CG Code on board diversity and are available on the websites of the Company and the Stock Exchange.

The Nomination Committee met twice during the year ended 31 March 2017. The attendance record is as follows:

於回顧年度內，提名委員會進行之工作包括(i)參照董事局之架構、人數及組成(包括技能、知識及經驗)釐定董事提名政策；(ii)審閱獨立非執行董事提交之年度獨立性確認書，以及評核彼等之獨立性；及(iii)根據於二零一三年九月一日生效之經修訂企管常規守則新守則條文A.5.6條採納有關董事局成員多元化之政策。如有需要甄選及建議董事人選，提名委員會將制定提名步驟程序以及準則。

提名委員會之職務及權力詳情載於其書面職權範圍，有關職權範圍已於回顧年度修訂以符合企管常規守則有關董事局成員多元化之修訂，並可於本公司及聯交所網站閱覽。

截至二零一七年三月三十一日止年度，提名委員會曾會晤兩次，出席會議之記錄載列如下：

Name of Nomination Committee Members		Attendance at Nomination Committee meetings
提名委員會成員姓名		出席提名委員會會議次數
Dr. Wong Yun Kuen	黃潤權博士	2/2
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)	羅妙嫦女士(於二零一六年九月一日獲委任)	-
Mr. Lau Man Tak	劉文德先生	2/2
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)	余伯仁先生(於二零一六年九月一日辭任)	2/2

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the requirements of the Code of Conduct and the Model Code throughout the year ended 31 March 2017.

證券交易標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)所載標準。本公司已向全體董事作出具體查詢，而董事已確認彼等於截至二零一七年三月三十一日止年度內一直遵守標準守則所載規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company also has established written guidelines on no less exacting than the Model Code (the “Written Guidelines”) for securities transactions by the employees who are likely to be in possession of inside information of the Company.

No incident of non-compliance of the Written Guidelines by the employees was noted by the Company.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS AND AUDITORS’ REMUNERATION

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

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 March 2017.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor’s Report on pages 76 to 83.

The remuneration paid/payable to the external auditors of the Company in respect of audit services and non-audit services for the year ended 31 March 2017 amounted to HK\$2,200,000 and HK\$175,000 respectively.

An analysis of the remuneration paid/payable to the external auditors of the Company is set out below:

本公司亦已就可取得本公司內幕消息之僱員所進行證券交易，訂立嚴謹程度不遜於標準守則之書面指引（「書面指引」）。

本公司並無發現僱員違反書面指引之情況。

有關財務報表之責任及核數師酬金

董事局負責就年度及中期報告、內幕消息公佈及其他根據上市規則及其他監管規定之其他披露規定，作出均衡、清晰及易明之評估。

董事明白彼等有責任編製本公司截至二零一七年三月三十一日止年度之財務報表。

本公司外聘核數師對財務報表申報責任之聲明，載於第76至83頁之獨立核數師報告。

截至二零一七年三月三十一日止年度，就審核及非審核服務已付／應付本公司外聘核數師之酬金分別為2,200,000港元及175,000港元。

已付／應付本公司外聘核數師酬金之分析如下：

Types of Services 服務類別		Amount of Fees Payable/Paid 應付／已付費用金額 (HK\$) (港元)
Audit Services	審核服務	2,200,000
Non-audit Services	非審核服務	
1. Tax services	1. 稅項服務	65,000
2. Others	2. 其他	110,000
		175,000
Total	合計	2,375,000

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for maintaining an adequate risk management and internal control systems to safeguard shareholder investments and Company assets, and reviewing the effectiveness of such on an annual basis through the Audit Committee. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company has maintained a tailored governance structure with defined lines of responsibility and appropriate delegation of responsibility and authority to the senior management.

Management currently takes the view that there is no immediate need to set up an internal audit function in light of the size, nature and complexity of the Group's business. The need for an internal audit function will be reviewed from time to time.

During the year under review, the Board, through the Audit Committee and an independent accounting firm, has conducted a review of the effectiveness of the risk management and internal control systems of the Group, which covered all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. The board is satisfied that the risk management and internal control systems within the Group are effective and adequate.

COMPANY SECRETARY

Mr. Chan Chun Lam was appointed as Company Secretary of the Company on 4 April 2014. During the year, Mr. Chan Chun Lam has undertaken sufficient hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

風險管理及內部監控

董事局負責維持充足的風險管理及內部監控制度，以保障股東投資及本公司資產，並透過審核委員會按年檢討其效益。有關系統旨在管理而非消除未能達成業務目標之風險，且僅就重大錯誤陳述或損失提供合理而非絕對保證。

本公司度身訂造具有明確職責及向高級管理層委派適當責任及權力之管治架構。

管理層現認為，就本集團業務規模、性質及複雜程度而言，毋須急切成立內部審核部門，惟將會不時檢討有關設立內部審核部門之需要。

於回顧年度內，董事局曾透過審核委員會及一家獨立之會計師事務所檢討本集團風險管理及內部監控制度之效益，當中涵蓋所有重大監控（包括財務、經營及合規監控），以確保資源、員工資格及經驗、員工培訓課程、本集團會計、內部審核及財務匯報職能之預算充足。董事局認為本集團內之風險管理及內部監控制度有效及充足。

公司秘書

於二零一四年四月四日，陳俊霖先生已獲委任為本公司之公司秘書。年內，陳俊霖先生均已遵照上市規則第3.29條規定接受足夠時數之相關專業培訓。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDER RIGHTS

Procedures by which Shareholders may convene a special general meeting

The Board may whenever it thinks fit call special general meetings, any 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 of the Company, 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 2 months after the deposit of such requisition. If within 21 days of such requisition the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the relevant provisions of the Bermuda Companies Act.

Proceedings at general meetings

The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders meetings are contained in the Company's bye-laws. Details of such rights to demand a poll and the poll procedures are included in all circulars to shareholders and will be explained during the proceedings of meetings.

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman of the Board as well as chairmen of the Audit Committee, Remuneration Committee, Nomination Committee or in their absence, other members of the respective committees, and where applicable, the independent Board committee, are available to answer questions at the shareholders' meetings.

Separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual Directors.

INVESTOR RELATIONS

The Company continues to enhance communications and relationships with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments.

Enquiries from investors are dealt with in an informative and timely manner. To promote effective communication, the Company also maintains a website at <http://www.kingston.com.hk>, where extensive information and updates on the Company's business developments and operations, financial information and other information are posted.

股東權利

股東召開股東特別大會之程序

董事局可於認為適當時隨時召開股東特別大會，任何於提交要求當日持有賦予有關本公司股東大會表決權利之本公司實繳股本不少於十分之一之股東，於任何時候均有權利，透過向董事局或本公司之公司秘書發出書面要求，要求董事局召開股東特別大會以處理要求中註明之任何事務，有關大會須於提交要求後兩個月內舉行。倘於提交要求後二十一日內董事局未有著手召開大會，則提出要求之股東可根據百慕達公司法相關條文自行召開有關大會。

股東大會之流程

於股東大會上要求就決議案進行按股數投票表決之股東權利及程序，載於本公司之公司細則。有關要求進行按股數投票表決之權利及表決程序詳載於所有派發予股東之通函內，並將於股東大會上說明。

本公司之股東大會提供股東與董事局之間的溝通橋樑。董事局主席與審核委員會、薪酬委員會及提名委員會主席或(如彼等缺席)各委員會及(如適用)獨立董事委員會之其他成員，均會於股東大會上解答提問。

本公司會於股東大會就各主要事宜(包括選舉個別董事)提呈獨立決議案。

投資者關係

本公司繼續加強與投資者之溝通及關係。指定高級管理人員與機構投資者及分析員定期對話，以便彼等緊貼本公司之發展。

本公司將詳盡及適時處理投資者之查詢。為加強有效溝通，本公司亦設有網站(網址為 <http://www.kingston.com.hk>)，其中載列有關本公司業務發展及營運之詳情及更新資料、財務資料及其他資料。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

This is the first Environmental, Social and Governance (“ESG”) report (the “ESG Report”) of Kingston Financial Group Limited (the “Company” or together with its subsidiaries, the “Group”, Hong Kong stock code: 1031).

This ESG Report presents activities undertaken within the Group’s main office in Hong Kong and two hotels in Macau (the “Reporting Scope”), during the year ended 31 March 2017 (the “Reporting Period”), unless specified otherwise. It aims to communicate the Group’s sustainability policies, commitments and performances in three areas, namely Our Business, Our People and Our Environment.

The Reporting Scope of this ESG Report encompasses the most significant economic, environmental and social impact contributed to the Group’s operations. However, as we strive for improved transparency, it is our intention to gradually improve our reporting capabilities and expand the scope of our future ESG Reports.

This ESG Report is prepared according to the Environmental, Social and Governance Reporting Guide (“ESG Guide”) under Appendix 27 of the Main Board Rules Governing the Listing of Securities (“the Listing Rules”) on the Stock Exchange of Hong Kong Limited (“SEHK”). It complies with the “comply or explain” provisions of said ESG Guide.

Given this is the Group’s first report of such kind, relevant data are limited to certain environmental and social key performance indicators. The Group will continuously improve and expand on the scope of data collection and its system.

We value your feedback and comments about this ESG Report and on how we can continue to improve on our sustainability performance. Should you have any comments or suggestions, please feel free to contact us as below.

Kingston Financial Group Limited

Address: Suite 2801, 28th Floor, One IFC,
Harbour View Street, Central, Hong Kong
Email: kg@kingston.com.hk.

關於本報告

此乃金利豐金融集團有限公司「本公司」連同其附屬公司「本集團」，股票代號：1031)的首份環境、社會及管治報告。

本環境、社會及管治報告介紹本集團香港主要辦事處和澳門兩家酒店(「報告範圍」)在截至二零一七年三月三十一日的財政年度(「報告期」)內開展的活動，除非另有說明。此報告旨在傳達本集團於業務、人才及環境三方面的可持續發展政策、承諾和表現。

本報告範圍代表了本集團在經濟、環境及社會方面的重要影響。為提高集團的透明度，我們將逐步提高報告能力，擴大未來環境、社會及管治報告的範圍。

本報告依據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄27「環境、社會及管治報告指南」編制而成，並符合其載列的「不遵守就解釋」條文。

鑑於此乃集團首份環境、社會及管治報告，相關數據僅限於某些環境和社會關鍵績效指標。本集團將不斷完善和擴大數據收集及其系統的範圍。

本集團重視您對本報告和其可持續發展績效的意見，請通過以下聯絡方式，提供您的寶貴反饋意見。

金利豐金融集團有限公司

地址：香港中環港景街一號
國際金融中心一期28樓2801室
電子郵件：kg@kingston.com.hk

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OUR APPROACH TO SUSTAINABILITY OUR BUSINESS

The Group is committed to achieving sustainable growth in its two core business areas, financial services and hotel and gaming services.

As one of the leading financial institutions in Hong Kong, the Group credits its success to outstanding business development and risk management, especially across securities brokerage, underwriting and placements, and margin and initial public offering (IPO) financing segments. The hotel and gaming segment primarily covers two four-star hotels in Macau.

The business units covered in this report form the core of our financial services and hotel and gaming services, which have both demonstrated a strong track record of customer service excellence in Hong Kong and Macau.

Financial Services Segment

The financial services segment principally engages in the provision of a wide range of financial services, including securities brokerage, underwriting and placements, margin and initial public offering (IPO) financing and other financial services mainly include corporate finance advisory services, futures brokerage, and asset management services. This is managed by our wholly-owned subsidiaries, Kingston Securities Limited, Kingston Corporate Finance Limited, Kingston Futures Limited, Kingston Asset Management Limited and others. We strive to offer across-the-board solutions to our clients' financing needs.

Hotel and Gaming Segment

The hotel and gaming segment mainly comprises of the management and operation of Casa Real Hotel Macau ("Casa Real") and Grandview Hotel Macau ("Grandview"). As four-star hotels, Casa Real and Grandview are both conveniently located adjacent to the Macau Ferry Terminal and in Downtown Taipa respectively, and offer a wide range of excellent services and amenities that accommodates visitors with pleasant experience.

The Group's casino operation is run by the license holder Sociedade de Jogos de Macau, S.A. A casino is located in both hotels to provide exciting entertainment for visitors within a comfortable and safe environment. The gaming floors feature popular table games and slot machines that operate 24 hours.

我們的可持續發展方針 我們的業務

本集團致力於在金融服務和酒店及博彩服務兩個核心業務領域實現可持續發展。

作為香港領先金融機構之一，本集團的成功源於優秀的業務發展和風險管理，特別是證券經紀，承銷和配售，以及保證金和首次公開募股(IPO)融資分類。而酒店及博彩分類則主要涵蓋澳門兩家四星級酒店。

本報告涵蓋的業務單位是我們金融服務和酒店及博彩服務的核心，在香港和澳門竭誠為客戶提供卓越及全方位的服務。

金融服務分類

金融服務分類主要提供廣泛的金融服務，包括證券經紀、承銷和配售、保證金和首次公開募股融資，以及其他金融服務主要包括企業融資諮詢服務、期貨經紀和資產管理服務。這是由我們的全資附屬公司金利豐證券有限公司、金利豐財務顧問有限公司、金利豐期貨有限公司、金利豐資產管理有限公司等管理。我們力求為客戶的融資需求提供全面的解決方案。

酒店及博彩分類

酒店及博彩分類主要從事皇家金堡酒店(「皇家金堡」)及澳門君怡酒店(「澳門君怡」)的管理及經營。作為四星級酒店，皇家金堡和澳門君怡分別毗鄰澳門客運碼頭和氹仔市中心，提供各種優質的服務和設施，為遊客提供愉快的體驗。

集團的賭場營運由許可證持有人 Sociedade de Jogos de Macau S.A 管理，兩間酒店均設有賭場，讓遊客於舒適安全的環境下享受精彩的娛樂活動。賭場配有24小時運作的賭枱及角子老虎機。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Sustainability Model

“Professionalism”, “Engagement” and “Integrity” are the key to our success. Looking ahead, we will continue to provide the best full-range services to our clients with these attitudes.

Proven by our ability to overcome the volatility of the financial market, our solid foundation and meticulous attitude, among our other strengths, have become one of the many reasons our clients have chosen us as their preferred partner throughout the years.

We shall carry these attitude with us moving forward in the Group’s sustainable development in economic, social and environmental aspects:

可持續發展模式

「專業」、「投入」和「誠信」是本集團成功的關鍵。放眼未來，我們會繼續以此態度致力為客戶提供最佳的全方位服務。

憑藉本集團克服金融市場波動的能力，我們堅實的基礎、謹慎的態度及其他眾多優勢，已成為客戶選擇我們作為多年合作夥伴的首要原因之一。

我們將抱着這些態度，在本集團經濟、社會及環境方面的可持續發展邁向長遠發展：

Aspects	Our Sustainable Development Guide	方面	我們的可持續發展指引
Economic	<ul style="list-style-type: none"> — Corporate Governance — Risk Management — Anti-Corruption — Supply Chain Management — Quality Assurance 	「經濟」	<ul style="list-style-type: none"> — 公司治理 — 風險管理 — 反貪腐 — 供應鏈管理 — 質量保證
Social	<ul style="list-style-type: none"> — Employee Care and Engagement — Training and Development — Health and Safety — Community Investment 	「社會」	<ul style="list-style-type: none"> — 員工關懷與投入 — 培訓與發展 — 健康和安全 — 社區投資
Environmental	<ul style="list-style-type: none"> — Energy Conservation — Waste Reduction — Water Efficiency — Air and Water Emissions Monitoring 	「環境」	<ul style="list-style-type: none"> — 節約能源 — 減少廢物 — 提高用水效率 — 空氣和水排放監測

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Engagement

The Group engages its stakeholders continuously. Engagement is not only a form of respect we show to our stakeholders, it also allows us to listen to and respond to their needs, as well as improve the services and products we deliver. Our stakeholder groups include our shareholders and investors, customers, employees, suppliers and the media. Various engagement channels have been set up to guarantee all feedback from each group is responded in a timely manner.

We believe that further development in our engagement channels and collection system of stakeholders' concerns are vital to understanding our stakeholders and responding to their requirements and concerns.

持份者聯繫

本集團持續與其持份者保持緊密溝通。聯繫不僅是我們向持份者展示的一份尊重，也讓我們傾聽和回應他們的需求，並改善我們的服務和產品。我們的持份者團體包括我們的股東和投資者、客戶、員工、供應商和媒體。本集團已建立各種聯繫渠道，以保證每個群體的所有反饋均得到及時回應。

我們相信，我們的聯繫渠道、以及收集持份者意見的系統應進一步發展，以進一步了解持份者和回應他們的需求。

Stakeholder Groups	Engagement Channels	持份者團體	聯繫渠道
SHAREHOLDERS AND INVESTORS	<ul style="list-style-type: none"> — Annual general meetings — Circulars and announcements — Company website 	股東和投資者	<ul style="list-style-type: none"> — 股東週年大會 — 通函和公告 — 公司網站
CUSTOMERS	<ul style="list-style-type: none"> — Client satisfaction surveys — Online social media channels — Company website 	客戶	<ul style="list-style-type: none"> — 客戶滿意度調查 — 社交媒體 — 公司網站
EMPLOYEES	<ul style="list-style-type: none"> — Internal notice boards and memo — Departmental meetings — Annual appraisals 	員工	<ul style="list-style-type: none"> — 內部通知板和備忘錄 — 部門會議 — 年度評估
SUPPLIERS	<ul style="list-style-type: none"> — Tender notices for procurement for key services/products — Work inspection, supervision and feedback — In-person meetings 	供應商	<ul style="list-style-type: none"> — 主要服務和產品的採購招標公告 — 工作檢查、監督和反饋 — 會談
MEDIA	<ul style="list-style-type: none"> — Press conference — Media interviews — Advertising and marketing promotions 	媒體	<ul style="list-style-type: none"> — 新聞發佈會 — 媒體採訪 — 廣告和營銷促銷

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Corporate Governance

Risk Management

In accordance with Appendix 14 of the Listing Rules “Corporate Governance Code and Corporate Governance Report”, our Board of Directors oversee risk management and internal control system on an ongoing basis. A review of the effectiveness of the Group’s risk management and internal control systems has been conducted at least annually and reported to shareholders.

Code of Conduct

Ethics is central to the Group’s corporate culture and values”. Both financial services segment and hotel and gaming segment have their own Staff Handbooks. These Staff Handbooks are regularly reviewed, affirming the rights and responsibilities for all staff members. It also governs the actions of all of our employees, including equal opportunities and anti-discrimination, confidentiality, anti-corruption, conflict of interest, and compliance with laws and regulations. Our Code of Conduct is set out according to the ethical principles outlined in Staff Handbooks.

Confidentiality is taken seriously in our Group. Our staff members are expected to treat all confidential information with care. Leak of any confidential information of the Group to any outsider or competitor could lead to disciplinary actions, including immediate dismissal.

Anti-Corruption

We believe that fairness, honesty and integrity are important business assets of the Company. Our employees must ensure that our corporate reputation would never be compromised by fraud, deceit or corruption. Anti-corruption has its own dedicated section within our Staff Handbook, which defines and restricts the code of conduct of our employees in this regard. Compliant with the Prevention of Bribery Ordinance (POBO) enforced by the Hong Kong Independent Commission Against Corruption (ICAC), our Group bans all employees from receiving any benefits for personal gain. This prevents any negative impact or disruption to our business operations. Any report of suspected behaviors would lead to disciplinary action, dismissal or reported to ICAC or relevant agencies.

公司治理

風險管理

根據上市規則附錄14「《企業管治守則》及《企業管治報告》」的規定，董事會會定期檢討及持續監督風險管理及內部控制制度。集團也會對集團的風險管理及內部控制制度的有效性進行年度評估，並向股東彙報。

行為守則

道德是集團企業文化和價值觀之核心。金融服務分類和酒店及博彩分類均各有一套「員工手冊」。「員工手冊」獲定期審閱，其確認了所有員工的權利和責任，還規定了本集團所有員工的行為，包括平等機會和反歧視、保密、反貪腐、利益衝突和遵守法律法規。我們的行為準則是根據我們「員工手冊」中列出的道德規範。

本集團認真看待保密協議。我們的工作人員應小心處理所有機密信息。將本集團任何機密信息洩漏給任何外部人員或競爭對手可能會導致紀律處分，包括即時解僱。

反貪腐

本集團認為平等、誠實及誠信是公司重要的資產。我們的員工必須確保我們的企業聲譽不會因欺詐、欺騙或貪腐而受到損害。「員工手冊」中有關於反貪腐的指定部分，其中界定和限制員工在這方面的行為守則。我們集團嚴格遵守香港廉政公署執行的「防止賄賂條例」，禁止所有僱員為個人利益收取任何收益，防止對我們的業務運營造成任何負面影響或中斷。任何涉嫌行為的報告都有機會導致紀律處分，解職或向廉署及相關機構報送。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Prevention of Money-Laundering

Both financial services segment and hotel and gaming segment of our operations have separate set of rigid preventive measures that safeguard against any possibility of money-laundering.

Although the risk of fraud and money laundering in the financial services segment is unlikely, it poses major consequences. Hence an Anti-Money Laundering Guidance Note (“AML Manual”) has been developed in 2013 to assist employees in identifying the types of risks and their relevant major characteristics. All employees of the Group are obliged to be well-versed with and strictly adhere to the AML Manual.

In our hotel and gaming operation, staff members are trained to monitor guests for unusual betting behaviors and to pay attention to guests who exchange large amount of cash or chips. Our staff members shall record all transactions and guests' information for payout over HK\$500,000, to prevent money-laundering. Payout checks with large amount are also highly monitored and guests' information are also recorded.

Compliance

Our Group strictly abides by all applicable laws and regulations, as well as guidance from various government agencies, including the Securities and Futures Commission (SFC). During the Reporting Period, our Directors confirmed that our Group has complied with all relevant laws and has not been involved in any material environmental or social issue, to the best of our Directors' knowledge and information.

It is the policy of the Company that all directors, managers and staff in the financial services segment shall be subject to the strict compliance with the rules, regulations and codes of the SEHK, the SFC, and various ordinances or other relevant laws of HKSAR or other jurisdictions where applicable.

防止洗黑錢

本集團業務的金融分類和酒店及博彩分類均採取嚴格的預防措施，以杜絕任何洗黑錢的可能性。

雖然金融服務分類的欺詐和洗黑錢風險不大可能，但卻有機會帶來重大後果。因此，本集團已於二零一三年制定了「反洗黑錢手冊」，以協助員工確定各類風險類型及其相關主要特徵。本集團的所有員工均有義務熟讀並嚴格遵守「反洗黑錢手冊」。

在我們的酒店及博彩營運當中，員工接受特定培訓，監控客人的異常投注行為，並留意替換大量現金或籌碼的客人。我們的工作人員應記錄所有超於50萬港元的交易和客人資料，以防止洗黑錢。我們也會監測大數目的支付支票，並記錄客人資料。

合規

本集團嚴格遵守所有適用的法律法規以及政府各機構的指導，包括證券及期貨事務監察委員會（證監會）。報告期內，本公司董事確認，本集團已遵守所有有關法律，並沒有涉及任何重大環境或社會問題。

本公司的政策要求所有董事、經理和員工在金融服務分類均應嚴格遵守聯交所、證監會、和香港特別行政區或其他司法管轄區有關法律的各種條例、法規和規範。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Supply Chain Management

The Group sustains strategic partnerships with and supports its suppliers through a transparent and fair procurement and supply chain management system. The Company has established an efficient procedure in selecting and managing our suppliers, while maintaining fair and sustainable relationships. Procurement considerations include environmental concerns, quality of their products and services, prevailing market price, past work references and experience, and compliance with laws and regulations.

Local suppliers often have priority over other suppliers, given all other considerations are alike. This allows better communications, smoother transportation arrangement, and better understanding of local laws and regulations. It also reduces carbon emissions during transportation and demonstrates our support to boost local economic development.

At the hotels, environmental considerations are a must for purchases of machinery and equipment. Energy consumption and analysis over the lifecycle of equipment must be considered carefully, and requires management approval. Compliance with environmental laws and regulations are also taken into considerations. New machinery and equipment must comply with all local environmental laws, including but not limited to air and noise emissions. Further information can be found in the subsequent sections under "Our Environment".

In strengthening our strategic supply chain management, we consistently perform assessments on our suppliers within each department and regularly update a market list of suppliers, based on a high standard of their professional levels, financial status and compliance records.

Internally, we separate the processes of procurement negotiations, decisions, and quality checks and product acceptance into three different departments. This practice of segregation of duties effectively avoids individual department or person responsible for the entire procurement process, which reduces the risk of fraud opportunities.

供應鏈管理

本集團通過透明和公平的採購和供應鏈管理系統與其供應商保持良好合作關係。公司在選擇和管理供應商方面建立有效的程序，同時保持公平的持續關係。採購考慮包括環境因素、產品和服務的質量、現行的市場價格、過去的工作參考和經驗、以及遵守法律法規。

考慮到所有其他因素，本地供應商往往比其他供應商優先，促進更好的溝通，更順暢的交通安排，更了解當地的法律法規，也減少運輸過程中排放的碳排放量，並證明我們支持促進當地的經濟發展。

於酒店業務當中，環境因素是購買機械和設備的必要條件。我們必須仔細考慮設備使用壽命週期內的能耗分析，並要求管理層批准。我們還考慮到針對環境的法律法規，新的機械設備必須符合所有本地環境法律，包括但不限於空氣和噪音排放。詳情請參見「公司環境」部份。

為加強我們的供應鏈管理，我們一直對各部門的供應商進行評估，並根據其專業水平、財務狀況和合規記錄的高標準定期更新供應商的市場清單。

在公司內部，我們將採購談判、決策、和質量檢查及產品驗收過程分為三個部門。這種隔離職責的做法能有效避免個別部門或個人負責整個採購過程，從而降低了欺詐風險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Quality Assurance

Quality assurance plays a central role within our operations as well. Our business relies on repeat customers and client referrals; hence we must not compromise the quality of our products and services.

For the financial services segment, our staff members are highly trained to strictly abide by all applicable SFC regulations to ensure the quality and compliance of our services. Multiple operational procedures and procedure manuals are in place to prevent the misappropriation of client securities and client money. It also protects the Group against fictitious trade and client, or any other error in trading. Daily and weekly reconciliations are performed and reviewed.

At all times, the Company shall conduct its business on the principle that the Company has an obligation to act in the best interests of its clients. This includes making adequate disclosures of relevant material information in dealing with clients and giving advice and recommendations, diligently and carefully with due regard to the investment objectives, financial resources and risk tolerance level of each individual client.

Our hotels operate under a set of policies that guarantees the quality of our rooms, services, and operating processes. Our high standard for hotel room preparation involves the cleanliness of rooms, preparedness of all amenities, quality of our facilities, and services of our housekeepers. Room cleaning follows a consistent protocol to ensure that our rooms are fresh, comfortable and hygienic. Cleaning processes of our rooms are standardized to warrant all rooms are prepared in a systematic manner and satisfy the needs of our customers. Managers on duty would spot check all areas and any arising issue would be rectified immediately.

There are policies in place for the effective and efficient implementation of exchanges and refund procedures. In general, front office applies for cases of refund, supplemented with sufficient information and documentations. These cases are reviewed by the income audit team, prior to getting the approval of our general manager. For exchanges of any reason, front office manager normally oversee each situation and grant room exchanges on a case by case basis. Such exchanges shall then be reported to the general manager afterwards. Any issue with the rooms' conditions that led to room exchanges would be rectified immediately.

質量保證

質量保證也在我們的運營中發揮核心作用。我們的業務依賴於重複客戶和客戶推薦，因此我們對產品和服務的質素絕不妥協。

就金融服務分類，我們的員工均受過高度培訓，並嚴格遵守所有適用的證監會規定，以確保我們的服務質量和合規性。集團更制定了多重操作程序與程序手冊，以防止客戶證券和資金遭盜用，也避免任何虛構的交易和客戶，或任何其他錯誤交易。我們也會每日和每週執行和審查對帳。

一直以來，本集團始終抱著以客戶利益為優先的原則來營運，當中包括向客戶充分披露相關的重要信息，細心評估並適切分析每一位客戶的投資目標、財力及其可承擔的風險水平，就著不同情況給予意見和建議。

我們的酒店設有一套保證我們房間、服務和營運流程質量的政策。準備酒店房間的高標準包括房間的清潔、所有設施的準備、設施的質量和我們的管家服務。房間的清潔遵循一致的流程，以確保我們的房間清新、舒適和衛生。房間的清潔過程是標準化的，以保證所有房間均以統一標準滿足客戶需求。當值經理檢查所有位置，如遇任何問題將立即予以糾正。

酒店也設有高效率的更換和退款手續政策。一般情況下，前台在了解情況後，根據補充資料辦理退款手續。這些事件在獲得總經理批准之前由收入審計小組審查。如有任何更換房間的情況，前台經理通常負責監督各種情況，並根據具體情況提供房間更換。此後，此類更換會隨後向總經理報告。若有任何因房間問題而導致的房間更換，將立即糾正。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Customers' health and safety is our priority. Procedures are in place to prevent injuries or illnesses. However, accidents do occur sometimes. Safety policies, measures and trainings are provided to all staff members, for example, first-aid training. 24-hour CCTV system is set up and monitored by our security department. These measures ensure that all injuries or illnesses would be reported and taken care of immediately. Proper medical attention and immediate assistance would also be provided to the effected individuals.

OUR PEOPLE

We believe that each employee makes a significant contribution to our success. Their satisfaction, health and well-being, and professional growth are significant to the sustainable development of our Group. A set of policies and practical measures are in place to safeguard these aspects, so we could attract and retain talents, and contribute positively towards their career attainment and personal growth.

Employee Care and Engagement

Our Group offers competitive remunerations and benefits to employees, according to their job requirements and individual performances. Annual salary research indicators are conducted to inform management of the market trends of human resources and economic development, thereby management could take those indicators as benchmark for setting competitive salary and benefits for the coming year.

Our staff members are entitled to statutory holidays, paid annual leave, sick leave, maternity leaves, rest periods, annual bonuses and medical benefits, among others, dependent upon their positions within the company. Casa Real and Grandview currently offer 11 and 9 dormitories for foreign workers respectively, and ensure that the living environment is guaranteed. Details of all the benefits the Group offers are listed on the Staff Handbooks for the financial services segment and hotel and gaming segment respectively. The Staff Handbooks are reviewed periodically to reflect relevant changes in and ensure compliance with relevant laws and regulations.

保障客戶的健康和安全是我們的首要任務。酒店現有可防止受傷或疾病程序。為準備任何緊急事故發生，酒店向所有工作人員提供安全政策、措施和培訓，例如急救培訓。酒店的保安部門也設立和監控24小時監測系統。這些措施確保所有意外或疾病將立即報告及照顧，還向受影響的個人提供適當的醫療照顧和即時幫助。

我們的人才

我們相信每一位員工都為本集團的成功作出了重要貢獻。他們對工作的滿足感、個人健康和專業發展對本集團的可持續發展至關重要。因此，我們制定了一系列政策和實際措施來保障這些方面，從而吸引和留住人才，為員工的事業和個人成長作出積極貢獻。

員工關懷與投入

本集團根據工作要求和個人表現，為員工提供有競爭力的報酬和福利。集團更進行年度薪酬研究指標評估，為管理層提供本地人力資源和市場經濟發展趨勢之重要信息，從而使管理層可以使用該指標作為下年度競爭性薪酬福利的基準。

根據職位，各員工有權享有法定假日、帶薪年假、病假、產假、休息時間、年度獎金、醫療福利等。皇家金堡和澳門君怡目前分別為外籍員工提供11個和9個宿舍，確保員工之生活環境得到保證。本集團提供之所有福利的詳細資料已相應列入各金融服務分類和酒店及博彩分類之「員工手冊」中。「員工手冊」將定期審查，以確保符合相關法律法規以及最新要求。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Annual performance appraisals are conducted, allowing us to systematically evaluate the work performance and results of each staff member, to understand our staff and teams' training and education needs, and to evaluate the effectiveness of our training programs and our staffs' professional career planning. The appraisal results shall be used to plan for each department's work plan for the coming year, as well as salary adjustment, bonuses issuance, promotion, as well as other human resources purposes.

Due to the nature and operations of our hotel business, our staff canteen offers 5 meals per day for different time shifts for our staff members. Our chefs carefully design each day's menu to ensure a balanced diet and appropriate portion for all our staff. A manager would be assigned to inspect and listen to our staff members' suggestion every day to guarantee food quality and our canteen's environment.

According to our Staff Handbook, any employee who is dissatisfied with his or her work could report directly to his or her immediate supervisor or to human resources department. All credible complaints shall remain confidential and an investigation shall be initiated. Shall any abuse of authority at higher level be found, departmental director or manager will decide on disciplinary actions, especially to prevent any situation of violence, harassment or intimidation from occurring.

Equal Opportunity

The Group promotes and grants equal opportunity to each staff member in all human resources related aspects, including recruitment, training, work distribution, benefits and dismissal, regardless of their ethnicity, race, religion, gender, age or disability. We will consistently exercise equal and fair principle in evaluating each staff member's ability and performance.

今年進行的年度考評，使我們能夠系統地評估每位員工的工作績效和成果，了解員工和團隊的培訓和教育需求，並評估培訓計劃和員工職業生涯規劃的有效性。評估結果用於規劃各部門下一年的工作計劃、薪酬調整、獎金發放、晉升等人力資源工作。

由於酒店業務的性質和運作，我們的員工食堂每天於不同時段為員工提供膳食。我們的廚師精心設計每一天的菜單，以確保所有員工得到均衡飲食。我們會派一名經理每天檢查和聽取員工的建議，以保證食品質量和食堂的環境衛生。

根據我們的「員工手冊」，任何對工作不滿意的員工都可以直接向直屬主管或人力資源部門報告。所有可信的投訴應保持保密，並開展調查。如發現上級濫用職權，部門主管或總經理將決定其紀律處分，特別是防止任何暴力、騷擾或恐嚇情況發生。

平等機會

本集團促進和賦予每位員工在人力資源相關方面的平等機會，包括招聘、培訓、工作分配、福利和解僱，不論種族、宗教、性別、年齡或殘疾與否。在評估每位員工的能力和績效時，我們將一貫行使平等公正的原則。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Labour Standard

Our recruitment process is rigorous to ensure that all labour standards are met. When designing our recruitment descriptions, at our hotel and gaming operations, several factors are essential to be checked, including education references, required age, required abilities and experiences. Through the process of recruitment, we ensure that all our new hires are of legal minimum age for employment, and that all discriminatory requirements are avoided. Currently, all new hires must be at least 18 years of age. In accordance with labour relations law and our Staff Handbook, extra time might be asked for some staff members at the hotel, and would be rightfully compensated.

Training and Development

Our Group has always insisted on professional training and development for our staff members, regardless of occupational rank or gender. It is imperative to provide internal and external training opportunities for each employee, to support their work requirements, develop their strengths, and progress continuously to better serve our clients and customers.

Internal trainings are held on a bi-monthly or monthly basis for our financial services segment. These trainings aim to provide updates on relevant SFC regulations, as well as other regulatory compliance matters. They are attended by management, account executives, and other account personnel. External trainings are also conducted on an annual basis. This year, the training focused on regulatory update on pre-IPO investment and issues related to controlling shareholders.

At our hotels, trainings are separated into internal and external trainings. Internal trainings aim at increasing our staffs' technical skills, including our industry language, catering services, customer attitudes and desires, work mentality, engineering and other areas. External trainings are professional trainings offered by the Institute for Tourism Studies and Macau Hotel Association. These trainings include complaint management, sales and customer service skills, and fire safety. The Company supports each staff member's training needs by fully compensating each completed course.

勞動標準

本集團嚴格的招聘程序確保所有勞工標準依法執行。於酒店及博彩業務方面，在制定我們的招聘說明時，以下幾個因素是必要的，包括教育程度、年齡要求、能力和經驗要求。透過此招聘程序，我們確保所有新員工都根據當地法律達到最低就業年齡，並避免所有歧視性的要求。目前，所有新員工必須年滿18歲。酒店根據澳門「勞資關係法」和「員工手冊」的守則，員工有權選擇接受公司可能要求的額外工作時間，並將得到適當的補償。

培訓與發展

本集團一直堅持為員工提供專業的培訓和發展，不論職業等級或性別。本集團為每位員工精心提供內部和外部的培訓機會，以支持各員工的工作要求，發展各自的優勢，並不斷進步，為客戶提供更好的服務。

我們的金融服務分類每兩個月或每月舉辦一次內部培訓，其培訓旨在提供有關證監會條例以及其他合規事宜的最新情況。管理層、客戶經理及其他負責人員均會出席內部培訓。外部培訓也會每年進行。今年的培訓重點是有關上市初期投資和控股股東的監管更新。

酒店營運方面，培訓分為內部和外部培訓。內部培訓旨在提高員工的技術能力，包括行業語言、餐飲服務、態度和客戶需求、工作心態和工程等領域。外部培訓是由旅遊學院及澳門酒店協會提供的專業培訓。這些培訓包括投訴管理、銷售和客戶服務技能、以及消防安全。公司透過充分補償每個完成的課程，支持每位員工的培訓需求。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Health and Safety

The Group believes that a healthy and safe work environment is fundamental to employees' satisfaction and wellbeing. We are committed to improving the safety measures within our operation to minimize the occurrence of all accidents. We implement and monitor a wide range of safety measures to ensure our employees' health, safety and wellbeing. These measures focus on increasing employees' safety awareness, monitoring all on-site equipment, and implementing preventive measures.

In compliance with relevant regulations, we welcome and cooperate with our Macau government bodies to conduct annual occupational safety walk-throughs at our hotels. Improvements are then spotted and corrected in a timely manner. Internal inspections and walk-throughs are also conducted for occupational and food safety, especially in all kitchen area.

At our hotels, employees' safety awareness is enhanced through multiple procedures. List of basic safety rules are laid out in the Staff Handbook. Newly hires are all introduced to our occupational safety guidelines at induction training. Throughout the year, our staff members are encouraged and have attended various industrial safety seminars. Fire safety seminars are organized in collaboration with local fire stations. Safety posters are also posted in our employees' workplace and rest area as reminder.

We strive to improve and satisfy occupational safety needs of our employees in the workplace. Safety checks of all machineries and equipment at our hotels are conducted regularly. We have also engaged professional companies to inspect and maintain all escalators, elevators, and fire detection and alarm systems on a monthly basis. Maintenance and certification for the security of the steam boiler is also carried out annually.

All industrial injuries are recorded and analyzed, and corrective measures are taken immediately if necessary to avoid further safety hazards. Necessary protective equipment and medical insurance are provided to all employees as well.

健康和安

本集團深信健康和安全的工作環境是員工工作滿足感和健康身心的基礎。我們致力改善營運中的安全措施，盡量減少事故的發生。我們實施各種安全措施並嚴格監督，確保員工的健康、安全和福利。這些措施旨在提高員工的安全意識，監控所有現場設備，並實施預防措施。

根據有關法規，酒店歡迎並與澳門政府機構緊密合作，進行年度職業安全考察。如發現任何問題，我們將及時糾正及改進。酒店的內部檢驗會針對職業安全和食品安全，特別是在所有廚房區域。

酒店內，員工的安全意識通過多種程序得到加強。「員工手冊」列出了基本的安全規則，新員工在入職培訓時都會學習我們的職業安全指引。我們鼓勵員工參加各種工業安全研討會。我們定期與當地消防局合作舉辦消防安全研討會。安全海報也張貼在員工的工作場所和休息區，以起提示作用。

本集團努力提高和滿足員工職業安全需求。因此，我們定期對酒店所有機械設備進行安全檢查，並聘請專業機構針對所有自動扶梯、電梯和火災探測和報警系統進行每月檢查和保養。蒸汽鍋爐的安全保養和認證也是每年進行的。

所有工傷必定進行記錄和分析，必要時會立即採取糾正措施，以避免進一步的安全隱患。集團為所有員工提供必要的保護設備和醫療保險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMUNITY INVESTMENT

Our Directors and management firmly believe in giving back and contributing to society. Their individual contributions for the betterment of our society have become exemplary models to our employees. As a responsible Group, we began investing in the promotion of education and in the professional development of talents.

This year, the Company was one of the diamond sponsors for the Po Leung Kuk Chinese New Year Charity Walk. With the theme of "Having Fun with Family", the Chinese New Year Charity Walk this year encouraged family members to participate and celebrate Chinese New Year together for charity. The proceeds would be donated in support of expanding education and social services in Hong Kong, helping more of those in need.

On the other hand, our hotels attach great importance to social responsibility, in the form of training and developing talents within the hotel and gaming industry in Macau. Every year, our hotels actively communicate and cooperate with local government departments and tertiary institutions, including but not limited to, the Vocational Training Department of the Labour Affairs Bureau, the Institute for Tourism Studies (IFT), University of Macau, and Macau University of Science and Technology. By offering freshmen interviews and scoring for candidates applying to the IFT, we wish to expose these intern students to practical experiences, put theories taught in classrooms into practice, and help them learn the virtue of work and interpersonal skill set.

社區投資

我們的董事和管理層堅信回饋社會的重要性。他們為改善社會而作出的個人貢獻已成為員工的典範。作為一家具責任心的集團，我們開始於促進教育和人才的專業發展投放資源。

今年，本公司成為保良局新春行大運慈善步行的鑽石贊助商之一。以「家多點FUN」為主題，今年的新春行大運慈善步行鼓勵家人共同參與慶祝農曆新年活動，以愛心迎接新歲。所得善款將用於支持香港教育和社會服務的拓展，幫助更多有需要的人士。

另一方面，我們的酒店也非常重視社會責任，致力於培訓和發展在澳門酒店及博彩業的人才。每年，我們的酒店積極與當地政府部門和大專院校溝通合作，包括但不限於政府勞工事務局職業培訓廳、旅遊學院、澳門大學和澳門科技大學。通過為申請旅遊學院的候選人提供新生訪談和評分，我們希望向實習生傳授實踐經驗，實踐書本上的理論，幫助他們學習工作的美德和人際關係技巧。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OUR ENVIRONMENT

Our Group respects the environment and the natural resources our business requires to sustainably operate. We are committed to treating our environment with integrity. However, climate change poses tremendous risks and uncertainty to the sustainability of our business and our society.

Our Group contributes in protecting the environment and minimizing the effects of climate change. Our effort in environmental conservation focuses on three main areas, including energy and water conservation, waste reduction, and emissions reduction. Appropriate and practical measures are taken within each area, including compliance review, equipment repairs and upgrades, monitoring and checking, and continuous education and training.

This year, we have engaged CKP Sustainability Consultants, an independent sustainability consultant in Hong Kong, to evaluate the impact our financial services and hotel and gaming operations pose on the environment we operate in. An emissions inventory database, including our carbon emissions, is created and will be maintained throughout the year. We will carefully monitor our impact and gradually progress, to ensure our environmental data is transparent and accurate.

We wish that our carefully planned measures would result in energy and water usage reduction, resource maximization and promotion of environmental protection awareness. Together with our staff members, we hope to positively contribute in creating sustainable green cities in Hong Kong and Macau.

In recognition of Grandview's effort in environmental management, the Macao Environmental Protection Bureau (DSPA) has awarded Grandview with a Bronze award in Macau Green Hotel Award in 2014.

我們的環境

本集團尊重業務維持可持續發展而所需的環境條件和自然資源，我們注重環境保護。然而，氣候變化對我們的業務和社會的可持續性構成了巨大的風險和不確定性。

本集團齊心保護環境，盡量減少氣候變化的影響。本集團在環境保護方面的工作主要集中於節能、減廢和減排三大領域。在每個領域中採取適當和務實的措施，包括合規審查、設備維修和升級、監測和檢查、以及持續教育和培訓。

今年，本集團聘請了香港獨立可持續發展顧問 CKP Sustainability Consultants，為本集團評估金融服務和酒店及博彩服務對所經營的鄰近環境所造成的影響。我們將建立全面的排放數據庫，包括碳排放量，並將在全年保持使用。本集團會仔細監測營運中的影響因素，不斷進步，確保環境數據透明和準確，環境信息公開透明。

本集團希望以上措施能夠改善節能減排、優化資源使用及提升環保意識。與我們的員工攜手，共同積極推動建立香港和澳門兩個可持續發展的綠色城市。

為表彰澳門君怡在環境管理方面的努力，澳門環境保護局於2014年向其頒發了「澳門環保酒店獎」銅獎。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Energy Conservation

Energy consumption has the largest environmental impact in both our finance and hotel and gaming operations. It is also one of the highest contributors to our carbon footprint this year. As we explore new ways to conserve energy consumption, we have employed several practical measures to reduce our energy usage in our office and hotels.

Most efficient and effective measure in reducing our energy usage is to increase the energy efficiency of our equipment. Our lighting systems at both hotels are on track to replace all traditional lightbulbs with light-emitting diode (LED) lighting system for indoor lighting by 2017. We have also continuously repaired and replaced faulty equipment with more efficient and eco-friendly alternatives.

Our hotels have also made some impressive upgrades to further reduce energy usage. Both hotels have replaced the traditional air-conditioning system with a heat-pump air-conditioning system, which recovers heat generated from the air-conditioning system to heat water for guest rooms and kitchen use, thereby reducing the use of traditional diesel boiler for water-heating. This upgrade reduced diesel consumption for water-heating by more than 60%.

We have also installed new equipment and system to minimize the amount of wasted energy. Timers are installed in hotel guest rooms to automatically switch off electricity when they are not in use. Escalators are also equipped with occupancy sensors, instead of running continuously at high speed. We also switch off portion of the corridor lightings to maintain sufficient lighting only during off-peak hours, namely between midnight and 7am.

Electricity consumptions are recorded and checked regularly. Electricity consumption summary is reported by director of engineering to general manager at each monthly department meeting. Significant and unreasonable fluctuations are investigated and corrected efficiently. Submeters are set up to record electricity consumption at different outlets, so that we can evaluate the results and target issues for correction.

節約能源

能源消耗是本集團金融服務和酒店及博彩服務佔比最高的環境影響因素，也是今年我們碳足跡的最大部份。本集團持續探索節約能源的途徑，採取了幾項實際措施來減少我們辦公室和酒店的能源消耗。

最有效降低能源消耗的措施是提高設備的能源效率。兩家酒店的照明系統都在2017年前取代所有傳統的燈泡，採用發光二極管(LED)照明系統進行室內照明。我們還使用更有效和更環保的替代品以修復或更換所有故障設備。

另外，兩家酒店也進行了一些重要的設備升級，以進一步減少能源消耗。兩家酒店都改用熱泵空調系統，以取代傳統的空調系統。這些措施不僅回收利用空調系統產生的熱量，為客房和廚房用水加熱，更減少了傳統柴油鍋爐的使用，把加溫飲用水所需的柴油消耗降低了六成以上。

本集團還安裝了新的設備和系統，盡量減少能源浪費。定時器已安裝於酒店客房內，以便在不使用時自動關閉電力。自動扶梯還配備了佔用傳感器，而不是高速連續運行。本集團亦將適時關閉部分走廊照明，以便在非高峰時段(即午夜至早上七點之間)節約能源。

兩家酒店也會定期記錄和檢查耗電量。每月電力消費總結會在部門會議上向總經理匯報。若出現重大或不合理的波動，酒店將進行有效的調查和糾正。分電錶已設置在不同網點，記錄用電量，以便對電力消費進行針對性的評估和鎖定問題進行糾正。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

This year, in support of “Macau Energy Saving Week 2016”, both Casa Real and Grandview have participated in the “Lights Off Campaign” organized by the Office for the Development of Energy Sector of Macau, whereby the exterior lights of both properties were turned off for one hour. Along with other government departments, infrastructures, hotels and corporations, this annual energy reduction event shall promote and raise awareness of energy conservation in Macau.

Based on the aforementioned measures and tireless effort of our staff members, both Casa Real and Grandview has received the Excellence Award for the Macau Energy Saving Contest 2016 within the Hotel Group B section. This award is co-organized by the Office of the Development of Energy Sector (GDSE) and Companhia de Electricidade de Macau (CEM). Not only does it demonstrate our commitment to energy saving, this award also encourages our staff members to achieve continuous improvement in the future.

Waste Reduction

Waste constitutes a significant portion of our environmental impact in both our hotels and our office operations. We constantly seek innovative solutions to reduce our waste streams and amount, in addition to our existing “3R — Reduce, Reuse and Recycle” programs. While actively implementing waste reduction measures, we also provide our staff with appropriate training and working guidelines to achieve waste reduction at source.

Within our office operations, we reduce paper consumption at source and recycle whenever possible. Double-sided printing has been effectively implemented. We also recommend our staff members to use electronic copies rather than print-out. Recycling bins are conveniently placed next to printers and trays are set aside with single-sided papers, so that our staff members can reuse the alternative side. Stationeries such as file folders and envelopes are reused whenever possible.

今年，為支持「澳門節能週2016」系列活動，皇家金堡和澳門君怡也參與了澳門能源發展辦公室所組織的「齊熄燈，一小時」熄燈活動。當晚，兩間物業的外牆不必要的光燈全關掉一小時。今次節能減排活動響應政府部門、跨海大橋、酒店及企業，共同在澳門宣傳推廣環保以提高節能意識。

得益於上述措施和員工的不懈努力，皇家金堡和澳門君怡於2016年度澳門知慳惜電比賽中獲得酒店B組的優異獎。該獎項由澳門能源發展局(GDSE)和澳門電力股份有限公司(澳電)共同組織。這不僅證明了本集團對節能的承諾，同時也鼓勵員工不斷進步。

減少廢物

本集團的酒店和辦公室營運中的廢物構成了我們對環境影響的重要組成部份。本集團除了現有的「環保3R：減少使用，物盡其用和循環再造」計劃之外，我們還不斷尋找創新的解決方案來減少廢物類別和數量。在積極採取減廢措施的同時，我們也為員工提供適當的培訓和工作指引，實現源頭減廢，履行企業社會責任。

在辦公室內，員工盡可能選擇雙面列印，均採用電子通訊方式，從而減少用紙量。回收箱也便利地放在打印機旁邊，促進紙張回收。單面紙也設有專用托盤，以便我們的工作人員可以使用另一面。文件夾和信封等文具盡可能重複使用。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

At our hotels, waste separation and the 3Rs program have all been effectively implemented. Recycling for bottles, barrels and metals have been made possible through waste separation. Packaging boxes from our suppliers have also been reused as storage boxes in office. Aged and worn towels and sheets are repurposed as washing cloths or other similar means. Our procurement also takes waste reduction into consideration. Reasonable quantity of food, amenities and other materials are ordered each time to avoid spoilage and reduce waste.

For the coming year, we will replace single-use plastic bags at Casa Real with reusable shopping bags for guest use. This measure has been well researched and planned, and we wish to raise awareness of the harmful effects towards the environment caused by plastic bag decomposition.

Water Efficiency

Water saving is non-negotiable at our hotel and gaming operation. Water is used for cooking, washing and cleaning, and in bathrooms. Similar to energy conservation, we have made some equipment upgrades, repairs and new installations at our hotels. We have installed water-saving toilets, and spray and sensor faucets for hand washing in bathrooms in the public area. Flow regulators on showerheads and taps are installed in our guest rooms. Repairs on dripping faucets and hose are also performed in a timely manner.

We strive to minimize our water consumption in our kitchens as well. The practice of thawing food under running water has been ceased. New equipment purchases in our kitchen must consider water usage efficiency. We replaced our aged machines with water-efficient ones, such as water-efficient dishwasher.

Water consumption is monitored and recorded regularly. Similar to energy conservation, a water consumption summary is reported monthly and significant fluctuations are investigated and corrected as efficiently as possible.

本集團旗下酒店，廢物分類和環保3R方案都得到有效的實施。通過廢物分類，我們可回收玻璃瓶、桶和金屬。我們供應商的包裝盒也被重新用作辦公室的儲物箱。殘舊或磨損的毛巾和床單會被改裝成洗布或其他，加以重用。本集團的採購也考慮到廢物減少，每次均訂購合理的食品、設備和其他材料，以避免變質，減少浪費。

今年，本集團將在皇家金堡提供可再用的環保購物袋供客人使用，以取代一次性塑膠袋。這項措施已經過全面的研究和規劃，旨在提高各方對塑膠袋分解以造成對環境有害影響的意識。

提高用水效率

本集團旗下酒店及博彩服務必須減少用水於烹飪、洗滌和清潔、以及浴室內使用。我們在酒店裏進行了一些設備升級、修理和新安裝，類似節能措施。我們已在公共場所的浴室裏安裝節水廁所、噴霧和傳感器水龍頭。客房裏也安裝了淋浴頭和水龍頭上的流量調節器。所有水龍頭和軟管的損壞也會及時進行維修。

同時，酒店也力求盡量減少廚房的用水量，已停止了在流水下解凍食物的做法。購買的所有新設備都必須考慮用水效率。我們用節水洗碗機替代了原先的洗碗裝置。

酒店也會定期監測和記錄耗水量。與節能措施類似，每月的用水總結會稟報總經理，並儘可能有效地調查，並糾正顯著的波動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Air and Water Emissions Monitoring

Indoor air quality is regularly monitored and reported. At the hotels, indoor smoking has been effectively banned from casino floor and individual smoking rooms have been provided for guests. These smoking rooms are equipped with independent filtering and ventilation system. We also monitor indoor air quality on the casino floor, including carbon dioxide, carbon monoxide, particulate matters (PM 2.5 and PM 10) and some volatile organic compounds. This monthly inspection data is evaluated internally and submitted to relevant government bodies.

Environmental compliance, including air pollutants and noise also forms part of our procurement considerations. At Casa Real and Grandview, we must consider and prevent emissions of air pollutants in the planning process when purchasing and installing equipment. Laws and regulations are regularly reviewed to ensure compliance with the Environmental Protection Bureau (DSPA) of Macau, including the “Guidelines for Fumes, Black Smoke and Odor Pollution Control of the Catering Industry and Similar Venues”.

Noise emissions of new equipment are also considered to minimize any adverse impact to our neighboring communities and environment. Noise level from machinery is checked regularly to ensure that it doesn't exceed the level governed by law. We shall comply with relevant laws and regulations of the DSPA, if any additional noise cancellation, silencer or vibration isolation equipment is required.

Reduction in air emissions includes a wide range of measures. At our office, for example, we encourage teleconferences and video conferences, to reduce air and carbon emissions related to transportation needed for inter-office meetings. In addition we have created an emissions inventory database this year that carefully monitors our environmental data, including our air emissions data.

On the other hand, wastewater treatment at our hotels has complied with relevant local regulations. All grease and oil from our hotels' food and beverage operations first pass through a grease interceptor prior to entering the waste water disposal system, where it is then transported for further treatment. The waste grease and oil are collected by professional recycler for further special treatment. We have also engaged a professional grease interceptor cleaning contractor for routine cleaning to maintain proper operation of the interceptor.

空氣和水排放監測

本集團重視空氣和水的排放質量，並定期監測和報告室內空氣質量。在酒店及娛樂場所內，尤其賭場樓層，已有效進行全面禁止室內吸煙，並為客人提供獨立吸煙室。這些吸煙室內配有獨立過濾和通風系統。我們還監控賭場樓層的室內空氣質量，包括二氧化碳、一氧化碳、顆粒物(PM 2.5和PM 10)和一些揮發性有機化合物。酒店每月都會監測數據及進行內部評估，並提交給有關政府機構。

在皇家金堡和澳門君怡，採購部門也會考慮環境的合規性，包括空氣及噪音污染。購買和安裝設備前，酒店必須在規劃過程中考慮和防止空氣污染物的排放。酒店亦會定期審查法律法規，以確保符合澳門環境保護局(DSPA)的要求，包括「餐飲業及同類場所油煙、黑煙和異味污染控制指引」。

新設備的噪音應當盡量減少對鄰近社區和環境的不利影響。酒店定期檢查機械噪音水平，確保其不超越法律規定的水平。如果需要額外的靜音機、消音器或隔振設備，我們會遵守DSPA的有關法律法規以配置適用器材。

減少空氣排放的措施非常廣泛。例如，我們鼓勵以電話會議和視頻會議替代需要交通的內部當面會談，以減少與行程有關的空氣污染和碳排放。此外，我們今年已經建立了一個排放數據庫以仔細監測我們的環境數據，包括我們的空氣污染排放數據。

此外，我們酒店的廢水處理已經符合當地有關規定。我們酒店業務的食品和飲料所產生的油脂和油，在進入廢水處理系統之前首先通過一個油漬攔截器，然後運送進行進一步處理。廢油脂和油由專業回收商收集，用於進一步的特殊處理。我們還聘請專業的清洗承包商進行日常清潔，以保持油漬攔截器的正常運行。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Water quality is monitored regularly for our pools to ensure compliance with local laws and regulations. Standards and policies are in place for pool cleaning, filtering, and rinsing. Our policy also provides guidelines on the amount of chemicals allowed to inhibit algal growth, based on water quality tests, including PH, chlorine and bromine level tests.

Education and Awareness

To raise awareness and strengthen the understanding of energy efficiency, we have displayed multiple posters on our notice boards to communicate and educate our staff on the importance of energy-saving and water conservation. Reminder stickers are placed next to power switches, power buttons and faucets to remind and encourage our staff to take initiatives in energy and water saving, such as turning off idling equipment, including lightings and computers, when not in use or after working hours.

Reminder cards are used to invite our guests to reuse towels and bed linens in their guest rooms. This serves as an environmental protection awareness program for energy and water saving for our guests.

我們的游泳池定期進行水質監測，以確保遵守當地法律法規。相關標準和政策已實施並適用於游泳池清潔、過濾和沖洗過程。我們的政策還提供了水質測試的指南，包括PH水平、氯和溴水平測試，以抑制藻類生長的允許化學物質質量。

教育和意識

為加強能源效益的推廣和了解，我們在公告板上張貼了多張海報，向員工傳達和教育節能節水的重要性。提醒貼紙也貼在電源開關、電源按鈕和水龍頭旁邊，持續提醒和鼓勵我們的員工採取節能和節水措施，例如在不使用或工作時間後關閉怠速設備，包括照明和電腦。

為提高我們客人在節能減排的環保意識，提醒卡用於誠意邀請我們的客人與我們一起為環境盡一分力，在客房裡重新使用毛巾和床單。

REPORT OF THE DIRECTORS

董事局報告

The Directors of the Company (the “Directors”) have pleasure in submitting their report and the audited financial statements of the Group for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in note 40 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2017 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 84 to 85. The Board has recommended the payment of final dividend for the year ended 31 March 2017 of HK2.5 cents per share (2016: HK2 cents). No interim dividend was declared during the six months ended 30 September 2016 (six months ended 30 September 2015: nil).

BUSINESS REVIEW

A review of the Group’s business, an analysis of the Group’s performance (using financial key performance indicators), a description of the principal risks and uncertainties facing the Group, particulars of important events occurred since 31 March 2017, if any, and an indication of likely future development in the Group’s business are provided in the Management Discussion and Analysis of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company’s environmental principles and practices are set out in the section headed “Environmental, Social and Governance Report” in this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Board considers that effective environmental protection measures will not only contribute to environmental protection but also reduction of the production cost. During the Year, the Group has implemented various measures to reduce waste and pollution and to effectively and efficiently use the resources.

Financial Services Operation

The Group’s financial services operations are fully automated and waste-free. Looking forward, we will continue to adopt the environmental friendly operation mode.

本公司董事(「董事」)欣然提呈本集團截至二零一七年三月三十一日止年度之董事局報告及經審核財務報表。

主要業務

本公司主要業務為投資控股。其主要附屬公司業務載於財務報表附註40。

業績及分派

本集團截至二零一七年三月三十一日止年度之業績載於第84至85頁之綜合損益及其他全面收益表。董事局建議就截至二零一七年三月三十一日止年度派付末期股息每股2.5港仙(二零一六年：2港仙)。概無宣派截至二零一六年九月三十日止六個月之中期股息(截至二零一五年九月三十日止六個月：無)。

業務回顧

本集團之業務回顧、本集團表現分析(採用財務表現主要指標)、對本集團所面對主要風險及不明朗因素之論述、自二零一七年三月三十一日以來發生之重大事件之詳情(如有)，以及本集團業務相當可能進行之未來發展之揭示載於本年報「管理層討論及分析」內。

環境、社會及管治報告

本公司之環境原則及實務已載於本年報之「環境、社會及管治報告」一節內。

環境政策及表現

董事局認為有效的環保措施不僅為環境保護出一分力，亦可減少生產成本。年內，本集團已實施各項措施以減少廢物及污染，並有效地善用資源。

金融服務營運

本集團之金融服務營運屬全自動化及無廢料污染。展望未來，我們將繼續採納綠化營運模式。

REPORT OF THE DIRECTORS

董事局報告

Hotel and Gaming Operation

The Group is committed to minimising the environmental impact of its operation. Since our business operates in 24 hours basis, electricity consumption has always been a main concern for us. We are hence gradually replacing lighting system with energy saving LED light in the two hotels, which is beginning to yield positive results in reducing electricity usage. In addition to that, the Group is actively considering the installation of new air conditioning system to lower energy consumption and noise level. The Group's professional team also regularly checks and closely monitors the waste water system to ensure the sewage discharged is adequately treated and complied with relevant laws and regulations.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group has the greatest respect for the laws and regulations which govern our businesses. We have appointed compliance officer to oversee compliance with all relevant regulations for our financial services business in Hong Kong. As for the gaming business in Macau, the Group has adopted anti-money laundering procedures in accordance to relevant regulations. Policies are well communicated to relevant employees to ensure compliance with all these anti-money laundering policies and procedures.

The Group has complied with all relevant laws and regulations throughout the year.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The management firmly believes that staffs are the most valuable asset of a company and are crucial to the company's success. As a caring employer, we offer competitive benefits to our staffs and provide full spectrum training to familiarise our staffs with the industry. We are also committed to provide our staffs a safe working environment by strictly following operational manual formulated with reference to the guidelines issued by the Macau Labor Affairs Bureau.

The Group's key hotel customers include online and traditional travel agents. As a professional service provider, we are dedicated to provide wonderful accommodating and entertainment experience to our customers. Our well trained staffs create a safe, clean and cozy environment to gain repeat customers.

酒店及博彩營運

本集團致力將其營運對環境產生之影響減至最低。由於我們之業務以24小時經營模式運作，電力消耗一直為本集團之主要關注事項。因此，我們於兩家酒店內逐漸以節能LED燈代替照明系統，且開始在減少用電量方面取得積極成果。除此以外，本集團正積極考慮安裝新空調系統以減低能源消耗及嘈音水平。本集團之專業團隊亦定期檢查及密切監察污水系統，以確保適當處理污水排放，並遵守相關法律及法規。

遵守相關法律及規例

本集團十分重視該等監管我們業務之法律及法規。我們已委聘合規主任，監督我們於香港之金融服務業務以遵守所有相關法規。就澳門博彩業務而言，本集團已根據相關法規採納反洗黑錢程序。我們與相關僱員進行良好溝通，以確保遵守所有該等反洗黑錢之政策及程序。

本集團於本年度內一直遵守所有相關法律及規例。

與僱員、客戶及供應商之關係

管理層確信員工為公司最寶貴資產，對公司成功至為關鍵。作為一名關心員工的僱主，我們為員工提供具競爭力福利，並提供全面培訓讓員工熟悉行業運作。我們亦嚴格遵循按照澳門勞工事務局頒佈之指引所制定經營手冊，致力為員工提供安全工作環境。

本集團酒店之主要客戶包括網上及傳統旅遊代理。作為專業服務供應商，我們承諾為客戶提供卓越住宿及娛樂體驗。我們之員工訓練有素，用心創造安全、潔淨及舒適環境，吸引客戶再度光臨。

REPORT OF THE DIRECTORS

董事局報告

We also established long-term good cooperation relationship with suppliers up to over 10 years, to ensure stable supply, price and quality of the product for our hotel operation in Macau.

SEGMENTAL INFORMATION

An analysis of the Group's performance for the year ended 31 March 2017 is set out in note 6 to the financial statements.

RESERVES

Details of the movements in the reserves of the Company and the Group during the year are set out in note 38 to the financial statements and in the consolidated statement of changes in equity on page 88 respectively.

DISTRIBUTABLE RESERVES

Details of the distributable reserves of the Company as at 31 March 2017 are set out in note 38 to the financial statements.

DONATIONS

Charitable donations made by the Group during the year ended 31 March 2017 amounted to approximately HK\$193,000.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 18 to the financial statements.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 40 to the financial statements.

我們已與供應商建立逾十年之良好合作關係，確保為我們於澳門酒店之營運提供具有穩定供應、價格及品質之產品。

分類資料

本集團截至二零一七年三月三十一日止年度之表現分析載於財務報表附註6。

儲備

本公司及本集團年內儲備變動詳情分別載於財務報表附註38及第88頁之綜合權益變動表。

可分派儲備

本公司於二零一七年三月三十一日之可分派儲備詳情載於財務報表附註38。

捐款

截至二零一七年三月三十一日止年度，本集團作出慈善捐款合共約193,000港元。

物業、廠房及設備

本集團物業、廠房及設備變動詳情載於財務報表附註18。

附屬公司

本公司主要附屬公司詳情載於財務報表附註40。

REPORT OF THE DIRECTORS

董事局報告

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out as below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 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
Turnover	營業額	2,878,897	3,115,050	2,479,274	1,847,685	1,377,988
Profit before taxation	除稅前溢利	1,781,825	2,030,072	1,478,597	900,955	614,242
Profit attributable to owners	擁有人應佔溢利	1,484,943	1,700,374	1,259,636	771,060	537,884
Total assets	資產總值	36,654,689	34,928,528	32,747,741	25,873,931	21,651,262
Total liabilities	負債總額	(17,053,551)	(16,300,305)	(15,194,234)	(9,984,042)	(6,824,247)
Non-controlling interest	非控股權益	(19,871)	(12,231)	(19,299)	(8,098)	(13,438)
Shareholders' fund	股東資金	19,581,267	18,615,992	17,534,208	15,881,791	14,813,577

SHARE OPTIONS AND SHARE CAPITAL

Details of the movements in the share options and share capital of the Company during the year are set out in notes 35 and 37 to the financial statements respectively.

Share Options Scheme

The share option scheme adopted on 7 June 2004 expired on 6 June 2014. At the annual general meeting of the Company held on 20 August 2013, shareholders of the Company have approved the adoption of a new share option scheme (the "Share Option Scheme").

The purpose of the Share Option Scheme is to provide the Company with a flexible and effective means of incentivising, rewarding, remunerating, compensating and/or providing benefits to participants. To determine the eligibility of the participant, the Board may offer to grant an option to any participant who has contribution to the Group.

五年財務概要

本集團過去五個財政年度之業績以及資產與負債概要，乃摘錄自經審核財務報表，並已作適當重新分類，載列如下：

購股權及股本

本公司購股權及股本年內變動詳情分別載於財務報表附註35及37。

購股權計劃

於二零零四年六月七日採納之購股權計劃已於二零一四年六月六日屆滿。於二零一三年八月二十日舉行之本公司股東周年大會，本公司股東已批准採納一項新購股權計劃（「購股權計劃」）。

購股權計劃旨在為本公司提供靈活及有效之途徑，以向參與者作出鼓勵、獎勵、酬謝、報酬及／或提供福利。為確定參與者之資格，董事局可向任何曾對本集團作出貢獻之參與者提呈授予購股權。

REPORT OF THE DIRECTORS

董事局報告

Options granted under the Share Option Scheme are subject to such terms and conditions as may be determined by the Board at its absolute discretion and specified in the offer of an option, which terms and conditions may include: (A) vesting conditions which must be satisfied before an option-holder's option shall become vested and capable of being exercised; and (B) the Board may, in its absolute discretion, specify performance conditions that must be achieved before an option can be exercised and/or the minimum period for which an option must be held before it can be exercised.

The option price will be determined by the Board at its absolute discretion and notified to an option-holder. The minimum option price shall not be less than the highest of: (A) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the offer date; (B) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and (C) the nominal value of the shares.

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any options to be granted under any other scheme must not in aggregate exceed 10% of the aggregate of the Shares in issue as at the adoption date. Options lapsed in accordance with the terms of the Share Option Scheme and any other scheme will not be counted for the purpose of calculating the 10% limit.

With the approval of the Shareholders in general meeting, the Board may "refresh" the 10% limit provided that the total number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other scheme under the limit as "refreshed" shall not exceed 10% of the Shares in issue as at the date on which the Shareholders approve the "refreshed" limit. Options previously granted under the Share Option Scheme and option granted under any other schemes (including those outstanding, cancelled and lapsed in accordance with the terms of the relevant scheme, or exercised options) will not be counted for the purpose of calculating the limit as "refreshed".

根據購股權計劃授出之購股權須受董事局全權酌情釐定並在購股權要約中列明之條款及條件約束，該等條款及條件可能包括：(A)必須在購股權持有人名下之購股權歸屬及可予以行使前達成之歸屬條件；及(B)董事局可全權酌情規定在行使購股權前必須達成之表現條件及／或行使購股權前必須持有購股權之最短期限。

購股權價格將由董事局全權酌情釐定並通知購股權持有人。最低購股權價格不得低於下列之最高金額：(A)聯交所每日報價表所報股份於要約日之收市價；(B)聯交所每日報價表所報股份於緊接要約日前五個營業日之平均收市價；及(C)股份面值。

根據購股權計劃將授出之所有購股權及根據任何其他計劃將授出之購股權獲行使時可發行之股份總數，合共不得超過於採納日期之已發行股份總數10%。在計算10%限額時，根據購股權計劃及任何其他計劃之條款已告失效之購股權將不會計算在內。

在獲得股東於股東大會批准之情況下，董事局可「更新」10%限額，惟在「經更新」限額規限下根據購股權計劃及任何其他計劃將授出之所有購股權獲行使而可予發行之股份總數，不得超過於股東批准「經更新」限額當日之已發行股份10%。在計算「經更新」限額時，以往根據購股權計劃授出之購股權及根據任何其他計劃授出之購股權（包括根據有關計劃之條款尚未行使、已註銷及失效之購股權或已行使之購股權）將不會計算在內。

REPORT OF THE DIRECTORS

董事局報告

The Board may, with the approval of the Shareholders, grant options in excess of the 10% limit to participants specifically identified. In such situation, the Company will send a circular to the Shareholders containing a generic description of the specified participants who may be granted such options, the number and terms of such options to be granted and the purpose of granting such options to the specified participants with an explanation of how the terms of the options will serve the purpose. The total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and all outstanding options granted and yet to be exercised under any other scheme shall not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme and no options may be granted under any other schemes if this will result in the limit being exceeded.

The Board shall not grant any options to any participant which, if exercised, would result in such participant becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued or to be issued to him under all options granted to him (including those options exercised or outstanding) in any 12-month period exceed 1% of the shares in issue at such date.

The Board may grant options to any participant in excess of the individual limit of 1% in any 12-month period with the approval of the shareholders in general meeting (with such participant and his associates abstaining from voting). In such situation, the Company will send a circular to the Shareholders and the circular must disclose the identity of the participant, the number and terms of the options to be granted (and previously granted to such participant).

An option under the Share Option Scheme which is vested and has not lapsed may be exercised at any time during such period notified by the Board as not exceeding 10 years from the offer date. The exercise of options may also be subject to any conditions imposed by the Board at the time of offer.

For the year ended 31 March 2017 and 2016, the Company had no share option being granted, outstanding, lapsed or cancelled pursuant to the Share Option Scheme.

董事局可在獲得股東批准後，向已指明之參與者授出超過上述 10% 限額之購股權。在此情況下，本公司將向股東寄發一份通函，載列可能獲授有關購股權之特定參與者之簡介、將予授出購股權之數目及條款，以及向特定參與者授出有關購股權之目的，並闡釋購股權之條款如何能達致該目的。在根據購股權計劃已授出但尚未行使之所有未行使購股權及根據任何其他計劃已授出但尚未行使之所有未行使購股權獲行使時可予發行之股份總數，不得超過不時已發行股份之 30%。倘授出購股權將導致超出有關限額，則不得根據購股權計劃及任何其他計劃授出購股權。

倘向任何參與者授出任何購股權將導致該名參與者在行使有關購股權時於任何十二個月期間內有權認購之股份數目，在與根據該參與者所獲授之全部購股權（包括已行使或未行使之購股權）已獲發行或將獲發行之股份總數一併計算時，合共超過當日已發行股份之 1%，則董事局不得向該參與者授出有關購股權。

獲得股東於股東大會上批准後，董事局可在任何十二個月期間內向任何參與者授予超出 1% 個人限額之購股權，惟該參與者及其聯繫人士須就此放棄表決。在此情況下，本公司將向股東寄發一份通函，該通函必須披露該參與者之身分及將授予（及以往授予）該參與者之購股權數目及條款。

根據購股權計劃已歸屬且尚未失效之購股權，可在董事局通知之期限內隨時行使，惟該期限不得超過要約日起計十年。行使購股權亦受限於董事局於提呈要約時訂定之任何條件。

截至二零一七年及二零一六年三月三十一日止年度，本公司並無根據購股權計劃已授出、尚未行使、已失效或註銷之購股權。

REPORT OF THE DIRECTORS

董事局報告

EQUITY-LINKED AGREEMENT

Other than the Share Options Scheme as disclosed in the above paragraphs headed "Share Options Schemes", no equity-linked agreements were entered into by the Company during the year or subsisted at the end of the financial year under review.

PERMITTED INDEMNITY

The Bye-Laws of the Company provide that the directors for the time being of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices except such (if any) as they shall incur or sustain through their own willful neglect or default respectively.

The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against the directors of the Company and its subsidiaries.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on prorata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 March 2017, there were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries.

DIRECTORS

The Directors who held office during the year ended 31 March 2017 and up to the date of this report were:

Executive Directors

Mr. Chu, Nicholas Yuk-yui (*Chairman*)
Mrs. Chu Yuet Wah (*Chief Executive Officer*)
Mr. Chu, Kingston Chun Ho
Mr. Ho Chi Ho

股權掛鈎協議

除上文「購股權計劃」一段所披露之購股權計劃外，本公司於年內概無訂立任何股權掛鈎協議，亦無股權掛鈎協議於回顧財政年度結束時存續。

獲准彌償

本公司之公司細則規定，本公司當時之董事均可從本公司資產獲得彌償，並確保該等人士不會因就各自之職務履行其職責或假定職責時作出、發生之作為或不作為而招致或蒙受之所有訴訟、費用、收費、損失、損害及開支而受損，惟因(如有)彼等各自本身故意疏忽或失職而招致或蒙受者除外。

本公司已就本公司及其附屬公司董事可能在法律程序中進行抗辯所招致法律責任及費用購買保險。

優先購買權

本公司之公司細則或百慕達法例並無優先購買權之規定，致使本公司須按比例向現有股東提呈發售新股。

購買、出售或贖回股份

截至二零一七年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事

截至二零一七年三月三十一日止年度及直至本報告日期止在任董事如下：

執行董事

朱沃裕先生(*主席*)
李月華女士(*行政總裁*)
朱俊浩先生
何志豪先生

REPORT OF THE DIRECTORS

董事局報告

Independent Non-executive Directors

Dr. Wong Yun Kuen
Mr. Lau Man Tak
Ms. Lo, Miu Sheung Betty (appointed on 1 September 2016)
Mr. Yu Peter Pak Yan (resigned on 1 September 2016)

In accordance with the bye-law 87(1), Mr. Chu, Nicholas Yuk-yui and Mr. Ho Chi Ho will retire by rotation at the forthcoming annual general meeting, and being eligible, will offer themselves for re-election.

In accordance with the bye-law 86(2), Ms. Lo, Miu Sheung Betty will retire by rotation at the forthcoming annual general meeting, and being eligible, will offer herself for re-election.

The term of office for each of the Independent Non-executive Directors is the period up to his retirement by rotation and re-election at annual general meeting of the Company in accordance with the Company's bye-laws.

The Company has received from each of Dr. Wong Yun Kuen, Mr. Lau Man Tak, Mr. Yu Peter Pak Yan and Ms. Lo, Miu Sheung Betty an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company still considers the independent Non-executive Directors to be independent.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of Directors and senior management of the Group as at the date of this report are as follows:

Chairman and Executive Director

Mr. Chu, Nicholas Yuk-yui, aged 64, holds a Bachelor's degree in Accounting and a Master's degree of Business Administration from the Louisiana State University. He has more than 20 years experience in corporate finance, foreign exchange, lending, securities and futures trading industries. He is a member of Hong Kong Securities Institute and a responsible officer under the Securities and Futures Ordinance for type 1 (dealing in securities) and 2 (dealing in futures contracts) regulated activities. He is the spouse of Mrs. Chu Yuet Wah and the father of Mr. Chu, Kingston Chun Ho. He is also the son-in-law of Mr. Lee Wai Man, a substantial shareholder of the Company. He joined the Group in February 2006.

獨立非執行董事

黃潤權博士
劉文德先生
羅妙嫦女士(於二零一六年九月一日獲委任)
余伯仁先生(於二零一六年九月一日辭任)

根據公司細則第87(1)條規定，朱沃裕先生及何志豪先生將於應屆股東周年大會輪值退任，惟彼等符合資格並願意重選連任。

根據公司細則第86(2)條規定，羅妙嫦女士將於應屆股東周年大會輪席退任，惟彼符合資格並願意重選連任。

各獨立非執行董事之任期直至彼須根據本公司之公司細則於本公司股東周年大會輪值退任並重選連任為止。

本公司已接獲黃潤權博士、劉文德先生、余伯仁先生及羅妙嫦女士各自根據上市規則第3.13條作出之年度獨立身分確認書，且本公司仍然認為獨立非執行董事屬獨立人士。

董事及高級管理層履歷

於本報告日期，本集團董事及高級管理層履歷詳情如下：

主席兼執行董事

朱沃裕先生，64歲，持有路易士安納州立大學頒授之會計學學士學位及工商管理學碩士學位。彼於企業融資、外匯、借貸、證券及期貨交易行業具備超過20年經驗，彼為香港證券學會會員；根據證券及期貨條例，朱先生為第1類(證券交易)及第2類(期貨合約交易)受規管活動之負責人員。彼為李月華女士之配偶及朱俊浩先生之父親。彼亦為本公司主要股東李惠文先生之女婿。彼於二零零六年二月加盟本集團。

REPORT OF THE DIRECTORS

董事局報告

Chief Executive Officer and Executive Director

Mrs. Chu Yuet Wah, aged 58, is the Chief Executive Officer and an Executive Director of the Company. She is the co-founder of the Group, she has over 20 years of experience in financial services industry. Mrs. Chu has also been appointed as the Vice Chairman of The Institute of Securities Dealers and Vice Chairman of Hong Kong Securities Professionals Association. Moreover, she is the Member of National Committee of Chinese People's Political Consultative Conference, Permanent Member of the Friends of Hong Kong Association, Founder and Honorary Chairman of The Chamber of Hong Kong Listed Companies, Chairman (2015–16) and Advisory Board Member (2016–17) of Po Leung Kuk, Standing Chairman of Federation of Hong Kong Guangdong Community Organisations, Chairman of the Hong Kong Federation of Dongguan Associations, Chairman of Aplichau Promotion of Tourism Association, Chairman of The Aplichau KaiFong Welfare Association, Honorary President of Hong Kong Army Cadets Association, Honorary President of Hong Kong New Arrivals Services Foundation Limited, Honorary Vice President of Hong Kong Girl Guides Association and Director of Sun Yat-Sen University Advisory Board. She received an Honorary Ph.D. degree in Business Management from York University, the United States and holds a Bachelor's degree in Management degree from Golden Gate University, the United States. Mrs. Chu is currently the chairman and an executive director of Sincere Watch (Hong Kong) Limited which is a company listed on the Main Board of Stock Exchange. She is also the spouse of Mr. Chu, Nicholas Yuk-yui and the mother of Mr. Chu, Kingston Chun Ho. She is also the daughter of Mr. Lee Wai Man, a substantial shareholder of the Company. She joined the Group in April 2005.

行政總裁兼執行董事

李月華女士，58歲，本公司行政總裁兼執行董事。李女士為本集團之共同創辦人，於金融服務行業擁有超過20年經驗。李女士亦獲委任為證券商協會副主席以及香港證券學會副會長。此外，彼為中國人民政治協商會議全國委員會委員、香港友好協進會永遠會員、香港上市公司商會創辦人兼名譽主席、保良局乙未年主席及丙申年顧問、香港廣東社團總會常務會長、香港東莞社團總會主席、鴨脷洲旅遊促進會主席、鴨脷洲街坊福利會理事長、香港青少年軍總會榮譽會長、香港新來港人士服務基金名譽會長、香港女童軍總會名譽副會長及中山大學顧問董事會首屆董事。彼獲頒美國約克大學商業管理榮譽哲學博士學位，並持有美國金門大學管理學學士學位。李女士目前為聯交所主板上市公司Sincere Watch (Hong Kong) Limited之主席兼執行董事。彼為朱沃裕先生之配偶及朱俊浩先生之母。彼亦為本公司主要股東李惠文先生之女兒。彼於二零零五年四月加盟本集團。

REPORT OF THE DIRECTORS

董事局報告

Executive Director

Mr. Chu, Kingston Chun Ho, aged 32, is an Executive Director of the Company. Mr. Chu is also a licensed person under Securities and Futures Ordinance for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities for the Company's wholly owned subsidiaries, Kingston Securities Limited and Kingston Corporate Finance Limited respectively. Mr. Chu is a Member of Guangxi Committee of The Chinese People's Political Consultative Conference, Member of General Committee of The Chamber of Hong Kong Listed Companies, Vice President of Hong Kong CPPCC Youth Association, Youth Committee Vice Director of HKCPPCC (Provincial) Members Association, Vice President of Federation of HK Guangxi Community Organisations, Vice Chairman of Hong Kong Guangdong Youth Association, Honorary Chairman of Hong Kong Guangxi Youth Organisations, Youth Committee Chairman of Hong Kong Federation of Dongguan Associations and Director of Hong Kong Securities Association. Mr. Chu holds a Bachelor Degree of Science in Business Administration from the University of Southern California in the U. S.A. Mr. Chu is also an executive director of Sincere Watch (Hong Kong) Limited ("Sincere HK") since 29 May 2012, a non-executive director of New Concepts Holdings Limited since 8 September 2016 and the chairman and an executive director of Synergis Holdings Limited since 9 March 2017, all of which are companies listed on the Main Board of the Stock Exchange of Hong Kong Limited. Mr. Chu is a director of Sincere Watch Limited, the immediate holding company of Sincere HK since 21 May 2012. Mr. Chu is the son of Mr. Chu, Nicholas Yuk-yui and Mrs. Chu Yuet Wah. Mr. Chu is also the grandson of Mr. Lee Wai Man, a substantial shareholder of the Company. Mr. Chu joined the Group in July 2010 and was appointed as Executive Director on 21 August 2015.

Mr. Ho Chi Ho, aged 42, is an Executive Director of the Company. Mr. Ho is responsible for origination and execution of corporate finance transactions including mergers and acquisitions, corporate and capital restructuring, business projects evaluation, and equity and debt fund raising. Mr. Ho has extensive experience in banking and capital markets, and also held senior position in corporate management in a Hong Kong listed company. Mr. Ho holds a Master degree in Business Administration from the Hong Kong University of Science and Technology and a Bachelor degree in Business Administration (Accounting and Finance) from The University of Hong Kong. He is registered as a Responsible Officer under the Securities and Future Ordinance for Type 6 (advising on corporate finance) regulated activities. Mr. Ho had worked with the Group from 2003 to 2007 and rejoined in August 2011. He was appointed as Executive Director on 2 January 2014.

執行董事

朱俊浩先生，32歲，本公司執行董事。朱先生亦分別為本公司全資附屬公司金利豐證券有限公司及金利豐財務顧問有限公司證券及期貨條例項下第1類(證券交易)及第6類(就機構融資提供意見)受規管活動之持牌人士。朱先生為中國人民政治協商會議廣西壯族自治區政協委員、香港上市公司商會常務委員會委員、香港政協青年聯會副主席、港區省級政協委員聯誼會青年委員會副主任、香港廣西社團總會副會長、香港廣東青年總會副主席、香港廣西青年聯會名譽主席、香港東莞社團總會青年委員會主席及香港證券業協會董事。朱先生持有美國南加州大學工商管理學士學位。朱先生自二零一二年五月二十九日起亦出任 Sincere Watch (Hong Kong) Limited (「Sincere HK」)之執行董事，自二零一六年九月八日起出任創業集團(控股)有限公司之非執行董事，並自二零一七年三月九日起出任新昌管理集團有限公司之主席兼執行董事，上述公司均於香港聯合交易所有限公司主板上市。朱先生自二零一二年五月二十一日起為 Sincere HK 直屬控股公司 Sincere Watch Limited 之董事。朱先生為朱沃裕先生及李月華女士之兒子，並為本公司主要股東李惠文先生之外孫。朱先生於二零一零年七月加盟本集團，並於二零一五年八月二十一日獲委任為執行董事。

何志豪先生，42歲，本公司執行董事。何先生負責發起及推動企業融資交易，包括併購、企業及資本重組、業務計劃評估以及股本及債務集資。何先生於銀行及資本市場具備豐富經驗，彼亦於一家香港上市公司出任企業管理高層職務。何先生持有香港科技大學工商管理碩士學位以及香港大學工商管理(會計及財務)學士學位。彼註冊為證券及期貨條例下第6類(就機構融資提供意見)受規管活動之負責人員。何先生曾於二零零三年至二零零七年任職本集團，後於二零一一年八月再度加盟本集團。彼於二零一四年一月二日獲委任為執行董事。

REPORT OF THE DIRECTORS

董事局報告

Independent Non-executive Directors

Dr. Wong Yun Kuen, aged 59, received a Ph.D. Degree from Harvard University, and was “Distinguished Visiting Scholar” at Wharton School of the University of Pennsylvania. He has worked in financial industries in the United States and Hong Kong for many years, and has considerable experience in corporate finance, investment and derivative products. He is a member of Hong Kong Securities and Investment Institute. Dr. Wong is the chairman and an executive director of UBA Investments Limited, an executive director of Ngai Shun Holdings Limited, a non-executive director of China Sandi Holdings Limited and an independent non-executive director of Sincere Watch (Hong Kong) Limited, DeTai New Energy Group Limited (formerly known as Guocang Group Limited), Kaisun Energy Group Limited, GT Group Holdings Limited (formerly known as China Yunnan Tin Minerals Group Company Limited) and Far East Holdings International Limited. Dr. Wong was also an independent non-executive director of Bauhaus International (Holdings) Limited from October 2004 to December 2016, Harmony Asset Limited from September 2004 to January 2015, Kong Sun Holdings Limited from April 2007 to November 2014, Huajun Holdings Limited (formerly known as New Island Development Holdings Limited) from October 2010 to September 2014 and KuangChi Science Limited (formerly known as Climax International Company Limited) from June 2007 to August 2014. All the companies mentioned above are listed on Hong Kong Stock Exchange. He joined the Group in June 2005.

獨立非執行董事

黃潤權博士，59歲，持有哈佛大學博士學位，並曾任賓夕法尼亞大學沃頓商學院(Wharton School of the University of Pennsylvania)之「傑出客席學者」。彼投身美國及香港金融界多年，於企業融資、投資及衍生產品方面擁有豐富經驗。彼為香港證券及投資學會會員。黃博士為開明投資有限公司之主席兼執行董事、毅信控股有限公司之執行董事、中國三迪控股有限公司之非執行董事以及Sincere Watch (Hong Kong) Limited、德泰新能源集團有限公司(前稱國藏集團有限公司)、凱順能源集團有限公司、高富集團控股有限公司(前稱中國雲錫礦業集團有限公司)及遠東控股國際有限公司之獨立非執行董事。黃博士亦曾於二零零四年十月至二零一六年十二月期間出任包浩斯國際(控股)有限公司之獨立非執行董事；二零零四年九月至二零一五年一月期間出任亨亞有限公司之獨立非執行董事；於二零零七年四月至二零一四年十一月期間出任江山控股有限公司之獨立非執行董事；於二零一零年十月至二零一四年九月期間出任華君控股有限公司(前稱新洲發展控股有限公司)之獨立非執行董事；於二零零七年六月至二零一四年八月期間出任光啟科學有限公司(前稱英發國際有限公司)之獨立非執行董事，上述公司均於香港聯交所上市。彼於二零零五年六月加盟本集團。

REPORT OF THE DIRECTORS

董事局報告

Mr. Lau Man Tak (“Mr. Lau”), aged 47, holds a Bachelor Degree of Arts in Accountancy from the Hong Kong Polytechnic University. He has more than 17 years of experience in finance and accounting. He is an associate member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Hong Kong Securities and Investment Institute and a fellow member of The Hong Kong Institute of Directors. Mr. Lau is currently an executive director and chairman of TEM Holdings Limited, a company listed on the GEM of the Stock Exchange. He is also a non-executive director and chairman of REF Holdings Limited, a company listed on Main Board of the Stock Exchange. Mr. Lau was an executive director, the chairman, authorised representative and compliance officer of Aurum Pacific (China) Group Limited from June 2012 to September 2014, which is a company listed on the GEM of the Stock Exchange. He was also an independent non-executive director of each of Kong Sun Holdings Limited from September 2008 to April 2014, AMCO United Holdings Limited from October 2010 to June 2015, KuangChi Science Limited from March 2008 to September 2015, and Sincere Watch (Hong Kong) Limited from June 2012 to December 2016, which are companies listed on the Main Board of the Stock Exchange. He joined the Group in October 2005.

Ms. Lo, Miu Sheung Betty (“Ms. Lo”), aged 55, is a qualified solicitor in Hong Kong and has over 28 years of experience in general legal practice, with specialisation in conveyancing, commercial and probate laws. Ms. Lo has been in active practice since qualification and is currently a consultant of Messrs. K.C. Ho & Fong, Solicitors & Notaries. She graduated from The University of Hong Kong with a Bachelor Degree in Laws (LL.B.) in 1985. She also holds a Postgraduate Certificate in Laws (PCLL). Ms. Lo is an independent non-executive director of Sincere Watch (Hong Kong) Limited since 19 June 2012. She is currently an independent non-executive director of AEON Stores (Hong Kong) Co., Limited since 8 November 2013. She was also an independent non-executive director of Eagle Legend Asia Limited from March 2012 to December 2014. The securities of all of these companies are listed on the Main Board of the Stock Exchange of Hong Kong Limited. She joined the Group in September 2016.

劉文德先生（「劉先生」），47歲，持有香港理工大學會計學文學士學位，於融資及會計方面具備逾17年經驗。彼為香港會計師公會之會員、英國特許公認會計師公會之資深會員、香港證券及投資學會之資深會員及香港董事學會資深會員。劉先生現為聯交所創業板上市公司創新電子控股有限公司之執行董事兼主席。彼亦為聯交所主板上市公司REF Holdings Limited之非執行董事兼主席。劉先生曾於二零一二年六月至二零一四年九月期間出任聯交所創業板上市公司奧柏中國集團有限公司之執行董事、主席、授權代表兼法規主任。彼亦曾於二零零八年九月至二零一四年四月期間出任江山控股有限公司；於二零一零年十月至二零一五年六月期間出任雋泰控股有限公司；於二零零八年三月至二零一五年九月期間出任光啟科學有限公司；及於二零一二年六月至二零一六年十二月期間出任Sincere Watch (Hong Kong) Limited各自之獨立非執行董事，上述公司均於聯交所主板上市。彼於二零零五年十月加盟本集團。

羅妙嫦女士（「羅女士」），55歲，為香港合資格律師，具備逾28年一般法律事務經驗，擅長業權轉移、商業及遺產法。羅女士自獲得資格以來一直積極執業，現為何君柱律師樓之顧問。彼於一九八五年畢業於香港大學，取得法學學士(LL.B.)學位，並持有法律專業證書(PCLL)。羅女士自二零一二年六月十九日起出任Sincere Watch (Hong Kong) Limited之獨立非執行董事。彼自二零一三年十一月八日起現任永旺(香港)百貨有限公司之獨立非執行董事。於二零一二年三月至二零一四年十二月期間，彼亦曾任鵬程亞洲有限公司之獨立非執行董事。所有此等公司之證券均於香港聯合交易所有限公司主板上市。彼於二零一六年九月加盟本集團。

REPORT OF THE DIRECTORS

董事局報告

Senior Management

Mr. Chan Chun Lam, aged 45, joined the Group on 4 April 2014 and is the Financial Controller and Company Secretary of the Company. Mr. Chan holds a bachelor degree of Business Administration in Accounting with honors from Hong Kong Baptist University. Mr. Chan is a Certified Public Accountant (Practising) and a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Chan has worked for an International accounting firm and a number of listed companies in Hong Kong. Mr. Chan has over 20 years of professional experience in financial management and auditing.

Ms. Chan Yin Tong Cynthia, aged 66, is a director of Kingston Securities Limited. Ms. Chan is responsible for promotion, sales and marketing, recruitment and training of sales representative of Kingston Securities. Ms. Chan has extensive experience in securities broking, compliance, administrative functions, activities in underwriting new issues, equity capital markets and project financing. Prior to joining the Group, she was the Dealing Director and Responsible Officer of Wintech Securities Limited and Koffman Securities Limited principally responsible for securities broking, compliance and administrative functions. In addition, Ms. Chan also undertook activities in underwriting new issues, equity capital markets and project financing. Ms. Chan has been working in international securities firms and investment banks in the 1980's. Ms. Chan worked in Merrill Lynch (FE) Limited in 1989 and Standard Chartered Securities Limited in 1993 and was also the Assistant Vice President of Prudential Bache Securities Hong Kong Limited in 1997. She is very experienced with the operations of the Hong Kong securities market. Ms. Chan is a registered Responsible Officer under Type 1 (dealing in securities) regulated activities. Ms. Chan joined the Group in February 2006.

高級管理層

陳俊霖先生，45歲，於二零一四年四月四日加盟本集團，為本公司財務總監兼公司秘書。陳先生持有香港浸會大學工商管理(榮譽)學士學位，主修會計學。陳先生為執業會計師以及英國特許公認會計師公會及香港會計師公會資深會員。陳先生曾任職於一家國際會計師行及多家香港上市公司。陳先生於財務管理及核數方面擁有逾20年專業經驗。

陳燕堂女士，66歲，金利豐證券有限公司之董事。陳女士負責推廣、銷售及營銷、招聘及培訓金利豐證券之銷售代表。陳女士於證券經紀、合規、行政管理、新股上市包銷活動、資本市場及項目融資方面具備豐富經驗。於加盟本集團前，彼為盈泰證券有限公司及高富民證券有限公司之交易董事及負責人員，負責證券經紀、合規及行政管理。此外，陳女士亦從事包銷新股、資本市場及項目融資活動。陳女士早於八十年代已任職於外資證券公司及投資銀行。陳女士於一九八九年任職於美林證券有限公司，於一九九三年任職於Standard Chartered Securities Limited，並於一九九七年任美國培基證券有限公司助理副總裁職位。彼對香港證券市場之運作擁有豐富經驗。陳女士為獲發牌進行第1類(證券交易)受規管活動之註冊負責人員。陳女士於二零零六年二月加盟本集團。

REPORT OF THE DIRECTORS

董事局報告

Mr. Wong Hip Keung Jimmy, aged 56, is the Director-Retail and Corporate Sales of Kingston Securities Limited. Mr. Wong is responsible for overseeing the dealing department which includes both securities and futures products. He has a Bachelor Degree in Accounting from the Golden Gate University in San Francisco, CA, USA. With extensive experience in securities and capital markets, he is specialised in securities & futures broking, compliance and administrative functions. He is registered as a responsible officer under Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities. He joined the Group in October 1996.

Mr. Chan Kwun Wah Derek, aged 46, is the managing director of Kingston Corporate Finance Limited. He is principally engaged in leading and planning investment banking and financial consultation services, including IPO sponsorship, structured finance, merger & acquisitions, asset restructuring and corporate governance advisory. He has earned over 18 years of experience from a few renowned securities firms and global financial institutions. He holds a Master of Business Administration in the UK and a Bachelor's Degree in Business Administration in Canada. He is registered as a responsible officer under the Securities and Futures Ordinance for Type 1 & 6 activities. Mr. Chan had worked with the Group from 2004 to 2008 and rejoined in January 2014.

Mr. Keung Kelvin, aged 43, is the director of Kingston Asset Management. Mr. Keung is responsible for supervising the operation of the Group's asset management department and making investment decisions on behalf of clients. Mr. Keung graduated from the Macquarie University, Australia, with a Bachelor Degree of Commerce. Mr. Keung possesses extensive experience in the financial industry. Prior to joining the Group, Mr. Keung was the director and Responsible Officer of the asset management department of Emperor Capital Limited. Mr. Keung was the dealing director of Fortune (HK) Securities Limited (formerly known as Hong Tong Hai Securities Limited) and was licensed as a Responsible Officer to carry on Type 9 (asset management) and Type 1 (dealing in securities) regulated activities. Mr. Keung is licensed as a Responsible Officer of Kingston Asset Management under Type 9 (asset management) regulated activity. Mr. Keung joined the Group in December 2006.

黃協強先生，56歲，金利豐證券有限公司之零售及企業銷售總監。黃先生負責監督包括證券及期貨產品在內之交易部門。彼自美國加州三藩市金門大學取得會計學士學位。彼在證券及資本市場具備豐富經驗，專注於證券及期貨經紀、合規及行政職能。彼註冊為第1類(證券交易)及第2類(期貨合約交易)受規管活動之負責人員。彼於一九九六年十月加盟本集團。

陳冠樺先生，46歲，為金利豐財務顧問有限公司董事總經理。彼主要從事領導及規劃投資銀行及財務顧問服務，包括首次公開發售保薦、結構融資、合併及收購、資產重組及企業管治諮詢。彼已自多家知名證券公司及全球性金融機構累積逾18年經驗。彼於英國持有工商管理碩士學位及於加拿大持有工商管理學士學位。彼註冊為證券及期貨條例項下第1及第6類活動之負責人。陳先生曾於二零零四年至二零零八年任職本集團，後於二零一四年一月再度加盟本集團。

姜登華先生，43歲，金利豐資產管理之董事。姜先生負責監督本集團資產管理部營運及代表客戶作出投資決策。姜先生畢業於澳洲麥考瑞大學，取得商學士學位。姜先生於金融業具備豐富經驗。於加入本集團之前，姜先生曾為英皇融資有限公司之董事及資產管理部之負責人員。姜先生亦曾為富強證券有限公司(前稱泓通海證券有限公司)之證券交易董事，並曾註冊為第9類(提供資產管理)及第1類(證券交易)受規管活動之負責人員。姜先生註冊為第9類(提供資產管理)受規管活動之金利豐資產管理負責人員。姜先生於二零零六年十二月加盟本集團。

REPORT OF THE DIRECTORS

董事局報告

EMOLUMENTS OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Particulars of the Directors' emoluments and of the five highest paid individuals of the Group are set out in notes 16 and 17 to the financial statements respectively.

DIRECTORS' SERVICE CONTRACTS

Mrs. Chu Yuet Wah has entered into a service contract with the Company for an initial term of 3 years which commenced on 1 April 2014, and will continue thereafter until terminated by either party by giving not less than 6 months' written notice.

All Non-executive Directors have executed a letter of appointment with the Company for a term of one year which commenced on 1 April 2017, and subject to compliance with relevant requirements of the Listing Rules, and will continue thereafter until terminated by either party by giving not less than three months' written notice.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 March 2017, none of the Directors are interested in any business, apart from the Group's businesses, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

Saved as disclosed in note 46 to the financial statements, no contracts of significance to which the Company or any of its subsidiaries was a party in which any Director had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 March 2017 or at any time during the year.

董事及五名最高薪酬人士酬金

董事及本集團五名最高薪酬人士酬金詳情分別載於財務報表附註16及17。

董事服務合約

李月華女士已與本公司訂立服務合約，自二零一四年四月一日起初步為期3年，並於任何一方發出不少於6個月書面通知終止合約前持續生效。

全體非執行董事已與本公司簽訂委任函件，自二零一七年四月一日起為期一年，須遵守上市規則之相關規定，並將於其後持續生效，直至任何一方發出不少於三個月之書面通知予以終止。

概無擬於應屆股東周年大會重選連任之董事與本公司訂立本公司不可於一年內免付法定賠償以外賠償終止之服務合約。

董事於競爭業務之權益

於二零一七年三月三十一日，除本集團業務外，概無董事於任何直接或間接對本集團業務構成或可能構成競爭之業務中擁有權益。

董事於合約之權益

除財務報表附註46所披露者外，董事並無直接或間接於本公司或其任何附屬公司參與訂立且於截至二零一七年三月三十一日止年度之結算日或年內任何時間依然生效之重大合約中擁有重大權益。

REPORT OF THE DIRECTORS

董事局報告

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 March 2017.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES

At 31 March 2017, the following Directors had interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would be required (a) to be notified to the Company or the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the requirements of the Model Code for Securities Transactions by Directors of Listed Companies:

Long positions in the Shares:

管理合約

截至二零一七年三月三十一日止年度，本公司概無就全部或任何重大部分業務簽訂或訂有任何管理及行政合約。

董事及高級行政人員於證券之權益及淡倉

於二零一七年三月三十一日，各董事於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中，擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司或聯交所之任何權益或淡倉(包括根據證券及期貨條例之條文被當作或視為擁有之權益或淡倉)；或(b)根據證券及期貨條例第352條須記入該條文所述登記冊之任何權益或淡倉；或(c)根據上市公司董事進行證券交易的標準守則規定須知會本公司及聯交所之任何權益或淡倉如下：

股份好倉：

Name of Directors 董事姓名	Number of shares of the Company 本公司股份數目		No. of underlying shares of the Company 本公司相關 股份數目	Total 總數	Approximate percentage of shareholding 概約 股權百分比
	Personal Interests 個人權益	Corporate Interests 公司權益			
Mrs. Chu Yuet Wah 李月華女士	–	8,607,603,895 (Note 1) (附註1)	3,750,000,000 (Note 2) (附註2)	12,357,603,895	90.77%
Mr. Chu, Nicholas Yuk-yui 朱沃裕先生	–	8,607,603,895 (Note 1) (附註1)	3,750,000,000 (Note 2) (附註2)	12,357,603,895	90.77%

REPORT OF THE DIRECTORS

董事局報告

Notes:

- (1) As at 31 March 2017, of the 8,607,603,895 shares, 1,894,699,896 shares are held by Sure Expert Limited, 15,939,999 shares are held by Kingston Capital Limited and 6,696,964,000 shares are held by Active Dynamic Limited, all of which are controlled by Mrs. Chu Yuet Wah ("Mrs. Chu"). Mr. Chu, Nicholas Yuk-yui ("Mr. Chu"), the spouse of Mrs. Chu, is deemed to be interested in these 8,607,603,895 shares.
- (2) As at 31 March 2017, Mrs. Chu, through Active Dynamic Limited held 3,750,000,000 convertible preference shares conferring rights to subscribe for up to HK\$3,000,000,000 in aggregate in cash for 3,750,000,000 new shares at the conversion price of HK\$0.80 (subject to adjustments) per share. Mr. Chu is deemed to be interested in the 3,750,000,000 underlying shares held by Mrs. Chu.

Save for those disclosed above, no interests and short positions were held or deemed or taken to be held under Part XV of the SFO by any Director or the Chief Executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or pursuant to the Model Code or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein.

DIRECTORS' RIGHT TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the section "Directors' and Chief Executive's interests and short positions in securities", at no time during the year ended 31 March 2017 was the Company or any of its associated corporations a party to any arrangement to enable the Directors or Chief Executive of the Company to acquire benefits by means of the acquisition of shares in, or underlying shares in, or debentures of, the Company or any other body corporate, and none of the Directors or Chief Executives, nor any of their spouses or children under the age of 18, had any rights to subscribe the securities of the Company, or had exercised any such rights during the year.

附註：

- (1) 於二零一七年三月三十一日，於 8,607,603,895 股股份中，1,894,699,896 股股份由 Sure Expert Limited 持有、15,939,999 股股份由金利豐融資有限公司持有及 6,696,964,000 股股份由 Active Dynamic Limited 持有，該等公司全部均由李月華女士（「李女士」）控制。李女士之配偶朱沃裕先生（「朱先生」）被視為於該 8,607,603,895 股股份中擁有權益。
- (2) 於二零一七年三月三十一日，李女士透過 Active Dynamic Limited 持有 3,750,000,000 股可轉換優先股，賦予權利以現金按換股價每股 0.80 港元（可予調整）認購 3,750,000,000 股新股份，最高認購金額合共 3,000,000,000 港元。朱先生被視為於李女士所持有之 3,750,000,000 股相關股份中擁有權益。

除上文所披露者外，根據證券及期貨條例第 XV 部，本公司任何董事或高級行政人員或彼等各自之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）之股份、相關股份及債券中，持有或被視為或當作持有根據證券及期貨條例第 XV 部或標準守則須知會本公司及聯交所之權益及淡倉，或根據證券及期貨條例第 352 條必須記入該條文所述登記冊之權益及淡倉。

董事購入股份及債券之權利

除「董事及高級行政人員於證券之權益及淡倉」一節所披露者外，截至二零一七年三月三十一日止年度內任何時間，本公司或其任何相聯法團概無訂立任何安排，致使本公司董事或高級行政人員可藉購入本公司或任何其他法人團體之股份或相關股份或債券而獲益；各董事或高級行政人員或彼等之配偶或未滿 18 歲之子女並無任何認購本公司證券之權利，亦無於年內行使任何該等權利。

REPORT OF THE DIRECTORS

董事局報告

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2017, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company:

Name of Shareholders 股東名稱／姓名	Number of shares of the Company 本公司股份數目		No. of underlying shares of the Company 本公司相關 股份數目		Approximate percentage of shareholding 概約 股權百分比
	Personal Interests 個人權益	Corporate Interests 公司權益	Total		
Sure Expert Limited (Note 1)(附註1)	–	1,894,699,896	–	1,894,699,896	13.92%
Active Dynamic Limited (Note 2)(附註2)	–	6,696,964,000	3,750,000,000	10,446,964,000	76.73%
Better Sino Limited (Note 3) 佳育有限公司(附註3)	–	1,125,000,000	–	1,125,000,000	8.26%
Mr. Lee Wai Man (Note 3) 李惠文先生(附註3)	18,852,000	1,530,750,000 (Note 4) (附註4)	–	1,549,602,000	11.38%

Notes:

- (1) Sure Expert Limited is wholly and beneficially owned by Mrs. Chu. The interests of Mrs. Chu and Sure Expert Limited in the Company are stated under the section headed "Directors' and Chief Executive's interests and short positions in securities" above.
- (2) Active Dynamic Limited is wholly and beneficially owned by Mrs. Chu. The interests of Mrs. Chu and Active Dynamic Limited in the Company are stated under the section headed "Directors' and Chief Executive's interests and short positions in securities" above.
- (3) Better Sino Limited is wholly and beneficially owned by Mr. Lee Wai Man ("Mr. Lee"), the father of Mrs. Chu.
- (4) As at 31 March 2017, of the 1,530,750,000 shares, 405,750,000 shares are held by Choose Right Limited. 1,125,000,000 shares are held by Better Sino Limited. Both companies are wholly and beneficially owned by Mr. Lee.

Save for those disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 March 2017.

主要股東

於二零一七年三月三十一日，按本公司根據證券及期貨條例第336條規定存置之主要股東登記冊顯示，下列股東已知會本公司，表示其於本公司已發行股本中擁有有關權益及淡倉：

附註：

- (1) Sure Expert Limited 由李女士全資實益擁有。李女士及 Sure Expert Limited 於本公司之權益載於上文「董事及高級行政人員於證券之權益及淡倉」一節。
- (2) Active Dynamic Limited 由李女士全資實益擁有。李女士及 Active Dynamic Limited 於本公司之權益載於上文「董事及高級行政人員於證券之權益及淡倉」一節。
- (3) 佳育有限公司由李女士之父親李惠文先生(「李先生」)全資實益擁有。
- (4) 於二零一七年三月三十一日，於 1,530,750,000 股股份中，405,750,000 股股份由 Choose Right Limited 持有，而 1,125,000,000 股股份則由佳育有限公司持有。兩家公司均由李先生全資實益擁有。

除上文所披露者外，於二零一七年三月三十一日，本公司並未獲知會本公司已發行股本中之任何其他有關權益或淡倉。

REPORT OF THE DIRECTORS

董事局報告

RETIREMENT BENEFITS SCHEME

Particulars of the retirement benefits scheme of the Group are set out in note 34 to the financial statements.

CONNECTED TRANSACTION

1. Continuing Connected Transactions — Provision of Financial Services

On 13 August 2013, Sincere Watch and Kingston entered into the Master Agreement which provides the framework within which the SW Group may engage the Kingston Group to provide Services to the SW Group from time to time for a fixed term commencing on the date of the Master Agreement up to 31 March 2016.

2. Renewal of Continuing Connected Transactions: Provision of Brokerage and Financial Services

The terms of the Previous Brokerage Services Agreement and the Previous Financial Services Agreements expired on 31 March 2017. In order for the Group to continue to provide brokerage and financial services to the Relevant Directors and their respective associates (where applicable), on 17 February 2017, (i) Kingston Securities and Kingston Futures entered into the 2017 Brokerage Services Agreement with the Chu & Li's Family for provision of brokerage services and (ii) Kingston Securities has entered into the 2017 Chu & Li's Family Financial Services Agreement with the Chu & Li's Family and the 2017 Financial Services Agreement with Mr. Ho for provision of financial services for a term of three years commencing from 1 April 2017 to 31 March 2020.

Details were set out in the Company's announcement dated 17 February 2017 and circular dated 8 March 2017.

3. Details of the connected transactions entered into by the Company during the year are set out in note 46 to the financial statements.

退休福利計劃

本集團退休福利計劃之詳情載於財務報表附註34。

關連交易

1. 持續關連交易 — 提供金融服務

於二零一三年八月十三日，Sincere Watch與金利豐訂立總協議，提供框架以供SW集團不時委聘金利豐集團向SW集團提供服務，固定年期由總協議日期起直至二零一六年三月三十一日。

2. 重續持續關連交易：提供經紀及金融服務

前經紀服務協議及前金融服務協議之年期已於二零一七年三月三十一日屆滿。為使本集團繼續向相關董事及彼等各自之聯繫人士(如適用)提供經紀及金融服務，於二零一七年二月十七日，(i)金利豐證券及金利豐期貨與朱氏及李氏家族就提供經紀服務訂立二零一七年經紀服務協議；及(ii)金利豐證券就提供金融服務與朱氏及李氏家族訂立二零一七年朱氏及李氏家族金融服務協議以及與何先生訂立二零一七年金融服務協議，自二零一七年四月一日起至二零二零年三月三十一日止為期三年。

有關詳情載於本公司日期為二零一七年二月十七日之公佈及日期為二零一七年三月八日之通函。

3. 本公司於年內曾進行關連交易之詳情載於財務報表附註46。

REPORT OF THE DIRECTORS

董事局報告

EVENTS AFTER THE REPORTING PERIOD

There is no important event affecting the Group that had occurred since 31 March 2017 and up to the date of this annual report.

RELATED PARTY TRANSACTIONS

Details of the material related party transactions undertaken by the Group in its normal course of business are set out in note 46 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

AUDITORS

The financial statements for the year ended 31 March 2017 of the Company have been audited by BDO Limited, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

On behalf of the Board

Chu, Nicholas Yuk-yui
Chairman

Hong Kong, 29 June 2017

報告期後事項

自二零一七年三月三十一日起及直至本年報日期，概無發生影響本集團之重要事項。

關連方交易

有關本集團於日常業務過程中進行之重大關連方交易之詳情載於財務報表附註46。

充足公眾持股量

根據本公司公開取得之資料及據董事所知，於本報告日期，本公司全部已發行股本中最少25%由公眾持有。

核數師

本公司截至二零一七年三月三十一日止年度之財務報表已由香港立信德豪會計師事務所有限公司審核，其將於應屆股東周年大會上退任並符合資格且願意獲續聘。

代表董事局

主席
朱沃裕

香港，二零一七年六月二十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話：+852 2218 8288
傳真：+852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

TO THE SHAREHOLDERS OF
KINGSTON FINANCIAL GROUP LIMITED
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Kingston Financial Group Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 84 to 196, which comprise the consolidated statements of financial position as at 31 March 2017, 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致金利豐金融集團有限公司
(於百慕達註冊成立之有限公司)
列位股東

意見

本核數師(以下簡稱「我們」)已審計列載於第84至196頁之金利豐金融集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此財務報表包括於二零一七年三月三十一日之綜合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，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映了貴集團於二零一七年三月三十一日之綜合財務狀況以及截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為擬備。

意見之基礎

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行我們之審核工作。我們就該等準則承擔之責任於本報告「核數師就審核綜合財務報表須承擔之責任」一節中進一步闡述。根據香港會計師公會之專業會計師道德守則(「守則」)，我們獨立於貴集團，及我們已履行守則中之其他道德責任。我們相信，我們所獲得之審核憑證充足及適當，以為我們之意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Impairment of Goodwill

As at 31 March 2017, as a result of its acquisition of Kingston Capital Asia Limited in 2011, the Group had goodwill of HK\$10,997 million relating to the cash-generating units engaged in securities dealings, underwriting and placements, margin and IPO financing services and corporate finance advisory services.

Management concluded that there is no impairment on goodwill. This conclusion was based on a value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth. An independent external valuation was obtained in respect of the impairment assessment on goodwill in order to support management's estimates.

We identified the impairment of goodwill as a key audit matter because of the significant judgement involved in the determination of recoverable amounts and the significance of carrying amounts of goodwill to the Group's consolidated financial statements.

Refer to Note 19 to the consolidated financial statements and the accounting policies on Note 4 (d).

Our response:

Our procedures in relation to management's impairment assessment of goodwill included:

- Evaluating the independent external valuers' competence, capabilities and objectivity;
- Assessing the valuation methodology;

關鍵審核事項

關鍵審核事項乃根據我們之職業判斷，認為對本期間綜合財務報表之審核最為重要事項，此等事項乃於我們審核整體綜合財務報表及出具意見時進行處理，而我們不會對此等事項提供單獨意見。

商譽減值

由於 貴集團於二零一一年收購 Kingston Capital Asia Limited，故此 貴集團於二零一七年三月三十一日擁有涉及證券交易、包銷及配售、保證金及首次公開發售融資服務以及企業財務顧問服務之現金產生單位之商譽為數 10,997,000,000 港元。

管理層已斷定概無有關商譽之減值。該結論乃根據使用價值模式得出，當中涉及管理層須對貼現率及相關現金流量（尤其是未來收益增長）作出重大判斷。已就商譽減值評估取得獨立外部估值，以為管理層之估算提供支持。

鑒於釐定可收回金額乃涉及重大判斷且商譽賬面值對 貴集團綜合財務報表亦相當重要，我們將商譽減值視為關鍵審核事項。

請參閱綜合財務報表附註 19 及附註 4(d) 所載之會計政策。

我們之回應：

我們有關管理層評估商譽減值之程序包括：

- 評估獨立外聘估值師之資歷、能力及客觀性；
- 評估估值方法；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS *(continued)*

Impairment of Goodwill *(continued)*

- Challenging the reasonableness of key assumptions based on our knowledge of business and industry; and
- Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.

Impairment of Advances to Customer in Margin Financing

As at 31 March 2017, the Group had HK\$19,469 million of advances to customers in margin financing.

Management regularly reviewed the recoverability of advances to customers in margin financing and made impairment when required. This conclusion was based on the repayment status, likelihood of full settlement and the fair value of pledged securities.

We identified the impairment of advances to customers in margin financing as a key audit matter because of the significant judgement involved and the significance of the carrying amounts to the Group's consolidated financial statements.

Refer to Note 25 to the consolidated financial statements and the accounting policies on Notes 4(h)(ii).

Our response:

Our procedures in relation to management's impairment assessment of advances to customers in margin financing included:

- Reviewing the fair value of pledged securities, repayment history and financial background of customers;
- Performing substantive tests on subsequent settlements;
- Reviewing the Group's policy and practice in respect of provision for doubtful debts.

關鍵審核事項 *(續)*

商譽減值 *(續)*

- 根據業務及行業知識質疑關鍵假設是否合理；及
- 對比輸入數據與支持憑證，例如經批准之預算及考慮該等預算是否合理。

向客戶墊付保證金融資之減值

於二零一七年三月三十一日，貴集團擁有向客戶墊付保證金融資為數 19,469,000,000 港元。

管理層定期檢討能否收回向客戶墊付保證金融資並於需要時作出減值。該結論乃根據還款狀況、悉數清償之可能性及已抵押證券之公平值而得出。

鑒於涉及重大判斷且賬面值對貴集團綜合財務報表亦相當重要，我們將向客戶墊付保證金融資之減值視為關鍵審核事項。

請參閱綜合財務報表附註 25 及附註 4(h)(ii) 所載之會計政策。

我們之回應：

我們有關管理層評估向客戶墊付保證金融資之減值之程序包括：

- 審閱已抵押證券之公平值以及客戶之還款歷史及財務背景；
- 為其後結算之款項進行實質性測試；
- 檢討貴集團有關計提呆賬撥備之政策及常規。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS *(continued)*

Contingent Liability

During the year, the Group was in dispute with the Macau Financial Services Bureau about tax assessments on gaming revenue generated by the Group's two subsidiaries, amounted to HK\$96 million. The Group lodged objection to the Macau Financial Services Bureau and submitted petitions to the Macau Court in making appeals against the tax assessments under dispute.

No provision was recorded at 31 March 2017 for the tax disputes as the management considered that such liability crystallisation is not probable.

We identified contingent liability as a key audit matter because of its significance to the consolidated financial statements and it required the application of significant judgement related to the probability of the success of the court appeal.

Refer to Note 44 to the consolidated financial statements and the accounting policies on Note 4(n).

Our response:

Our procedures in relation to the contingent liability included:

- Discussing with management to understand the nature of dispute and reviewing correspondence with Macau Financial Services Bureau and the Court;
- Obtaining a letter from the Group's external legal counsel regarding the progress of litigation, including the view of the legal counsel on the probable outcome of the litigation and the magnitude of potential exposure.

關鍵審核事項 *(續)*

或然負債

年內，貴集團與澳門財政局之間就貴集團兩家附屬公司所產生為數96,000,000港元之博彩收益之評稅出現爭議。貴集團已就具爭議之評稅向澳門財政局提出反對，並提出呈請入稟澳門法院作出上訴。

鑒於管理層認為該負債作實之可能性不大，故此於二零一七年三月三十一日並無就稅項爭議作出撥備。

鑒於或然負債對綜合財務報表相當重要且其涉及就法院上訴得直之可能性運用重大判斷，我們將或然負債視為關鍵審核事項。

請參閱綜合財務報表附註44及附註4(n)所載之會計政策。

我們之回應：

我們有關或然負債之程序包括：

- 與管理層進行商討，以了解有關爭議之性質，並審閱與澳門財政局及澳門法院之通訊往來；
- 取得來自貴集團外聘法律顧問有關訴訟程序發出之函件，當中載有法律顧問就訴訟可能出現之結果以及潛在風險程度而提出之意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

載於年報之其他資料

董事須對其他資料負責。其他資料包括 貴公司年報所載資料，惟不包括綜合財務報表及我們就此發出之核數師報告。

我們就綜合財務報表之意見並不涵蓋其他資料，我們亦不就其他資料發表任何形式之鑒證結論。

於我們審核綜合財務報表時，我們之責任乃閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解之情況有重大抵觸，或者似乎存在重大錯誤陳述。基於我們已執行之工作，倘我們認為其他資料存在重大錯誤陳述，我們須報告該事實。於此方面，我們並無任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會所頒佈香港財務報告準則及香港公司條例之披露規定，編製真實而公平地反映情況之綜合財務報表，及落實董事釐定對編製綜合財務報表屬必要之內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營能力，並披露與持續經營有關之事項（如適用），除非董事擬將 貴集團清盤或停止營運，或別無其他實際替代方案，否則須採用以持續經營為會計基礎。

董事亦須負責監督 貴集團之財務報告過程。審核委員會會協助董事履行其此方面之責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional misstatements, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核綜合財務報表須承擔之責任

我們之目標乃就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，以及出具包括我們意見之核數師報告。本報告按照百慕達一九八一年公司法第90條僅向閣下（作為整體）發出，除此之外本報告別無其他目的。我們不就本報告之內容向任何其他人士負責或承擔責任。

合理保證屬高水平之保證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在重大錯誤陳述。錯誤陳述可因欺詐或錯誤引起，倘預期個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出經濟決定時，則被視為重大錯誤陳述。

於根據香港審計準則進行審核過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審核程序以應對此等風險，以及取得充足及適當審核憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致重大錯誤陳述之風險較因錯誤而導致重大錯誤陳述之風險為高。
- 了解與審核相關之內部監控，以設計適當之審核程序，但目的並非對貴集團內部監控有效性發表意見。
- 評估董事所採用會計政策之恰當性以及作出會計估計及相關披露之合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or if, such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

核數師就審核綜合財務報表須承擔之責任 *(續)*

- 就董事採用持續經營會計基礎之恰當性作出結論。根據所得審核憑證，確定是否存在與事件或情況有關之重大不確定性，從而可能對 貴集團持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要於核數師報告中提請使用者注意綜合財務報表中相關披露。假如有關披露不足，則須修訂我們之意見。我們之結論乃基於截至核數師報告日期止所取得之審核憑證。然而，未來事件或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表之整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否以達致公允陳述之方式反映相關交易及事項。
- 就 貴集團內實體或業務活動之財務資料獲取充分及適當之審核憑證，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審核。我們對我們之審核意見承擔全部責任。

我們與審核委員會就(其中包括)審核之計劃範圍、時間安排及重大審核發現溝通，該等發現包括我們在審核過程中識別之內部監控之任何重大缺失。

我們亦向審核委員會作出聲明，確認我們已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性之所有關係及其他事項，以及相關之防範措施(如適用)。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

BDO Limited

Certified Public Accountants

Lee Ka Leung, Daniel

Practising Certificate Number P01220

Hong Kong, 29 June 2017

核數師就審核綜合財務報表須承擔之 責任 *(續)*

從與董事之溝通事項中，我們釐定對本期間綜合財務報表之審核最為重要之事項，因而構成關鍵審核事項。我們於核數師報告中描述該等事項，除非法律或法規不允許對某件事項作出公開披露，或於極端罕見之情況下，倘合理預期於我們報告中披露某事項而造成之負面後果將會超過其產生之公眾利益，則我們決定不應於報告中溝通該事項。

香港立信德豪會計師事務所有限公司

執業會計師

李家樑

執業證書編號 P01220

香港，二零一七年六月二十九日

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 2017 截至二零一七年三月三十一日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註		
Revenue	收益	7	2,878,897	3,115,050
Other income	其他收入	8	29,743	45,490
			2,908,640	3,160,540
Inventory consumed	所耗用存貨		(21,871)	(23,296)
Staff costs	員工成本	9	(274,407)	(253,264)
Gaming commission	博彩佣金		(91,470)	(114,479)
Broker commission	經紀佣金		(46,955)	(130,801)
Interest expenses for securities brokerage, underwriting and placements, margin and IPO financing operations	證券經紀、包銷及配售、 保證金及首次公開發售 融資業務之利息開支		(247,090)	(203,395)
Depreciation	折舊		(118,001)	(144,054)
Impairment loss on advances to customers in margin financing	向客戶墊付保證金融資 減值虧損		(58,754)	(7,995)
Administrative expenses	行政開支		(110,856)	(102,326)
Other operating expenses	其他經營開支		(153,619)	(141,077)
			(1,123,023)	(1,120,687)
Finance income	融資收入		8,139	6,935
Finance cost	融資成本	10	(20,200)	(20,200)
Fair value gain on held for trading investments	持作買賣投資之公平值 收益		19,665	12,056
Exchange gain	匯兌收益		2,736	5,561
Share of results of joint ventures	分佔合營企業業績	21	–	(1)
Amortisation	攤銷	20	(14,132)	(14,132)
			(3,792)	(9,781)
Profit before taxation	除稅前溢利	12	1,781,825	2,030,072
Taxation	稅項	11	(289,242)	(326,766)
Profit for the year	年內溢利		1,492,583	1,703,306

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 2017 截至二零一七年三月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year	年內溢利		1,492,583	1,703,306
Other comprehensive income	其他全面收入	15		
Item that will not be reclassified to profit or loss:	將不會重新分類至損益之項目：			
Deficit on revaluation of leasehold land and buildings	重估租賃土地及樓宇之虧絀		(172,486)	(618,100)
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：			
Unrealised gain/(loss) arising from change in fair value of available-for-sale investments	可供出售投資公平值變動產生之未變現收益／(虧損)		108	(490)
Other comprehensive loss for the year, net of tax	年內其他全面虧損，扣除稅項		(172,378)	(618,590)
Total comprehensive income for the year	年內全面收入總額		1,320,205	1,084,716
Profit for the year attributable to:	應佔年內溢利：			
Owners of the Company	本公司擁有人		1,484,943	1,700,374
Non-controlling interests	非控股權益		7,640	2,932
			1,492,583	1,703,306
Total comprehensive income attributable to:	應佔全面收入總額：			
Owners of the Company	本公司擁有人		1,312,565	1,081,784
Non-controlling interests	非控股權益		7,640	2,932
			1,320,205	1,084,716
Earnings per share (cents per share)	每股盈利(每股仙)	14		
— Basic	— 基本		8.55	9.79
— Diluted	— 攤薄		8.55	9.79

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2017 於二零一七年三月三十一日

			31.3.2017 二零一七年 三月三十一日 HK\$'000 千港元	31.3.2016 二零一六年 三月三十一日 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	2,799,525	3,090,037
Deferred tax assets	遞延稅項資產	36	—	6,107
Statutory deposit for financial services business	金融服務業務之法定按金		7,147	5,243
Goodwill	商譽	19	10,996,683	10,996,683
Intangible assets	無形資產	20	280,289	294,421
			14,083,644	14,392,491
Current assets	流動資產			
Inventories	存貨	22	2,322	2,727
Available-for-sale investments	可供出售投資	23	548	440
Held for trading investments	持作買賣投資	24	134,955	114,921
Advances to customers in margin financing	向客戶墊付保證金融資	25	19,468,948	18,443,165
Trade and other receivables	貿易及其他應收賬款	26	151,920	198,345
Tax recoverable	可收回稅項	44	97,231	37,607
Cash and bank balances — held on behalf of customers	現金及銀行結餘 — 代客戶持有	27	2,410,359	1,569,493
Cash and bank balances — general accounts	現金及銀行結餘 — 一般賬戶	28	304,762	169,339
			22,571,045	20,536,037
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	29	2,616,461	1,752,015
Amounts due to shareholders	應付股東款項	30	2,311,911	2,321,911
Loan from a related company	來自一家關連公司貸款	31	7,948,861	7,179,238
Subordinated loans	後償貸款	32	700,000	700,000
Bank loans	銀行貸款	33	2,005,834	2,616,000
Tax payable	應付稅項		59,623	200,559
			15,642,690	14,769,723
Net current assets	流動資產淨值		6,928,355	5,766,314
Total assets less current liabilities	總資產減流動負債		21,011,999	20,158,805

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2017 於二零一七年三月三十一日

			31.3.2017 二零一七年 三月三十一日 HK\$'000 千港元	31.3.2016 二零一六年 三月三十一日 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	33	1,230,000	1,320,000
Deferred tax liabilities	遞延稅項負債	36	180,861	210,582
Total non-current liabilities	非流動負債總額		1,410,861	1,530,582
Total liabilities	負債總額		17,053,551	16,300,305
Net assets	資產淨值		19,601,138	18,628,223
Capital and reserves	資本及儲備			
Share capital — ordinary shares	股本 — 普通股	37	272,290	272,290
Share capital — non-redeemable convertible preference shares	股本 — 不可贖回可換股優先股	37	75,000	75,000
Reserves	儲備		19,233,977	18,268,702
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		19,581,267	18,615,992
Non-controlling interests	非控股權益		19,871	12,231
Total equity	權益總額		19,601,138	18,628,223

On behalf of the Board

代表董事局

Chu, Nicholas Yuk-yui

朱沃裕
Director
董事

Chu Yuet Wah

李月華
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益											
		Share capital — ordinary shares	Share capital — non-redeemable convertible preference shares	Share premium account	Capital redemption reserve	Contributed surplus	Property revaluation reserve	Investment revaluation reserve	Exchange fluctuation reserve	Retained earnings	Total	Non-controlling interest	Total equity
		股本 — 普通股	可換股優先股	股份溢價賬	資本贖回儲備	繳納盈餘	物業重估儲備	投資重估儲備	匯率波動儲備	保留盈利	總計	非控股權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	242,290	105,000	11,739,980	466	814	2,225,936	1,842	(23,169)	3,241,049	17,534,208	19,299	17,553,507
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	1,700,374	1,700,374	2,932	1,703,306
Other comprehensive income for the year	年內其他全面收入	-	-	-	-	-	(618,100)	(490)	-	-	(618,590)	-	(618,590)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	-	(618,100)	(490)	-	1,700,374	1,081,784	2,932	1,084,716
Realised upon depreciation based on revalued amount of land and building	按土地及樓宇重估金額於折舊時變現	-	-	-	-	-	(63,568)	-	-	63,568	-	-	-
Shares conversion	股份轉換	30,000	(30,000)	-	-	-	-	-	-	-	-	-	-
Payment of dividends to non-controlling interests	向非控股權益派付股息	-	-	-	-	-	-	-	-	-	-	(10,000)	(10,000)
At 31 March 2016	於二零一六年三月三十一日	272,290	75,000	11,739,980	466	814	1,544,268	1,352	(23,169)	5,004,991	18,615,992	12,231	18,628,223
At 1 April 2016	於二零一六年四月一日	272,290	75,000	11,739,980	466	814	1,544,268	1,352	(23,169)	5,004,991	18,615,992	12,231	18,628,223
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	1,484,943	1,484,943	7,640	1,492,583
Other comprehensive income for the year	年內其他全面收入	-	-	-	-	-	(172,486)	108	-	-	(172,378)	-	(172,378)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	-	(172,486)	108	-	1,484,943	1,312,565	7,640	1,320,205
Realised upon depreciation based on revalued amount of land and building	按土地及樓宇重估金額於折舊時變現	-	-	-	-	-	(45,472)	-	-	45,472	-	-	-
Payment of dividend	派付股息	-	-	-	-	-	-	-	-	(347,290)	(347,290)	-	(347,290)
At 31 March 2017	於二零一七年三月三十一日	272,290	75,000	11,739,980	466	814	1,326,310	1,460	(23,169)	6,188,116	19,581,267	19,871	19,601,138

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from operating activities	經營業務所得現金流量		
Profit before taxation	除稅前溢利	1,781,825	2,030,072
Adjustments for:	就下列各項作出調整：		
Share of loss of joint ventures	分佔合營企業虧損	—	1
Finance cost	融資成本	20,200	20,200
Finance income	融資收入	(8,139)	(6,935)
Dividend income	股息收入	(265)	(1,319)
Amortisation	攤銷	14,132	14,132
Depreciation	折舊	118,001	144,054
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(300)	—
Write off of property, plant and equipment	物業、廠房及設備撇賬	2	—
Impairment losses on advances to customers in margin financing, trade and other receivables	向客戶墊付保證金融資以及貿易及其他應收賬款之減值虧損	58,754	7,995
Bad debts written-off/(recovery)	壞賬撇賬/(收回)	1,401	(7,022)
Fair value gain on held for trading investments	持作買賣投資之公平值收益	(19,665)	(12,056)
Operating profit before working capital changes	營運資金變動前之經營溢利	1,965,946	2,189,122
Decrease in inventories	存貨減少	405	538
Increase in held for trading investments	持作買賣投資增加	(369)	(64,221)
(Increase)/decrease in statutory deposit for financial business	金融業務之法定按金(增加)/減少	(1,904)	3,029
Increase in advances to customer in margin financing and trade and other receivables	向客戶墊付保證金融資以及貿易及其他應收賬款增加	(1,039,513)	(4,198,936)
Increase in cash and bank balances — held on behalf of customers	現金及銀行結餘增加 — 代客戶持有	(840,866)	(362,309)
Increase/(decrease) in trade and other payables	貿易及其他應付賬款增加/(減少)	864,446	(79,628)
Cash generated from/(used in) operations	經營業務所得/(所用)現金	948,145	(2,512,405)
Income taxes paid	已付所得稅	(489,896)	(272,830)
Net cash from/(used in) operating activities	經營業務所得/(所用)現金淨額	458,249	(2,785,235)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from investing activities	投資活動所得現金流量		
Payment for the purchase of property, plant and equipment	支付購買物業、廠房及設備費用	(23,497)	(9,485)
Proceeds from disposal of property, plant and equipment	來自出售物業、廠房及設備所得款項	300	–
Interest received	已收利息	8,139	6,935
Dividend received	已收股息	265	1,319
Net cash used in investing activities	投資活動所用現金淨額	(14,793)	(1,231)
Cash flows from financing activities	融資活動所得現金流量		
Decrease in amounts due to shareholders	應付股東款項減少	(10,000)	(99,000)
Increase in loan from a related company	來自一家關連公司貸款增加	769,623	1,741,273
Repayment of from bank borrowings	償還銀行借貸	(700,166)	(428,500)
Interest paid	已付利息	(20,200)	(20,200)
Dividend paid	已付股息	(347,290)	–
Dividend paid to non-controlling interests	已付非控股權益股息	–	(10,000)
Net cash (used in)/from financing activities	融資活動(所用)/所得現金淨額	(308,033)	1,183,573
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加/(減少)淨額	135,423	(1,602,893)
Cash and cash equivalents at beginning of year	年初現金及現金等值項目	169,339	1,772,232
Cash and cash equivalents at end of year (note 28)	年終現金及現金等值項目(附註28)	304,762	169,339

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in Bermuda on 10 April 1996 under the Companies Act 1981 of Bermuda. The Company's shares have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 23 July 1996. The address of its registered office and principal place of business of the Company are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Suite 2801, 28th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong, respectively.

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new/revised HKFRSs — effective 1 April 2016

HKFRSs (Amendments)	Annual Improvements 2012–2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations

1 公司資料

本公司於一九九六年四月十日根據百慕達一九八一年公司法在百慕達註冊成立為獲豁免有限公司。本公司股份自一九九六年七月二十三日起於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址分別為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及香港中環港景街1號國際金融中心一期28樓2801室。

2 採納香港財務報告準則（「香港財務報告準則」）

(a) 採納新訂／經修訂香港財務報告準則 — 二零一六年四月一日起生效

香港財務報告準則（修訂本）	二零一二年至 二零一四年週期 之年度改進
香港會計準則第1號之修訂	披露計劃
香港會計準則第16號及香港會計準則第38號之修訂	澄清折舊及攤銷 之可接受方法
香港會計準則第27號之修訂	獨立財務報表之 權益法
香港財務報告準則第11號之修訂	收購合營業務權益 之會計法

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2016 (continued)

Amendments to HKAS 1 — Disclosure Initiative

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

Included in the clarifications is that an entity's share of other comprehensive income from equity accounted interests in associates and joint ventures is split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

The adoption of the amendments has no impact on these consolidated financial statements.

Amendments to HKAS 16 and HKAS 38 — Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not applicable for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated. The amendments are applied prospectively.

The adoption of the amendments has no impact on these consolidated financial statements as the Group has not previously used revenue-based depreciation methods.

2 採納香港財務報告準則（「香港財務報告準則」）(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一六年四月一日起生效(續)

香港會計準則第1號之修訂 — 披露計劃

該等修訂旨在鼓勵實體在考慮其財務報表之佈局與內容時判斷是否應用香港會計準則第1號。

該等澄清中包括將實體應佔於權益入賬之聯營公司與合營企業之權益之其他全面收入項目分拆為兩個組別，分別為會重新分類及不會重新分類至損益之組別，並於該兩個組別中合併呈列為單一項目。

採納該等修訂對該等綜合財務報表並無影響。

香港會計準則第16號及香港會計準則第38號之修訂 — 澄清折舊及攤銷之可接受方法

香港會計準則第16號之修訂禁止就物業、廠房及設備項目使用以收益為基礎之折舊方法。香港會計準則第38號之修訂引進可推翻推定，其假設以收益為基礎之攤銷並不適用於無形資產。倘將無形資產列作收益之計量，或收益與無形資產之經濟利益消耗乃高度相關，則此推定可予推翻。該等修訂已按前瞻基準應用。

由於本集團從未使用以收益為基礎之折舊方法，採納該等修訂對該等綜合財務報表並無影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(a) Adoption of new/revised HKFRSs — effective 1 April 2016 (continued)

Amendments to HKAS 27 — Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements. The amendments are applied retrospectively in accordance with HKAS 8.

The adoption of the amendments has no impact on these financial statements of the Company as the Company has not elected to apply the equity method in its separate financial statements.

Amendments to HKFRS 11 — Accounting for Acquisitions of Interests in Joint Operations

The amendments require an entity to apply the relevant principles of HKFRS 3 Business Combinations when it acquires an interest in a joint operation that constitutes a business as defined in that standard. The principles of HKFRS 3 are also applied upon the formation of a joint operation if an existing business as defined in that standard is contributed by at least one of the parties. The amendment is applied prospectively.

The adoption of the amendments has no impact on these consolidated financial statements as the Group has not acquired or formed a joint operation.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一六年四月一日起生效(續)

香港會計準則第27號之修訂 — 獨立財務報表之權益法

該等修訂容許實體於其獨立財務報表中為其於附屬公司、合營企業及聯營公司之投資入賬時應用權益法。該等修訂已根據香港會計準則第8號追溯應用。

由於本公司並無於其獨立財務報表中選用權益法，採納該等修訂對該等本公司財務報表並無影響。

香港財務報告準則第11號之修訂 — 收購合營業務權益之會計法

該等修訂規定實體於收購合營業務之權益，而該合營業務構成香港財務報告準則第3號「業務合併」所界定之業務時，須應用該準則之相關原則。同樣，倘最少其中一方注資香港財務報告準則第3號所界定之現有業務，則該準則之原則亦將於成立合營業務時應用。該等修訂已按前瞻基準應用。

由於本集團並無收購或成立合營業務，採納該等修訂對該等綜合財務報表並無影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹
Amendments to HKFRS 2	Classification and Measurement of Share-Based Payment Transactions ²
HKFRS 9	Financial Instruments ²
HKFRS 15	Revenue from Contracts with Customers ²
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15) ²
HKFRS 16	Leases ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for annual periods beginning on or after 1 January 2019

⁴ The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

與本集團財務報表可能有關之以下新訂／經修訂香港財務報告準則已頒佈但尚未生效，且本集團並無提早採納。本集團目前有意於彼等生效日期時應用有關修改。

香港會計準則第7號之修訂	披露計劃 ¹
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 ¹
香港財務報告準則第2號之修訂	以股份為基礎之支付交易之分類及計量 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第15號	客戶合約收益 ²
香港財務報告準則第15號之修訂	客戶合約收益(香港財務報告準則第15號之澄清) ²
香港財務報告準則第16號	租賃 ³
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業間資產出售或投入 ⁴

¹ 於二零一七年一月一日或以後開始之年度期間生效

² 於二零一八年一月一日或以後開始之年度期間生效

³ 於二零一九年一月一日或以後開始之年度期間生效

⁴ 該等修訂原定於二零一六年一月一日或以後開始之期間生效。生效日期現已延遲／移除。該等修訂繼續獲准提早應用。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKAS 7 — Disclosure Initiative

The amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities.

Amendments to HKAS 12 — Recognition of Deferred Tax Assets for Unrealised Losses

The amendments relate to the recognition of deferred tax assets and clarify some of the necessary considerations, including how to account for deferred tax assets related to debt instruments measured of fair value.

Amendments to HKFRS 2 — Classification and Measurement of Share-Based Payment Transactions

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港會計準則第7號之修訂 — 披露計劃

該等修訂引進額外披露，將有助財務報表之使用者評估因融資活動而產生之負債變動。

香港會計準則第12號之修訂 — 就未變現虧損確認遞延稅項資產

該等修訂與確認遞延稅項資產有關並澄清部分必要考量，包括如何就與按公平值計量之債務工具相關之遞延稅項資產入賬。

香港財務報告準則第2號之修訂 — 以股份為基礎之支付交易之分類及計量

該等修訂對下列各項之會計處理作出規定：就以現金結算以股份為基礎之支付計量進行歸屬及非歸屬之條件之影響；就預扣稅責任有淨額結算特徵之以股份為基礎之支付交易；及使以股份為基礎之支付交易之分類由現金結算更改為權益結算之交易條款及條件之修訂。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 9 — Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at Fair Value Through Other Comprehensive Income (“FVTOCI”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at Financial Assets and Liabilities at Fair Value Through Profit or Loss (“FVTPL”).

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號—金融工具
香港財務報告準則第9號引進有關金融資產分類及計量之新要求。按業務模式持有而目的為收取合約現金流之債務工具(業務模式測試)以及具產生現金流量之合約條款且僅為支付本金及未償還本金利息之債務工具(合約現金流量特徵測試)，一般按攤銷成本計量。倘該實體業務模式之目的為持有及收取合約現金流量以及出售金融資產，則符合合約現金流量特徵測試之債務工具按公平值計入其他全面收益(「按公平值計入其他全面收益」)之方式計量。實體可於最初確認時作出不可撤銷之選擇，以按公平值計入其他全面收入之方式計量並非持作買賣之股本工具。所有其他債務及股本工具為按公平值計入損益(「按公平值計入損益」)計量之金融資產及負債。

香港財務報告準則第9號就並非按公平值計入損益之方式計量之所有金融資產納入嶄新之預期虧損減值模式，取代香港會計準則第39號之已產生虧損模式，並包括嶄新之一般對沖會計規定，以讓實體於財務報表更佳反映其風險管理活動。

香港財務報告準則第9號遵照香港會計準則第39號項下金融負債之確認、分類及計量規定，惟指定按公平值計入損益之金融負債除外，而負債信貸風險變動引致之公平值變動金額於其他全面收入確認，除非會產生或擴大會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債之規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 15 — Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

Amendments to HKFRS 15 — Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第15號 — 客戶合約收益

此項新準則確立單一收益確認框架。該框架之核心原則為實體於確認描述向客戶轉讓承諾貨品或服務之收益時，金額應能反映該實體預期就交換該等貨品及服務有權獲得之代價。香港財務報告準則第15號取代現行收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號要求以五個步驟確認收益：

- 第一步： 識別與客戶之合約
- 第二步： 識別合約之履約責任
- 第三步： 釐定交易價
- 第四步： 將交易價分配至各履約責任
- 第五步： 於各履約責任完成時確認收益

香港財務報告準則第15號包含與特定收益相關課題之特定指引，該等指引或會更改根據香港財務報告準則現時應用之方法。該準則亦顯著加強與收益相關之定性與定量披露。

香港財務報告準則第15號之修訂 — 客戶合約收益(香港財務報告準則第15號之澄清)

香港財務報告準則第15號之修訂包括對下列項目作出澄清：履約責任之識別；應用主事人及代理人；知識產權許可；及過渡規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 16 — Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號 — 租賃

香港財務報告準則第16號將由生效當日起取代香港會計準則第17號「租賃」及相關詮釋，其引進單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，並於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤回租賃款項，亦包括承租人合理地肯定將行使選擇權延續租賃或行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據原準則(即香港會計準則第17號)分類為經營租賃之租賃。

就出租人會計處理而言，香港財務報告準則第16號大致繼承了香港會計準則第17號之出租人會計處理規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並對兩類租賃進行不同會計處理。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (continued)

Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

3 BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) and the disclosure requirement of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

(b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis, except certain properties and financial instruments, which are measured at fair values or revalued amounts as explained in the accounting policies set out in note 4.

2 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號之修訂 — 投資者與其聯營公司或合營企業間資產出售或投入該等修訂澄清實體向其聯營公司或合營企業出售或投入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損；反之，當交易涉及之資產不構成一項業務時，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團尚未能說明該等新頒佈會否導致本集團之會計政策及財務報表出現重大變動。

3 編製基準

(a) 合規聲明

綜合財務報表乃按照所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(下文統稱「香港財務報告準則」)以及香港公司條例之披露規定編製。此外，綜合財務報表亦已載列香港聯合交易所有限公司證券上市規則(「上市規則」)所規定之適當披露事項。

(b) 計量基準

除若干物業及金融工具按附註4會計政策所載公平值或估值計量外，綜合財務報表乃按歷史成本基準編製。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

3 BASIS OF PREPARATION *(continued)*

(c) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

(d) Functional and presentation currency

The financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

4 SIGNIFICANT ACCOUNTING POLICIES

(a) Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in statement of profit or loss and other comprehensive income. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

3 編製基準^(續)

(c) 使用估計及判斷

按照香港財務報告準則編製綜合財務報表需要採用若干重要會計估計，亦要求管理層於應用本集團之會計政策過程中作出判斷。涉及高度判斷或極為複雜之範疇或涉及對綜合財務報表而言屬重要之假設及估計之範疇於附註5披露。

(d) 功能及呈列貨幣

財務報表以港元(「港元」)呈列，港元亦為本公司之功能貨幣。除另有註明外，所有金額均捨入至最接近千位數。

4 主要會計政策

(a) 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司(「本集團」)之財務報表。集團內公司間之交易及結餘連同未變現溢利均於編製綜合財務報表時全數對銷。未變現虧損亦予以對銷，除非有關交易顯示已轉讓資產出現減值，在此情況下，虧損於損益及其他全面收益表確認。於年內收購或出售之附屬公司之業績，乃由收購生效日期起或截至出售生效日期止(視適用情況而定)計入綜合全面收益表。在有必要時，附屬公司之財務報表將予調整以使其會計政策與本集團其他成員公司所使用者一致。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(a) Business combination and basis of consolidation (continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in statement of profit or loss and other comprehensive income. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interest that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRS. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in statement of profit or loss and other comprehensive income.

4 主要會計政策(續)

(a) 業務合併及綜合基準(續)

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公平值總額計量。所收購可辨別資產及所承擔負債則主要按收購當日之公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量，而所產生之收益或虧損則於損益及其他全面收益表確認。本集團可按每宗交易選擇以公平值或應佔被收購方之可識別資產淨值比例計算非控股權益(即現時於附屬公司之擁有權權益)。除非香港財務報告準則有規定，否則所有其他非控股權益均按公平值計量。所產生之收購相關成本列作支出，除非該等成本乃於發行股本工具時產生，在該情況下，有關成本乃自權益中扣除。

收購方將予轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起計十二個月)內所取得有關於收購日期之公平值之新資料時，方以商譽確認。所有其他分類為資產或負債之或然代價之其後調整均於損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(a) Business combination and basis of consolidation (continued)

Contingent consideration balances arising from business combinations whose acquisition dates preceded 1 January 2010 (i.e. the date the Group first applied HKFRS 3 (2008)) have been accounted for in accordance with the transition requirements in the standard. Such balances are not adjusted upon first application of the standard. Subsequent revisions to estimates of such consideration are treated as adjustments to the cost of these business combinations and are recognised as part of goodwill.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest 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, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interest having a deficit balance.

4 主要會計政策(續)

(a) 業務合併及綜合基準(續)

收購日期為二零一零年一月一日(即本集團首次應用香港財務報告準則第3號(二零零八年)之日期)前之業務合併所產生之或然代價結餘已根據該準則之過渡規定入賬。有關結餘於首次應用該準則時並未作調整。其後對有關代價估計之修訂作為對該等業務合併成本之調整處理，並被確認為商譽之一部分。

本集團於附屬公司之權益變動如未導致失去控制權，則入賬列為權益交易。本集團權益及非控股權益之賬面值均予調整，以反映其各自於附屬公司之權益之變動。經調整後非控股權益金額與所付或所收代價公平值之任何差額，乃直接於權益確認，並歸屬於本公司擁有人。

當本集團失去附屬公司控制權，出售損益乃按以下兩者之差額計算：(i)已收代價之公平值與任何保留權益之公平值之總額；與(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益過往之賬面值。先前於其他全面收入確認與附屬公司有關之金額以相同方式入賬，猶如有關資產或負債已經出售。

收購後，相當於現時於附屬公司之擁有權益之非控股權益賬面值為該等權益於初步確認時之款額加以非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀結餘，全面收入總額乃歸屬於非控股權益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(c) Joint arrangements

The group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

4 主要會計政策(續)

(b) 附屬公司

附屬公司為本公司可對其行使控制權之投資對象。倘出現以下全部三個因素時，本公司即控制一名投資對象：有權控制投資對象、承擔或享有來自投資對象可變回報之風險或權利，及可運用其權力影響該等可變回報。當事實及情況顯示任何該等控制因素可能出現變動時，將會重新評估控制權。

於本公司財務狀況表內，於附屬公司之投資乃按成本扣除減值虧損(如有)列賬。附屬公司之業績由本公司按已收及應收股息基準列賬。

(c) 合營安排

倘一份合約安排賦予本集團及至少一名其他人士於相關安排活動之共同控制權，則本集團即為合營安排之一方。共同控制權之評估原則與對附屬公司之控制權相同。

本集團將其於合營安排之權益分類為：

- 合營企業：倘本集團僅有權享有合營安排之資產淨值；或
- 聯合經營：倘本集團有權享有合營安排之資產且有義務承擔其負債。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Joint arrangements (continued)

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests in joint ventures using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post — acquisition change in the joint ventures' net assets except that losses in excess of the Group's interest in the joint ventures are not recognised unless there is an obligation to make good those losses.

(d) Goodwill arising from business combinations

Goodwill is initially recognised at cost being the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is recognised in statement of profit or loss and other comprehensive income on the acquisition date, after reassessment.

4 主要會計政策(續)

(c) 合營安排(續)

於評估於合營安排之權益分類時，本集團會考慮：

- 合營安排之架構；
- 透過單獨工具構建之合營安排法律形式；
- 合營安排協議之合約條款；及
- 任何其他事實及情況(包括任何其他合約安排)。

本集團採用權益法就其於合營企業之權益列賬，據此，於合營企業之權益初步按成本確認，其賬面值其後就本集團分佔合營企業資產淨值之收購後變動予以調整，惟並無確認虧損超出本集團於合營企業之權益，除非有責任彌補此等虧損則作別論。

(d) 業務合併所產生商譽

商譽初步按成本確認，即所轉讓總代價及確認為非控股權益之金額超出所收購可識別資產、負債及或然負債公平值之差額。

倘可識別資產、負債及或然負債公平值超出已付代價之公平值，則有關差額於重估後於收購日期在損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Goodwill arising from business combinations (continued)

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit or loss and other comprehensive income and is not reversed in subsequent periods.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

4 主要會計政策(續)

(d) 業務合併所產生商譽(續)

商譽乃按成本減減值虧損計量。就減值測試而言，收購所產生商譽分配至預期會受惠於收購之協同效應之各相關現金產生單位。現金產生單位為最小可識別資產組別，其產生之現金流入基本上獨立於其他資產或資產組別所產生之現金流入。獲分配商譽之現金產生單位須每年及在該單位出現可能減值跡象時進行減值測試。

就於財政年度內收購所產生商譽而言，獲分配商譽之現金產生單位於該財政年度結算日前進行減值測試。倘現金產生單位之可收回金額少於該單位之賬面值，則會首先將減值虧損分配至該單位以減少該單位獲分配商譽之賬面值，其後以該單位內各資產之賬面值為基準按比例分配至該單位之其他資產。商譽之任何減值虧損於損益及其他全面收益表確認，且於其後期間不予撥回。

釐定商譽是否減值需要估計獲分配商譽之現金產生單位之使用價值。使用價值計算需要董事估計預期有關現金產生單位所產生之未來現金流量及合適貼現率以計算現值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Property, plant and equipment

The land classified as being held under finance leases and buildings thereon are stated at valuation less subsequent accumulated depreciation. Fair value is determined by an independent firm of qualified property valuers. Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of the reporting period.

Changes arising on the revaluation of leasehold land and buildings held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to statement of profit or loss and other comprehensive income to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to statement of profit or loss and other comprehensive income to the extent that a deficit on revaluation in respect of that same asset had previously been charged to statement of profit or loss and other comprehensive income.

Other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

4 主要會計政策(續)

(e) 物業、廠房及設備

分類為按融資租約持有之土地及在其上興建之樓宇按估值減其後累計折舊列賬。公平值由獨立合資格物業估值師行釐定。重估按合理期間定期進行，以確保資產賬面值不會與報告期末採用公平值釐定者有重大差異。

重估持作自用之租賃土地及樓宇產生之變動一般於其他全面收入處理，並分開在物業重估儲備之權益中累計。惟下列情況例外：

- 倘在重估時產生虧絀，則按緊接重估前該項虧絀超過儲備內就同一資產所持數額之情況下，超出之款額將會自損益及其他全面收益表扣除；及
- 倘在重估時產生盈餘，則在過往曾自損益及其他全面收益表扣除同一資產之重估虧絀之情況下，該筆盈餘將會計入損益及其他全面收益表中。

其他物業、廠房及設備項目按歷史成本減累計折舊及減值虧損列賬。歷史成本包括收購該等項目直接應佔之開支。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Property, plant and equipment (continued)

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

- Leasehold land classified as held under finance leases is depreciated over the unexpired term of lease.
- Building situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Leasehold improvement, furniture, fixture and equipment 10%–50%
- Motor vehicles 20%–33%
- Yacht 10%

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

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

Upon the disposal of property, the relevant portion of the revaluations reserve realised in respect of previous valuations is released from the property revaluation reserve to retained earnings.

The gain or loss on disposal 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 statement of profit or loss and other comprehensive income.

4 主要會計政策(續)

(e) 物業、廠房及設備(續)

折舊採用直線法於其估計可使用年期內撇銷物業、廠房及設備項目之成本或估值減去任何估計剩餘價值計算，詳情如下：

- 分類為按融資租約持有之租賃土地按未屆滿租賃期計算折舊。
- 位於租賃土地上之樓宇按未屆滿租賃期及其估計可使用年期兩者之較短者(不超過落成日期起計五十年)計算折舊。
- 租賃物業裝修、傢俬、裝置及設備 10%至50%
- 汽車 20%至33%
- 遊艇 10%

僅當項目相關之日後經濟利益將流入本集團或項目成本能可靠計量時，其後成本方列入資產賬面值或作為獨立資產確認(按適用情況而定)。所有其他維修及保養成本均於產生年度自損益及其他全面收益表扣除。

倘資產賬面值高於資產估計可收回金額，則資產即時撇減至其可收回金額。

出售物業時，就以往估值已變現重估儲備之相關部分將由物業重估儲備撥入保留盈利。

出售物業、廠房及設備之盈虧為出售所得款項淨額與相關資產賬面值之差額，並於損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(f) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

The total rentals payable under the operating leases are recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expenses, over the term of the lease.

(g) Inventories

Inventories comprise food and beverage, consumable and other goods of hotel and are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make to the sales.

4 主要會計政策(續)

(f) 租賃

凡租約條款將所有權之絕大部分風險及回報轉移至承租人之租賃，均列為融資租賃。所有其他租賃均列為經營租賃。

本集團作為出租人

經營租賃產生之租賃收入於相關租賃期以直線法於損益及其他全面收益表確認。商討及安排經營租賃時產生之初次直接成本加入租賃資產之賬面值，並於租賃期內以直線法確認為開支。

本集團作為承租人

經營租賃項下之應付租金總額於租賃期內以直線法於損益及其他全面收益表確認。所收租賃優惠會作為總租金開支之整體部分在租賃期確認。

(g) 存貨

存貨包括食品及飲料、消耗品及其他酒店用品，並按成本值與可變現淨值兩者之較低者入賬。成本按先進先出法計算。可變現淨值按於日常業務過程中之預計售價減估計銷售所需成本釐定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Financial instruments

(i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

These assets are non-derivative financial assets that are designated as available-for-sale or are not included in other categories of financial assets. Subsequent to initial recognition, these assets are carried at fair value with changes in fair value recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in statement of profit or loss and other comprehensive income.

4 主要會計政策(續)

(h) 金融工具

(i) 金融資產

本集團於初步確認時將其金融資產分類，視乎所收購資產之目的而定。按公平值計入損益之金融資產初步按公平值計量，而所有其他金融資產則初步按公平值加收購該等金融資產直接產生之交易成本計量。以一般方式買賣之金融資產按買賣日期基準確認及終止確認。一般方式買賣指合約條款要求於市場規管或慣例通常設定時限內交付資產之金融資產買賣。

貸款及應收賬款

該等資產為有固定或可釐定付款而並無活躍市場報價之非衍生金融資產。其主要透過向顧客(貿易債務人)提供貨品及服務而產生，亦包括其他類別之合約貨幣資產。於初步確認後，有關項目按攤銷成本以實際利息法減任何已識別減值虧損入賬。

可供出售金融資產

該等資產為指定為可供出售或並無包括在其他金融資產類別之非衍生金融資產。於初步確認後，該等資產乃按公平值列賬，而公平值變動則於其他全面收入確認，惟貨幣工具之減值虧損及外匯盈虧均於損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Financial instruments (continued)

(i) Financial assets (continued)

Available-for-sale financial assets (continued)

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses.

Financial assets at fair value through profit or loss

These assets include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term.

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which is managed and its performance evaluated on a fair value basis according to a documented management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised in statement of profit or loss and other comprehensive income in the period in which they arise.

4 主要會計政策(續)

(h) 金融工具(續)

(i) 金融資產(續)

可供出售金融資產(續)

並無活躍市場之市場報價及公平值無法可靠地計量之可供出售股本投資，以及與該等無報價股本工具掛鉤且必須以交付該等股本工具結算之衍生工具乃按成本值減任何已識別減值虧損計量。

按公平值計入損益之金融資產

按公平值計入損益之金融資產包括持作買賣金融資產及於初步確認後指定為按公平值計入損益之金融資產。金融資產如以短期內出售為目的而購買，則分類為持作買賣資產。

倘金融資產符合以下條件，則可於初步確認後指定為按公平值計入損益：(i) 該分類消除或大幅減少按不同基準計量資產或確認其盈虧所導致之不一致入賬方法；(ii) 該資產為根據明文規定之管理策略按公平值基準管理及評估表現之一組金融資產之一部分；或(iii) 金融資產包括須獨立列賬之嵌入式衍生工具。

於初步確認後，按公平值計入損益之金融資產按公平值計量，公平值變動於彼等產生期間於損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Financial instruments (continued)

(ii) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtors' financial difficulty;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

4 主要會計政策(續)

(h) 金融工具(續)

(ii) 金融資產減值虧損

本集團於各報告期末評估是否存在任何客觀證據證明金融資產出現減值。當存在客觀證據證明於初步確認資產後發生一項或多項事件導致出現減值，而有關事項對有關金融資產之估計未來現金流量構成之影響可以合理估計，則該金融資產出現減值。減值證據可包括：

- 債務人出現嚴重財務困難；
- 違反合約，例如欠繳或拖欠利息或本金付款；
- 由於債務人出現財務困難而對債務人作出寬限；
- 債務人很有可能將宣告破產或進行其他財務重組。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Financial instruments (continued)

(ii) Impairment loss on financial assets (continued)

An impairment loss is recognised in statement of profit or loss and other comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(iii) Financial liabilities

The Group classifies its financial liabilities depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost, including trade and other payables and loans and borrowings, are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in statement of profit or loss and other comprehensive income. Gains or losses are recognised in statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the amortisation process.

4 主要會計政策(續)

(h) 金融工具(續)

(ii) 金融資產減值虧損(續)

當有客觀證據證明資產已減值，則減值虧損在損益及其他全面收益表確認，並按資產賬面值與按原定實際利率貼現之估計日後現金流量現值之差額計算。金融資產賬面值乃透過使用撥備賬扣減。倘金融資產任何部分被釐定為無法收回，則與相關金融資產之撥備賬對銷。當資產之可收回金額能夠與減值確認後發生之事件客觀地聯繫，則減值虧損予以撥回，惟須受限於資產於減值日之賬面值不得超過倘減值並無獲確認之攤銷成本。

(iii) 金融負債

本集團視乎負債產生之目的，將其金融負債分類。按公平值計入損益之金融負債初步按公平值計量，而按攤銷成本計量之金融負債則初步按公平值扣除直接應佔所產生之成本計量。

按攤銷成本計量之金融負債

按攤銷成本計量之金融負債包括貿易及其他應付賬款以及貸款及借貸，其後採用實際利息法按攤銷成本計量。有關利息開支在損益及其他全面收益表確認。於終止確認負債及在攤銷過程中，收益或虧損在損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Financial instruments (continued)

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(vi) Derecognition

The Group derecognises a financial asset where the contractual rights to the future cash flows in relation to the financial asset expire or where the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39. Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged or cancelled or expires.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are ready convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

4 主要會計政策(續)

(h) 金融工具(續)

(iv) 實際利率法

實際利率法乃計算金融資產或金融負債及按有關期間分配利息收入或利息開支之攤銷成本計算方法。實際利率乃準確貼現金融資產或負債之預期存續期或較短期間(如適用)估計未來現金收款或付款之利率。

(v) 股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本後入賬。

(vi) 終止確認

當與金融資產相關之未來現金流量合約權利屆滿，或當金融資產已經按照符合香港會計準則第39號終止確認之條件轉讓，則本集團終止確認該項金融資產。當於相關合約之特定責任被解除、取消或屆滿時，方會終止確認金融負債。

(i) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭現金、銀行及其他金融機構之活期存款及於購入後三個月內到期之短期高流通性投資(可轉換成已知金額之現金且價值變動風險不大)。須應要求償還並構成本集團現金管理一部分之銀行透支亦列作綜合現金流量表之現金及現金等值項目之組成部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment intangible assets, and investments in subsidiaries to determine whether there is any indication that these assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased. If the recoverable amount (i.e. the greater of the fair value less costs to sell and value in use) of a non-financial asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(k) Employee benefits

(i) Short term employee benefits in the form of leave

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlement to sick leave and maternity leave are not recognised until the time of leave.

4 主要會計政策(續)

(j) 商譽以外之非金融資產減值

於各報告期末，本集團會審閱物業、廠房及設備、無形資產以及於附屬公司之投資之賬面值，以確定是否有跡象顯示該等資產出現減值虧損或以往確認之減值虧損不再存在或已經減少。倘非金融資產之可收回金額(即公平值減銷售成本與使用價值兩者間之較高者)估計低於其賬面值，則將該資產之賬面值減至其可收回金額。減值虧損會即時確認為開支。倘減值虧損於其後撥回，資產之賬面值乃增至其經修訂估計可收回金額，但增加後之賬面值不能超過倘於過往年度並無就該資產確認減值虧損之賬面值。減值虧損之撥回即時確認為收入。

(k) 僱員福利

(i) 以休假形式享有之短期僱員福利

僱員享有年假之權利於僱員應得時確認。本集團已就截至報告期末僱員所提供服務而產生之估計年假責任作出撥備。

僱員享有之病假及產假權利於休假時方予確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Employee benefits (continued)

(ii) Retirement benefit costs

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the company in an independently-administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. The company's contributions to the MPF Scheme are recognised as an expense in statement of profit or loss and other comprehensive income as incurred.

For all its employees in Macau, fixed contributions are made based on the employment term and are charged to profit and loss as they become payable in accordance with the rules of the retirement security system.

Obligations for contributions to social security fund are recognised as an expense in statement of profit or loss and other comprehensive income as incurred.

(iii) Share-based payments

Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments. Details regarding the share-based payments are set out in note 35.

4 主要會計政策(續)

(k) 僱員福利(續)

(ii) 退休福利成本

本集團根據強制性公積金計劃條例規定為其全體香港僱員設有定額供款之強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員基本薪金百分比作出，並於根據強積金計劃規則應付時自損益及其他全面收益表扣除。強積金計劃之資產與本公司資產分開持有，由獨立管理之基金管理。本集團之僱主供款於向強積金計劃作出供款時即悉數歸屬僱員。本公司向強積金計劃之供款於產生時於損益及其他全面收益表支銷。

本公司為其全部澳門僱員按聘用條款作出定額供款，並於有關供款根據退休保障制度之規則應付予僱員時自損益扣除。

向社會保障基金供款之責任，於產生時於損益及其他全面收益表支銷。

(iii) 以股份為基礎之支付

本集團僱員(包括董事)以股份為基礎支付之交易方式獲取酬金，據此，僱員提供服務以換取股本工具。有關以股份為基礎之支付詳情載於附註35。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Employee benefits (continued)

(iv) Termination benefits

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

(l) Share-based payments

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Share-based payments to parties other than employees (and those providing similar services) are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group is required to measure the fair value by reference to the fair value of the equity instruments granted.

For share options granted under the Scheme, the fair value of the services rendered in exchange for the grant of the options is recognised as an expense and credited to a share-based payment reserve under equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted at the grant date. At the end of the reporting period, the Group revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of the original estimates, if any, in statement of profit or loss and other comprehensive income, and a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

4 主要會計政策(續)

(k) 僱員福利(續)

(iv) 終止福利

終止福利乃於本集團不得撤銷提呈此等福利時，及本集團確認支付終止福利之重組成本兩者之較早時間確認。

(l) 以股份為基礎之支付

為向對本集團業務之成功作出貢獻之合資格參與者提供激勵及獎勵，本公司設有購股權計劃(「該計劃」)。僱員及其他提供類似服務之人士以股份為基礎之支付按權益工具於授出日之公平值計量。向僱員以外而提供類似服務之人士作出以股份為基礎之支付乃按所收取貨品或服務之公平值計量，無法可靠計量公平值者則另作別論。倘本集團無法可靠估計所收取貨品或服務之公平值，則本集團須參考所授出股本工具之公平值計量相關公平值。

就根據該計劃授出之購股權而言，為換取獲授購股權所提供服務之公平值確認為開支，並計入權益項下以股份為基礎支付之儲備。歸屬期間支銷之總額參照授出日期所授出購股權之公平值釐定。於報告期末，本集團修訂預計成為可予行使購股權數目之估計。本集團於損益及其他全面收益表確認修訂原有估計(如有)之影響及餘下歸屬期間內對以股份為基礎支付之儲備之相應調整。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(l) Share-based payments (continued)

At the time when the share options are exercised, the amount previously recognised in the share-based payment reserve will be transferred to share premium. The proceeds received net of any direct attributable transaction costs are credited to share capital (nominal value) and share premium. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in the share-based payment reserve will be released directly to retained earnings.

(m) 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 profit or loss items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

4 主要會計政策(續)

(l) 以股份為基礎之支付(續)

購股權獲行使時，過往於以股份為基礎支付之儲備確認之數額將轉撥至股份溢價。所得款項在扣除任何直接應佔交易成本後計入股本(面值)及股份溢價。當購股權被沒收或於屆滿日仍未獲行使，則過往於以股份為基礎支付之儲備確認之數額將直接撥回至保留盈利。

(m) 所得稅

所得稅開支指即期應付稅項與遞延稅項之總和。

即期應付稅項根據年內應課稅溢利計算。由於應課稅溢利不包括其他年度之應課稅收入或可扣稅開支，亦不包括毋須課稅或不得扣稅之損益表項目，故此應課稅溢利有別於綜合損益及其他全面收益表所列純利。本集團即期稅項之負債乃按於報告期末已頒佈或實質頒佈之稅率釐定。

遞延稅項就財務報表所列資產及負債賬面值與計算應課稅溢利所用相關稅基兩者之差額確認。一般須就所有應課稅暫時差額確認遞延稅項負債，而遞延稅項資產則僅於日後可能有應課稅溢利以用作扣減暫時差額時確認。倘暫時差額來自初步確認對應課稅溢利或會計溢利無影響之交易(業務合併除外)之資產及負債，則不會確認該等資產及負債。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Income tax (continued)

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

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

(n) Provisions and contingent liabilities

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

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

4 主要會計政策(續)

(m) 所得稅(續)

遞延稅項資產之賬面值會於各報告期末進行檢討，並於可能不再有足夠應課稅溢利可供收回全部或部分資產時下調金額。

遞延稅項按預期償還債項或變現資產期間適用之稅率計算。遞延稅項於損益及其他全面收益表扣除或計入，惟倘遞延稅項與於其他全面收入或直接於權益確認之項目有關，則遞延稅項亦須於其他全面收入或直接於權益處理。

(n) 撥備及或然負債

倘本集團或本公司因過去事件而可能出現法定或推定責任，且可能須流出經濟利益以履行該責任及流出金額能夠可靠估計，則就不確定時間或金額之負債確認撥備。倘貨幣時間值重大，則撥備按履行責任所需開支之現值列賬。

倘可能毋須流出經濟利益，或金額不能可靠估計，此責任則披露為或然負債，惟流出經濟利益之可能性甚微則除外。如潛在責任之存在因發生或不發生一項或以上日後事件方可確定，有關責任亦作為或然負債披露，惟流出經濟利益之可能性甚微則除外。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Revenue recognition

Brokerage commission is recognised on a trade date basis when the relevant transactions are executed.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Underwriting fee and placing fee are recognised as income in accordance with the terms of the underwriting and placing agreements or deal mandate when the relevant significant acts have been completed.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Handling fee income is recognised when the relevant transactions have been arranged or the relevant services have been rendered.

Revenue arising from service provided for gaming operations in mass market halls, electronic gaming halls and VIP rooms is recognised when the relevant services have been rendered and the Group is entitled to the share of gross win and gross loss in respect of the operating performance from the gaming operator.

Revenue from hotel accommodation are recognised upon the provision of the accommodation services.

Revenue from food and beverage sales and other ancillary services are recognised upon the provision of goods and services.

4 主要會計政策(續)

(o) 收益確認

倘相關交易獲執行，經紀佣金按交易日為基準確認。

金融資產之利息收入按時間基準，以未償還本金及適用實際利率累計，亦即將金融資產於預計年期內之估計未來現金收入準確折算至該資產首次確認賬面淨值之利率。

包銷費用及配售費用乃於有關重要行動完成時按照包銷及配售協議或交易授權之條款確認為收入。

投資所得股息收入於股東收取付款之權利確立時確認。

手續費收入於安排有關交易後或提供有關服務後確認。

為中場、電子博彩廳及貴賓廳之博彩業務提供服務之收入於提供相關服務，以及本集團有權分佔博彩營運商之博彩經營業績之收益或虧損時予以確認。

來自酒店住宿之收入於提供住宿服務時予以確認。

食品及飲料銷售及其他相關服務之收入於提供貨品及服務時予以確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Revenue recognition (continued)

Service income is recognised when the services are provided.

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

(p) Foreign currencies

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in statement of profit or loss and other comprehensive income in the period in which they arise.

(q) Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in statement of profit or loss and other comprehensive income in the period in which they are incurred.

4 主要會計政策(續)

(o) 收益確認(續)

服務收入於提供服務時確認。

經營租賃項下之租金收入於相關租賃期內以直線法確認。

利息收入按時間就未償還本金按適用利率以時間基準累計。

(p) 外幣

本集團實體以其經營所在主要經濟環境之貨幣(「功能貨幣」)以外之貨幣所進行交易，乃以進行交易時之現行匯率記錄。外幣貨幣資產及負債按報告期末之現行匯率換算。按歷史成本以外幣計量之非貨幣項目不作重新換算。結算及換算貨幣項目所產生之匯兌差額於其產生期間於損益及其他全面收益表確認。

(q) 借貸成本

收購、建造或生產合資格資產(須耗用較長時間方可作擬定用途或銷售之資產)直接產生之借貸成本均撥充資本，作為該等資產成本之一部分。將有待用於該等資產之特定借貸作短期投資所賺取之收入，會於資本化借貸成本中扣除。所有其他借貸成本乃於產生期間內於損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(r) Related parties

- (i) A person or a close member of that person's family is related to the Group if that person:
 - (a) has control or joint control over the Group;
 - (b) has significant influence over the Group; or
 - (c) is a member of key management personnel of the Group or the Company's parent.
- (ii) An entity is related to the Group if any of the following conditions apply:
 - (a) 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).
 - (b) 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).
 - (c) Both entities are joint ventures of the same third party.
 - (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (e) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (f) The entity is controlled or jointly controlled by a person identified in (i).

4 主要會計政策(續)

(r) 關連人士

- (i) 倘下列情況適用，該名人士或該名人士之近親便被視為與本集團有關連：
 - (a) 對本集團有控制權或共同控制權；
 - (b) 對本集團有重大影響力；或
 - (c) 為本集團或本公司母公司主要管理人員。
- (ii) 倘任何下列情況適用，該實體便被視為與本集團有關連：
 - (a) 該實體及本集團屬同一集團之成員(即各母公司、附屬公司及同系附屬公司互相關連)。
 - (b) 一個實體為另一實體之聯繫人士或合營企業(或為某一集團之成員之聯繫人士或合營企業，而該另一實體為此集團之成員)。
 - (c) 兩個實體皆為相同第三方之合營企業。
 - (d) 一個實體為第三實體之合營企業及另一實體為第三實體之聯繫人士。
 - (e) 該實體為本集團或與本集團有關連之實體之僱員福利而設之離職後福利計劃。
 - (f) 該實體受(i)項所識別人士控制或共同控制。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(r) Related parties (continued)

(ii) (continued)

- (g) A person identified in (i)(a) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (h) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

(s) Intangible assets

(i) Acquired intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided on a straight-line basis over their useful lives as follows. Intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses. The amortisation expense is recognised in profit or loss. The estimated useful life states as follows:

Permits	24 years
---------	----------

4 主要會計政策(續)

(r) 關連人士(續)

(ii) (續)

- (g) 於(i)(a)項所識別人士對實體有重大影響，或為實體(或實體之母公司)之高級管理人員。
- (h) 該實體或本集團任何成員公司向本集團或本集團母公司提供主要管理人員服務。

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (i) 該名人士之子女及配偶或同居伴侶；
- (ii) 該名人士之配偶或同居伴侶之子女；及
- (iii) 該名人士或其配偶或同居伴侶之受養人。

(s) 無形資產

(i) 所收購無形資產

單獨收購之無形資產初步按成本確認。業務合併過程中所收購之無形資產之成本為收購日期之公平值。其後，有限可使用年期之無形資產按成本減累計攤銷及累計減值虧損列賬。

攤銷乃於其可使用年期按直線基準計提撥備如下。無限可使用年期之無形資產按成本減任何累計減值虧損列賬。攤銷開支於損益賬確認。估計可使用年期載列如下：

許可證	24年
-----	-----

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(s) Intangible assets (continued)

(ii) Impairment

Intangible assets with finite lives are tested for impairment when there is an indication that an asset may be impaired (see the accounting policies in respect of impairment of non-financial assets other than goodwill above).

5 KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS

The preparation of these consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key sources of estimation uncertainty are as follows:

Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

4 主要會計政策(續)

(s) 無形資產(續)

(ii) 減值

有限可使用年期之無形資產在該資產出現可能減值跡象時進行減值測試(見上文有關商譽以外之非金融資產減值之會計政策)。

5 估計不確定因素之主要來源及主要會計判斷

綜合財務報表之編製要求管理層作出足以影響所呈報收益、開支、資產及負債以及所披露或然負債於呈報日期之金額之判斷、估計及假設。然而，該等假設及估計存有不確定因素，可能導致需對受影響資產或負債未來之賬面值作出重大調整。估計及判斷乃持續評估及建基於過往經驗及其他因素，包括於有關情況下對未來事件之合理預期。有關估計不確定因素之主要來源載列如下：

物業、廠房及設備之可使用年期

根據香港會計準則第16號，本集團估計物業、廠房及設備之可使用年期，以釐定將予入賬之折舊開支金額。於購入資產時，本集團根據過往經驗、預期用途、損耗程度，以及技術會否因市場需求或資產產能有變而過時，以估計其可使用年期。本集團亦會每年作出檢討，以判斷為可使用年期所作假設是否仍然有效。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS *(continued)*

Useful lives of intangible assets

In accordance with HKAS 38, the Group estimates the useful lives of intangible assets in order to determine the amount of amortisation expenses to be recorded. The useful lives are estimated at the time the asset is acquired/transferred based on the lease term. The Group also performs annual reviews on whether any change in local regulation to reflect useful lives.

Estimated fair value of leasehold properties

The fair value of each hotel property individually is determined at the end of the reporting period by independent professional valuers using the income approach whereby the incomes derived from the hotel and casino operations with regard to past trading accounts and the rental income derived from existing tenancies on the property interest are capitalised at an appropriate rate of return with due allowance for outgoings and expenses wherever applicable. This methodology is based upon estimates of future results and a set of assumptions as to income and expenses of the property and future economic conditions. The fair value of each leasehold property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

5 估計不確定因素之主要來源及主要會計判斷 *(續)*

無形資產之可使用年期

根據香港會計準則第38號，本集團估計無形資產之可使用年期，以釐定將予入賬之攤銷開支金額。可使用年期於資產獲收購／轉讓時按租賃期估計。本集團亦會每年作出檢討，以判斷當地法規有否變動以反映可使用年期。

租賃物業之估計公平值

各酒店物業之公平值於各報告期末經由獨立專業估值師使用收入法個別釐定，據此，酒店及賭場業務過往貿易賬產生之收入及物業權益現有租約產生之租金收入乃按適當回報率撥充資本，並於適用時就開支及費用作出適當撥備。此項估值法乃以對未來業績之估計、有關物業收入與開支及未來經濟狀況之一系列假設作為基準。各租賃物業之公平值反映(其中包括)現有租約之租金收入及根據現時市況假設可自日後租約取得之租金收入。公平值亦按相似基準反映物業預期產生之任何現金流出量。

商譽減值

釐定商譽是否出現減值時，需要估計已獲分配商譽之現金產生單位之使用價值。計算使用價值需要董事估計預期現金產生單位產生之未來現金流量以及用以計算現值之合適貼現率。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS *(continued)*

Impairment of non-financial assets other than goodwill

If a triggering event occurs indicating that the carrying amount of an asset may not be recoverable, an assessment of the carrying amount of that asset will be performed. Triggering events include significant adverse changes in the market value of an asset, changes in the business or regulatory environment, or certain legal events. The interpretation of such events requires judgement from management with respect to whether such an event has occurred.

Upon the occurrence of triggering events, the carrying amounts of non-financial assets are reviewed to assess whether their recoverable amounts have declined below their carrying amounts. The recoverable amount is the present value of estimated net future cash flows which the Group expects to generate from the future use of the asset, plus residual value of the asset on disposal. Where the recoverable amount of non-financial assets is less than its carrying value, an impairment loss is recognised to write the assets down to its recoverable amount.

The impairment assessment is performed based on the discounted cash flow analysis. This analysis relies on factors such as forecast of future performance and long-term growth rates and the selection of discount rates. If these forecast and assumptions prove to be inaccurate or circumstances change, further write-down or reversal of the write-down of the carrying value of the non-financial assets may be required.

5 估計不確定因素之主要來源及主要會計判斷 *(續)*

商譽以外之非金融資產減值

倘發生觸發事件顯示資產之賬面值可能無法收回，則將對資產之賬面值進行評估。觸發事件包括資產市值出現重大逆轉、業務或規管環境有變或若干法律事件。對該等事件之詮釋需要管理層判斷是否發生有關事件。

發生觸發事件時，會檢討非流動資產之賬面值，以評估其可收回金額是否已跌至低於其賬面值。可收回金額為本集團預期日後使用資產而產生之估計未來現金流量淨額現值，另加資產於出售時之剩餘價值。倘非金融資產之可收回金額少於其賬面值，則會確認減值虧損，以將資產撇減至其可收回金額。

減值評估乃按貼現現金流量分析進行。此分析依賴未來表現及長期增長率預測以及選取貼現率等因素。倘該等預測及假設獲證實為不確或情況有變，則可能須進一步撇減或撥回撇減非金融資產之賬面值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS *(continued)*

Impairment loss on advances to customers in margin financing, trade and other receivables

Management regularly reviews the recoverability of advances to customers in margin financing, trade and other receivables. Appropriate impairment for estimated irrecoverable amounts is recognised in profit and loss when there is objective evidence that the amounts is not recoverable.

In determining whether allowance for bad and doubtful debts is required, the Group takes into consideration the aged status and likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognised based on the estimation of the future cash flow expected to receive and a suitable discounted rate in order to calculate the present value.

Income taxes and deferred taxes

The Group is subject to taxation in the Macau and Hong Kong. Significant judgement is required in determining the amount of the provision for taxation and the timing of the related payments. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will have impact on the income tax and/or deferred tax provisions in the period in which such determination is made.

5 估計不確定因素之主要來源及主要會計判斷 *(續)*

向客戶墊付保證金融資以及貿易及其他應收賬款之減值虧損

管理層定期檢討能否收回向客戶墊付保證金融資以及貿易及其他應收賬款。當有客觀證據顯示金額不可收回時，會於損益確認估計不可收回金額之適當減值。

釐定是否須作出呆壞賬撥備時，本集團考慮賬齡情況及收回之可能性。本集團僅就不大可能收回之應收賬款作出特定撥備，並按就預期收回之未來現金流量所作估計以及計算現值之適當貼現率確認。

所得稅及遞延稅項

本集團須繳納澳門及香港稅項。釐定稅項撥備及有關付款時間需要作出重大判斷。不少交易及釐定最終稅項之計算方法無法在日常業務過程中確定。倘該等事宜之最終稅務結果與初次記錄金額有所不同，則有關差額將影響作出釐定期間之所得稅及／或遞延稅項撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION

For management purposes, the Group is organised into business units based on their services, and has seven (31 March 2016: seven) reporting operating segments as follows:

Financial services segments:

- Securities brokerage, underwriting and placements segment is the provision of brokerage, underwriting and placements services for dealings in securities on recognised stock exchanges.
- Margin and initial public offering (“IPO”) financing segment is the provision of credits in these transactions.
- Other financial services mainly include provision of corporate finance advisory services, futures brokerage and asset management.

Hotel and gaming segments:

- Hotel ownership and management segment is the operation of hotels and provision of hotel management services.
- Food and beverage segment is the operation of restaurants in hotels.
- Gaming segment is the provision of services to casino run by the license holder Sociedade de Jogos de Macau, S.A (“SJM”) in hotels.

6 分類資料

就管理而言，本集團根據其服務劃分業務單位，共有以下七個(二零一六年三月三十一日：七個)呈報業務分類：

金融服務分類：

- 證券經紀、包銷及配售分類，即就於認可證券交易所買賣證券提供經紀、包銷及配售服務。
- 保證金及首次公開發售(「首次公開發售」)融資分類，即就此等交易提供信貸融資。
- 其他金融服務主要包括提供企業財務顧問服務、期貨經紀及資產管理。

酒店及博彩分類：

- 酒店擁有及管理分類，即經營酒店及提供酒店管理服務。
- 食品及飲料分類，即經營酒店內餐廳。
- 博彩分類，即向由持牌人澳門博彩股份有限公司(「澳博」)在酒店經營之賭場提供服務。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION *(continued)*

Securities investment segment:

- Securities investment segment is the trading of listed securities.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on a measure of adjusted earnings before interest, income tax, depreciation and amortisation (adjusted EBITDA). Interest income and expenditure and certain income and expenses (including depreciation, amortisation, finance cost, taxation, gain on disposal of property, plant and equipment, written off of property, plant and equipment, exchange gain and share of results in joint ventures) are not included in the result of each operating segment that is reviewed by the management. Other information provided, except as noted below, to the management is measured in a manner consistent with that in the consolidated financial statements.

Revenue between segments are carried out on terms equivalent to those that prevail in arm's length transactions. The revenue from external customers reported to the management is measured in a manner consistent with that in the consolidated statement of profit or loss and other comprehensive income.

6 分類資料 *(續)*

證券投資分類：

- 證券投資分類，即買賣上市證券。

並無匯集各業務分類以組成上述呈報業務分類。

管理層分別監控各業務單位之經營業績，以作出有關資源分配之決策及評估表現。分類表現乃根據衡量經調整未計利息、所得稅、折舊及攤銷前盈利以作評估。利息收入及支出以及若干收入及開支（包括折舊、攤銷、融資成本、稅項、出售物業、廠房及設備之收益、物業、廠房及設備撇賬、匯兌收益以及分佔合營企業業績）不會計入經管理層審閱之各業務分類業績。除下述者外，提供予管理層之其他資料之計量方法與綜合財務報表所採用者一致。

分類間收益乃按與公平交易所適用者同等之條款進行。向管理層報告之來自外部客戶收益之計量方式與綜合損益及其他全面收益表所採用者一致。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION (continued)

Operating segments

The following tables represent segment information of the Group provided to the Group's management for the year ended 31 March 2017 and 2016, respectively.

For the year ended 31 March 2017

		Securities brokerage, underwriting and placements	Margin and IPO financing 保證金及 首次公開 發售融資	Other financial services 其他 金融服務	Financial services business 金融服務 業務	Hotel ownership and management 酒店擁有 及管理	Food and beverage 食品及飲料	Gaming 博彩	Securities investment 證券投資	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment Revenue	分類收益									
External customers	外部客戶	293,920	1,879,222	32,967	2,206,109	152,968	27,725	492,095	-	2,878,897
Inter-segment	分類間	32	-	1,200	1,232	57,433	-	9,264	-	67,929
		293,952	1,879,222	34,167	2,207,341	210,401	27,725	501,359	-	2,946,826
Adjusted EBITDA	經調整未計利息、所得稅、 折舊及攤銷前盈利	269,720	1,449,936	11,927	1,731,583	98,219	(10,682)	185,393	19,906	2,024,419
Segment Assets	分類資產				33,100,776	2,183,507	392,231	516,846	134,955	36,328,315
Capital expenditure	資本支出				616	13,482	2,452	6,947	-	23,497
Segment Liabilities	分類負債				14,774,163	198,623	10,313	40,983	-	15,024,082

6 分類資料(續)

業務分類

下表呈列向本集團管理層提供之本集團分別於截至二零一七年及二零一六年三月三十一日止年度之分類資料。

截至二零一七年三月三十一日止年度

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION (continued)

Operating segments (continued)

For the year ended 31 March 2016

6 分類資料(續)

業務分類(續)

截至二零一六年三月三十一日止年度

		Securities brokerage, underwriting and placements	Margin and IPO financing 保證金及 首次公開 發售融資	Other financial services 其他 金融服務	Financial services business 金融服務 業務	Hotel ownership and management 酒店擁有 及管理	Food and beverage 食品及飲料	Gaming 博彩	Securities Investment 證券投資	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment Revenue	分類收益									
External customers	外部客戶	710,318	1,697,925	35,205	2,443,448	158,584	32,196	480,822	-	3,115,050
Inter-segment	分類間	41	-	1,960	2,001	37,537	-	8,508	-	48,046
		710,359	1,697,925	37,165	2,445,449	196,121	32,196	489,330	-	3,163,096
Adjusted EBITDA	經調整未計利息、所得稅、 折舊及攤銷前盈利	638,764	1,354,451	14,848	2,008,063	119,361	(10,031)	152,094	13,353	2,282,840
Segment Assets	分類資產				31,185,179	2,310,442	465,176	526,487	114,921	34,602,205
Capital expenditure	資本支出				135	6,843	1,331	1,167	-	9,476
Segment Liabilities	分類負債				13,991,897	228,289	10,604	32,348	-	14,263,138

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION (continued)

Operating segments (continued)

Reconciliations of segment revenues, adjusted EBITDA, assets and liabilities

6 分類資料(續)

業務分類(續)

分類收益、經調整未計利息、所得稅、折舊及攤銷前盈利、資產及負債之對賬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Segment revenue	分類收益	2,946,826	3,163,096
Elimination of inter-segment revenue	對銷分類間收益	(67,929)	(48,046)
Consolidated revenue	綜合收益	2,878,897	3,115,050
Adjusted EBITDA	經調整未計利息、所得稅、 折舊及攤銷前盈利	2,024,419	2,282,840
Other income	其他收入	1,569	11,505
Interest income	利息收入	362	403
Exchange gain	匯兌收益	2,736	5,561
Corporate staff cost	公司員工成本	(30,251)	(27,787)
Corporate overhead	公司營運開支	(64,975)	(64,063)
Depreciation	折舊	(118,001)	(144,054)
Amortisation	攤銷	(14,132)	(14,132)
Share of results of joint ventures	分佔合營企業業績	-	(1)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	300	-
Written off of property, plant and equipment	物業、廠房及設備撇賬	(2)	-
Finance cost	融資成本	(20,200)	(20,200)
Taxation	稅項	(289,242)	(326,766)
Profit for the year	年內溢利	1,492,583	1,703,306
Segment assets	分類資產	36,328,315	34,602,205
Deferred tax assets	遞延稅項資產	-	6,107
Intangible assets	無形資產	280,289	294,421
Available-for-sale investments	可供出售投資	548	440
Unallocated corporate assets	未分配公司資產	45,537	25,355
Total assets	資產總值	36,654,689	34,928,528
Segment liabilities	分類負債	15,024,082	14,263,138
Amounts due to shareholders	應付股東款項	2,021,911	2,031,911
Unallocated corporate liabilities	未分配公司負債	7,558	5,256
Total liabilities	負債總額	17,053,551	16,300,305

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION (continued)

Operating segments (continued)

Reconciliations of segment revenues, adjusted EBITDA, assets and liabilities (continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than deferred tax assets, intangible assets, available-for-sale investments and assets used jointly by reportable segments.
- all liabilities are allocated to reportable segments other than amounts due to shareholders and liabilities for which reportable segments are jointly liable.

Geographical segment information

The Group's financial services are located in Hong Kong and the other operations are mainly located in Macau of The People's Republic of China ("PRC").

The Group's non-current assets by geographical location of the assets are detailed below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	11,001,822	11,004,900
Macau	澳門	2,794,386	3,081,820
Canada	加拿大	280,289	294,421
Total non-current assets (Note)	非流動資產總值(附註)	14,076,497	14,381,141

Note: Non-current assets exclude deferred tax assets and statutory deposit for financial services business.

6 分類資料(續)

業務分類(續)

分類收益、經調整未計利息、所得稅、折舊及攤銷前盈利、資產及負債之對賬(續)為監察分類表現及分配資源至各分類：

- 除遞延稅項資產、無形資產、可供出售投資及呈報分類共同使用之資產外，所有資產已分配至呈報分類。
- 除應付股東款項及呈報分類共同承擔之負債外，所有負債已分配至呈報分類。

地區分類資料

本集團之金融服務位於香港，而其他業務則主要位於中華人民共和國(「中國」)澳門。

本集團非流動資產按資產所在地區分類之詳情如下：

附註：非流動資產不包括遞延稅項資產及金融服務業務之法定按金。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

6 SEGMENTAL INFORMATION (continued)

Operating segments (continued)

Information about major customers

Revenue from customers of corresponding years contributing over 10% of total revenue of the Group are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
SJM (Note)	澳博(附註)	492,095	462,493

Note: Revenue from gaming segment

6 分類資料(續)

業務分類(續)

主要客戶資料

相應年度內來自客戶之收益佔本集團總收益超過 10% 之資料如下：

7 REVENUE

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial services business	金融服務業務		
— securities brokerage, underwriting and placements	— 證券經紀、包銷及配售	293,920	710,318
— margin and IPO financing	— 保證金及首次公開發售融資	1,879,222	1,697,925
— other financial services	— 其他金融服務	32,967	35,205
Hotels and gaming business	酒店及博彩業務		
— room rental	— 房間租金	141,067	147,016
— food and beverage	— 食品及飲料	27,725	50,498
— gaming revenue	— 博彩收益	492,095	462,493
— other rental income	— 其他租金收入	11,901	11,595
		2,878,897	3,115,050

7 收益

附註：來自博彩分類之收益

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

8 OTHER INCOME

8 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Handling Charge	手續費	24,927	32,416
Dividend income	股息收入	265	1,319
Bad debts recovery	收回壞賬	35	7,022
Management fee income	管理費收入	240	240
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備收益	300	—
Sundry income	雜項收入	3,976	4,493
		29,743	45,490

9 STAFF COSTS

9 員工成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Staff costs (including directors' remuneration)	員工成本(包括董事酬金)		
— salaries, wages and other benefits	— 薪酬、工資及其他福利	272,999	251,918
— contributions to defined contribution retirement plan	— 定額供款退休計劃供款	1,408	1,346
Total staff costs	員工成本總額	274,407	253,264

10 FINANCE COST

10 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on amount due to a shareholder	應付一名股東款項之利息	20,200	20,200

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

11 TAXATION

11 稅項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong profits tax	香港利得稅	288,353	336,700
Macau complementary tax	澳門所得補充稅	354	-
Under/(over) provision in respect of prior years	過往年度撥備不足/ (超額撥備)	629	(1,265)
Deferred tax	遞延稅項	(94)	(8,669)
		289,242	326,766

(a) Hong Kong profits tax has been provided for the year ended 31 March 2017 at a rate of 16.5% (2016: 16.5%).

(b) Macau Complementary Tax has been provided for the year ended 31 March 2017 at a rate of 12% (2016: 12%). Two Group's wholly owned subsidiaries, Good Start Group Limited and Target All Investments Limited received tax notices issued by Macau Financial Services Bureau dated 18 May 2016 and 24 October 2016 respectively, assessing Good Start Group Limited's Macau Complementary Tax payable for the year of assessment 2011 and 2012 to be approximately HK\$24,400,000 and HK\$25,400,000 respectively, and Target All Investments Limited's Macau Complementary Tax payable for the year of assessment 2013 and 2014 to be approximately HK\$3,800,000 and HK\$6,300,000 respectively. No respective tax provision has been made for previous and current years. The tax payment was included in tax recoverable, the details are stated in note 44 contingent liabilities.

(c) Income tax arising in other jurisdictions is calculated at the rates prevailing in respective jurisdictions.

(a) 截至二零一七年三月三十一日止年度，香港利得稅已按稅率16.5%（二零一六年：16.5%）計提撥備。

(b) 截至二零一七年三月三十一日止年度，澳門所得補充稅已按稅率12%（二零一六年：12%）計提撥備。本集團兩家全資附屬公司Good Start Group Limited及普中投資有限公司分別收到澳門財政局所發出日期為二零一六年五月十八日及二零一六年十月二十四日之評稅通知書，評定Good Start Group Limited於二零一一年及二零一二年課稅年度之應付澳門所得補充稅分別約為24,400,000港元及25,400,000港元，以及評定普中投資有限公司於二零一三年及二零一四年課稅年度之應付澳門所得補充稅分別約為3,800,000港元及6,300,000港元。本集團並無就過往年度及本年度計提有關稅項撥備。稅款已計入可收回稅項，詳情載於附註44或然負債。

(c) 於其他司法權區產生之所得稅乃按各司法權區之現行稅率計算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

11 TAXATION (continued)

- (d) The taxation for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before taxation	除稅前溢利	1,781,825	2,030,072
Tax calculated at domestic tax rate of 16.5%	按本地稅率 16.5% 計算之稅項	294,001	334,962
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司稅率不同之影響	(8,659)	(3,940)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	72,769	79,380
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(68,194)	(76,872)
Deferred tax assets not recognised	未確認遞延稅項資產	4	266
Under/(over)provision in prior years	過往年度撥備不足／(超額撥備)	629	(1,265)
Others	其他	(1,308)	(5,765)
Taxation for the year	年內稅項	289,242	326,766

11 稅項(續)

- (d) 年內稅項可與綜合損益及其他全面收益表內除稅前溢利對賬如下：

12 PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging the following:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Auditors' remuneration	核數師酬金	2,200	2,114
Marketing, advertising and promotion expenses	營銷、廣告及推廣開支	92,819	65,831
Operating lease charges	經營租約租金	30,490	30,411

12 除稅前溢利

除稅前溢利已扣除下列項目：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

13 DIVIDEND

No interim dividend was declared for the six months ended 30 September 2016 and 2015.

The Board has recommended the payment of final dividend of HK2.5 cents per share for the year ended 31 March 2017 (2016: HK2 cents per share).

13 股息

概無宣派截至二零一六年及二零一五年九月三十日止六個月之中期股息。

董事局建議就截至二零一七年三月三十一日止年度派付末期股息每股2.5港仙(二零一六年：每股2港仙)。

14 EARNINGS PER SHARE

14 每股盈利

		2017 二零一七年 HK cent 港仙	2016 二零一六年 HK cent 港仙
Basic earnings per share	每股基本盈利	8.55	9.79
Diluted earnings per share	每股攤薄盈利	8.55	9.79

(a) Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(a) 每股基本盈利

計算每股基本盈利使用之盈利及普通股加權平均數如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the purpose of basic earnings per share	計算每股基本盈利之溢利	1,484,943	1,700,374

		2017 二零一七年	2016 二零一六年
Weighted average number of ordinary shares	普通股加權平均數	13,614,480,666	13,507,923,290
Weighted average number of non-redeemable convertible preference shares	不可贖回可換股優先股加權平均數	3,750,000,000	3,856,557,376
Weighted average number of shares for the purpose of basic earnings per share	計算每股基本盈利之股份加權平均數	17,364,480,666	17,364,480,666

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

14 EARNINGS PER SHARE *(continued)*

(b) Diluted earnings per share

Diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares in issue during the year ended 31 March 2017 and 2016.

14 每股盈利(續)

(b) 每股攤薄盈利

由於截至二零一七年及二零一六年三月三十一日止年度並無已發行潛在攤薄普通股，故每股攤薄盈利與每股基本盈利相等。

15 OTHER COMPREHENSIVE INCOME

15 其他全面收入

	2017 二零一七年			2016 二零一六年		
	Before tax 稅前 HK\$'000 千港元	Tax 稅項 HK\$'000 千港元	After tax 稅後 HK\$'000 千港元	Before tax 稅前 HK\$'000 千港元	Tax 稅項 HK\$'000 千港元	After tax 稅後 HK\$'000 千港元
Deficit on revaluation of leasehold land and buildings 租賃土地及樓宇之重估虧絀	(196,006)	23,520	(172,486)	(702,386)	84,286	(618,100)
Unrealised gain/(loss) arising from change in fair value of available-for-sale investments 可供出售投資公平值變動產生之未變現收益/(虧損)	108	-	108	(490)	-	(490)
Other comprehensive income 其他全面收入	(195,898)	23,520	(172,378)	(702,876)	84,286	(618,590)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

16 DIRECTORS' REMUNERATION

An analysis of remuneration paid and payable to directors of the Company for the year ended 31 March 2017 and 2016 and is set as follows:

16 董事酬金

截至二零一七年及二零一六年三月三十一日止年度，已付及應付本公司董事之酬金分析如下：

	Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonus payment	Retirement scheme contribution	2017 Total
	董事袍金	薪金、津貼及實物利益	酌情花紅付款	退休計劃供款	二零一七年合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Executive directors					
Mr. Chu, Nicholas Yuk-yui		15,052	15,000	18	30,070
Mrs. Chu Yuet Wah		22,852	40,000	18	62,870
Mr. Chu, Kingston Chun Ho		3,341	752	50	4,143
Mr. Ho Chi Ho		2,396	1,872	18	4,286
Independent non-executive directors					
Dr. Wong Yun Kuen	240	-	-	-	240
Mr. Lau Man Tak	240	-	-	-	240
Mr. Yu Peter Pak Yan*	100	-	-	-	100
Ms. Lo, Miu Sheung Betty*	140	-	-	-	140
	720	43,641	57,624	104	102,089

* Mr. Yu Peter Pak Yan was retired on 1 September 2016 and Ms. Lo, Miu Sheung Betty was appointed on the same effective date to replace his position as an Independent non-executive director.

* 余伯仁先生已於二零一六年九月一日退任，而羅妙嫦女士亦於同日獲委任為獨立非執行董事以接替余伯仁先生。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

16 DIRECTORS' REMUNERATION (continued)

16 董事酬金(續)

	Directors' fee	Salaries, allowances and benefits in kind 薪金、津貼及實物利益	Discretionary bonus payment 酌情花紅付款	Retirement scheme contribution 退休計劃供款	2016 Total 二零一六年合計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors					
Mr. Chu, Nicholas Yuk-yui		13,681	10,000	18	23,699
Mrs. Chu Yuet Wah		21,552	30,000	18	51,570
Mr. Chu, Kingston Chun Ho*		1,772	134	28	1,934
Mr. Ho Chi Ho		2,155	1,545	18	3,718
Independent non-executive directors					
Dr. Wong Yun Kuen	240	-	-	-	240
Mr. Lau Man Tak	240	-	-	-	240
Mr. Yu Peter Pak Yan	240	-	-	-	240
	720	39,160	41,679	82	81,641

* Mr. Chu received a total emoluments of approximately HK\$2,467,000 (including discretionary bonus) for the year ended 31 March 2016. The amount included remuneration of approximately HK\$533,000 received before the date of appointment as Executive Director.

* 朱先生於截至二零一六年三月三十一日止年度收取之酬金總額約為2,467,000港元(包括酌情花紅)。金額包括獲委任為執行董事日期前收取之酬金約533,000港元。

The discretionary bonus payment was determined by reference to the individual performance of the directors and approved by the Remuneration Committee.

酌情花紅付款乃參考董事之個人表現釐定，並經薪酬委員會批准。

No emoluments have been paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office and no directors have waived any emoluments in both years.

於該兩個年度，本集團概無給予董事酬金作為彼等加入或於加入本集團時之獎金或離職補償，且概無董事放棄任何酬金。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

17 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, 4 (2016: 2) are directors whose emoluments are disclosed in note 16. The emoluments in respect of the remaining 1 (2016: 3) highest paid individuals are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	11,258	34,005
Retirement scheme contributions	退休計劃供款	18	54
		11,276	34,059

The emolument of the above individual was within the following band:

		2017 二零一七年 Number of person 人數	2016 二零一六年 Number of person 人數
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元	–	1
HK\$11,000,001 to HK\$11,500,000	11,000,001 港元至 11,500,000 港元	1	–
HK\$12,000,001 to HK\$12,500,000	12,000,001 港元至 12,500,000 港元	–	1
HK\$17,000,001 to HK\$17,500,000	17,000,001 港元至 17,500,000 港元	–	1

No emoluments were paid or payable to the above highest paid individual as an inducement to join the Group or as compensation for loss of office during the year ended 31 March 2017 and 2016.

17 最高薪人士

五名最高薪人士中，四名(二零一六年：兩名)為董事，彼等之酬金已於附註16披露。其餘一名(二零一六年：三名)最高薪人士之酬金如下：

上述人士之酬金介乎以下範圍：

截至二零一七年及二零一六年三月三十一日止年度，概無向上述最高薪人士支付或應付酬金，作為彼等加盟本集團之獎勵或離職補償。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 PROPERTY, PLANT AND EQUIPMENT

18 物業、廠房及設備

		Leasehold land and buildings held for own use 持作自用之租賃土地及樓宇 HK\$'000 千港元	Leasehold improvement, furniture, fixture and equipment 租賃物業裝修、傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Yacht 遊艇 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost or valuation At 1 April 2015	成本或估值 於二零一五年四月一日	3,851,150	382,725	4,752	25,722	4,264,349
Additions	添置	-	9,477	-	8	9,485
Disposal	出售	-	(18)	-	-	(18)
Adjustment on revaluation	重估調整	(813,530)	-	-	-	(813,530)
At 31 March 2016	於二零一六年三月三十一日	3,037,620	392,184	4,752	25,730	3,460,286
Representing: Cost At 2016 valuation	代表： 成本 按二零一六年估值	- 3,037,620	392,184 -	4,752 -	25,730 -	422,666 3,037,620
		3,037,620	392,184	4,752	25,730	3,460,286
At 1 April 2016	於二零一六年四月一日	3,037,620	392,184	4,752	25,730	3,460,286
Additions	添置	-	22,393	1,104	-	23,497
Disposal	出售	-	-	(415)	-	(415)
Written-off	撇賬	-	(5)	(336)	-	(341)
Adjustment on revaluation	重估調整	(286,030)	-	-	-	(286,030)
At 31 March 2017	於二零一七年三月三十一日	2,751,590	414,572	5,105	25,730	3,196,997
Representing: Cost At 2017 valuation	代表： 成本 按二零一七年估值	- 2,751,590	414,572 -	5,105 -	25,730 -	445,407 2,751,590
		2,751,590	414,572	5,105	25,730	3,196,997
Accumulated depreciation At 1 April 2015	累計折舊 於二零一五年四月一日	-	316,263	4,164	16,930	337,357
Charge for the year	年內扣除	111,144	29,961	365	2,584	144,054
Eliminated on disposals	於出售時對銷	-	(18)	-	-	(18)
Adjustment on revaluation	重估調整	(111,144)	-	-	-	(111,144)
At 31 March 2016	於二零一六年三月三十一日	-	346,206	4,529	19,514	370,249
At 1 April 2016	於二零一六年四月一日	-	346,206	4,529	19,514	370,249
Charge for the year	年內扣除	90,024	24,983	420	2,574	118,001
Eliminated on disposals	於出售時對銷	-	-	(415)	-	(415)
Eliminated on written-off	撇賬對銷	-	(3)	(336)	-	(339)
Adjustment on revaluation	重估調整	(90,024)	-	-	-	(90,024)
At 31 March 2017	於二零一七年三月三十一日	-	371,186	4,198	22,088	397,472
Net book value At 31 March 2017	賬面淨值 於二零一七年三月三十一日	2,751,590	43,386	907	3,642	2,799,525
At 31 March 2016	於二零一六年三月三十一日	3,037,620	45,978	223	6,216	3,090,037

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 PROPERTY, PLANT AND EQUIPMENT

(continued)

- (a) The leasehold land and buildings held for own use are situated in Macau.

- (b) The Group's leasehold land and buildings for own use were revalued as at 31 March 2017 and 2016. The valuations were carried out by AA Property Services Limited, an independent valuer who holds recognised and relevant professional qualifications and has recent experience in the location and category of the leasehold land and buildings being valued. The Group's management has discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each reporting date.

18 物業、廠房及設備(續)

- (a) 持作自用之租賃土地及樓宇位於澳門。

- (b) 本集團持作自用之租賃土地及樓宇於二零一七年及二零一六年三月三十一日進行重估。重估由獨立估值師環亞物業顧問有限公司進行，有關估值師持有認可及相關專業資格，並對所估值租賃土地及樓宇所在地點及類別有近期經驗。本集團管理層已於各報告日期進行估值時與測量師討論有關估值假設及估值結果。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 PROPERTY, PLANT AND EQUIPMENT

(continued)

(b) (continued)

The following table gives information about how the fair values of leasehold land and buildings are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

18 物業、廠房及設備(續)

(b) (續)

下表載列有關根據公平值計量之輸入數據之可觀察程度如何釐定租賃土地及樓宇之公平值(尤其是所使用之估值技術及輸入數據)以及公平值計量所劃分之公平值等級(第一級別至第三級別)之資料。

Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
公平值等級	估值技術及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係

As at 31 March 2017

於二零一七年三月三十一日

		Income capitalisation approach	Capitalisation rates, taking into account of the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 7% to 29%.	The higher the capitalisation rate, the lower the fair value.
		The key inputs are:		
		(1) Capitalisation rates;		
		(2) Daily room rates;		
		(3) Monthly casino performance;	經計及租金收入潛力之撥充資本情況、物業性質及現行市況，撥充資本率為7%至29%。	撥充資本率越高，公平值越低。
		收入撥充資本法		
		主要輸入數據為：		
		(1) 撥充資本率；		
		(2) 客房每日租金；		
		(3) 賭場每月業績；		
Properties in Macau 澳門物業	Level 3 第三級別		Daily room rates of HK\$547 to HK\$607 in average for the base level. 基本客房每日租金平均介乎 547 港元至 607 港元。	The higher the daily room rate, the higher the fair value. 客房每日租金越高，公平值越高。
			Monthly casino performance of HK\$1.08 million to HK\$13.81 million in average. 賭場每月業績平均介乎 1,080,000 港元至 13,810,000 港元。	The higher the monthly casino performance, the higher the fair value. 賭場每月業績越高，公平值越高。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 PROPERTY, PLANT AND EQUIPMENT

(continued)

(b) (continued)

18 物業、廠房及設備(續)

(b) (續)

Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
公平值等級	估值技術及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係
As at 31 March 2016 於二零一六年三月三十一日	Income capitalisation approach The key inputs are: (1) Capitalisation rates; (2) Daily room rates; (3) Monthly casino performance; 收入撥充資本法 主要輸入數據為： (1) 撥充資本率； (2) 客房每日租金； (3) 賭場每月業績；	Capitalisation rates, taking into account of the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 6% to 22%. 經計及租金收入潛力之撥充資本情況、物業性質及現行市況，撥充資本率為6%至22%。 Daily room rates of HK\$647 to HK\$694 in average for the base level. 基本客房每日租金平均介乎647港元至694港元。 Monthly casino performance of HK\$1.10 million to HK\$14.11 million in average. 賭場每月業績平均介乎1,100,000港元至14,110,000港元。	The higher the capitalisation rate, the lower the fair value. 撥充資本率越高，公平值越低。 The higher the daily room rate, the higher the fair value. 客房每日租金越高，公平值越高。 The higher the monthly casino performance, the higher the fair value. 賭場每月業績越高，公平值越高。
Properties in Macau 澳門物業	Level 3 第三級別		

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 PROPERTY, PLANT AND EQUIPMENT

(continued)

(b) (continued)

The fair value of leasehold land and buildings for own use in Macau as at 31 March 2017 and 2016 are measured using valuation techniques with significant unobservable inputs and hence were classified as Level 3 of the fair value hierarchy.

Fair value measurements and valuation processes

In estimating the fair value of the Group's leasehold land and buildings, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation of the Group's leasehold land and buildings. At the end of each reporting period, the management of the Group works closely with the qualified external valuers to establish and determine the appropriate valuation techniques and inputs for Level 3 fair value measurements. The Group will first consider and adopt Level 2 inputs where inputs can be derived observable quoted prices in the active market. When Level 2 inputs are not available, the Group will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the board of directors of the Company.

There were no changes in valuation techniques during the year.

18 物業、廠房及設備(續)

(b) (續)

於二零一七年及二零一六年三月三十一日，持作自用之澳門租賃土地及樓宇之公平值乃使用重大不可觀察輸入數據之估值技術計量，故分類為公平值等級第三級別。

公平值計量及估值過程

於估計本集團租賃土地及樓宇之公平值時，本集團盡可能使用可觀察市場數據。倘並無第一級別輸入數據，則本集團會委聘合資格第三方估值師對本集團之租賃土地及樓宇進行估值。於各報告期末，本集團管理層會與合資格外聘估值師緊密合作，就第三級別公平值計量確立及釐定合適之估值技術及輸入數據。倘可從活躍市場可觀察報價中得出輸入數據，本集團將首先考慮及採納第二級別輸入數據。倘並無第二級別輸入數據，本集團將採納包含第三級別輸入數據之估值技術。倘資產之公平值並無重大變動，則會向本公司董事局匯報波動原因。

年內，估值技術並無變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 PROPERTY, PLANT AND EQUIPMENT

(continued)

(b) (continued)

The movements during the year in the balance of Level 3 fair value measurements are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Opening balance (level 3 recurring fair value)	期初結餘(第三級別經常性公平值)	3,037,620	3,851,150
Loss: included in other comprehensive income	損失：計入其他全面收入	(286,030)	(813,530)
Closing balance (level 3 recurring fair value)	期末結餘(第三級別經常性公平值)	2,751,590	3,037,620

(c) As at 31 March 2017, the gross amount of revaluation deficit was HK\$196,006,000 (2016: deficit HK\$702,386,000). After tax deficit of HK\$172,486,000 (2016: deficit of HK\$618,100,000) has been recognised in other comprehensive income and accumulated in the property revaluation reserve of the Group and the balance was recognised in statement of profit or loss and other comprehensive income.

(d) The Group has pledged leasehold land and buildings held for own use with carrying amounts of approximately HK\$2,140,000,000 (2016: HK\$2,350,000,000) to secure bank loans of the Group, as disclosed in note 33(b), at the end of the reporting period.

(e) Had these properties held for own use been carried at cost less accumulated depreciation, the carrying amounts would have been HK\$1,270,617,000 (2016: HK\$1,309,417,000).

18 物業、廠房及設備(續)

(b) (續)

第三級別公平值計量結餘之年內變動如下：

(c) 於二零一七年三月三十一日，重估虧絀總額為196,006,000港元(二零一六年：虧絀702,386,000港元)。除稅後虧絀172,486,000港元(二零一六年：虧絀618,100,000港元)已於其他全面收入確認，並在本集團之物業重估儲備累計，餘額則在損益及其他全面收益表確認。

(d) 誠如附註33(b)所披露，於報告期末，本集團已就本集團所獲銀行貸款抵押賬面值約2,140,000,000港元(二零一六年：2,350,000,000港元)之持作自用租賃土地及樓宇。

(e) 假設該等持作自用物業按成本值減累計折舊列賬，則賬面值應為1,270,617,000港元(二零一六年：1,309,417,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

19 GOODWILL

19 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount of goodwill	商譽賬面值	10,996,683	10,996,683

The carrying amount of goodwill relating to the cash-generating units engaged in securities dealings, underwriting and placements, margin and IPO financing services and corporate finance advisory services are HK\$3,628,905,000, HK\$7,148,237,000 and HK\$219,541,000 respectively. For the purposes of the goodwill impairment test, its recoverable amount was determined based on a value in use calculation, covering a detailed 5-year budget plan plus an extrapolated cash flow projections applying a steady growth rate subsequent to this 5-year plan, with a discount rate of approximately 12.66% (2016: 12.21%).

As at 31 March 2017, the recoverable amount for the cash-generating units engaged in securities dealings, underwriting and placements, margin and IPO financing services and corporate finance advisory services are HK\$3,825,000,000, HK\$18,617,000,000 and HK\$237,000,000 respectively.

The key assumptions used in the budget plan are:

- (i) the annual growth rates of revenue were estimated ranging from 7% to 12%, 7% and 8% for securities services, margin and IPO financing and corporate finance advisory services respectively throughout the 5-year budget plan. Cash flow beyond the five-year period are extrapolated using an estimated growth rate of 3% (2016: 3%).
- (ii) that gross margins will be maintained at their current levels throughout the 5-year budget plan.

The Group management's key assumptions have been determined based on past performance and its expectations for the market's development. The discount rates used are pre-tax and reflect specific risks relating to the relevant businesses.

涉及證券交易、包銷及配售、保證金及首次公開發售融資服務以及企業財務顧問服務之現金產生單位之商譽賬面值分別為3,628,905,000港元、7,148,237,000港元及219,541,000港元。就商譽減值測試而言，其可收回金額乃按使用價值計算，涵蓋詳盡5年期預算計劃，另加於此5年期計劃後採用穩定增長率推斷之現金流量預測，貼現率約為12.66% (二零一六年：12.21%)。

於二零一七年三月三十一日，涉及證券交易、包銷及配售、保證金及首次公開發售融資服務以及企業財務顧問服務之現金產生單位之可收回金額分別為3,825,000,000港元、18,617,000,000港元及237,000,000港元。

預算計劃所用主要假設如下：

- (i) 於5年期預算計劃內，證券服務、保證金及首次公開發售融資以及企業財務顧問服務之收益年增長率估計分別介乎7%至12%、7%及8%。五年後之現金流量按預期增長率3%推算 (二零一六年：3%)。
- (ii) 毛利率將於5年期預算計劃內一直維持現有水平。

本集團管理層之主要假設乃按照過往表現及預期市場發展而釐定。所用貼現率乃稅前比率，並可反映相關業務之特定風險。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

19 GOODWILL (continued)

Apart from the considerations described in determining the value in use of the cash-generating units above, the Group's management is not currently aware of any other probable changes that would necessitate changes in its key estimates.

No impairment loss is provided for the year ended 31 March 2017 (2016: nil). The Directors performed an impairment test for the goodwill and concluded that the CGUs demonstrate sufficient cashflow projections that justify the carrying value of the goodwill. Management did not consider impairment of goodwill necessary.

19 商譽(續)

除上文所述釐定現金產生單位使用價值之考慮因素外，本集團管理層現時並不知悉任何其他會影響其主要估計之必要變動。

截至二零一七年三月三十一日止年度，概無就商譽作出減值虧損撥備(二零一六年：無)。董事已進行商譽減值測試，得出結論為現金產生單位顯示足夠現金流量預測而有充分理由支持商譽賬面值。管理層認為毋須作出商譽減值。

20 INTANGIBLE ASSETS

20 無形資產

		HK\$'000 千港元
Cost	成本	
At 1 April 2015, 31 March 2016, 1 April 2016 and 31 March 2017	於二零一五年四月一日、二零一六年 三月三十一日、二零一六年四月一日及 二零一七年三月三十一日	322,685
Accumulated amortisation	累計攤銷	
At 1 April 2015	於二零一五年四月一日	14,132
Amortisation	攤銷	14,132
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及 二零一六年四月一日	28,264
Amortisation	攤銷	14,132
At 31 March 2017	於二零一七年三月三十一日	42,396
Net book value	賬面淨值	
At 31 March 2017	於二零一七年三月三十一日	280,289
At 31 March 2016	於二零一六年三月三十一日	294,421

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

20 INTANGIBLE ASSETS (continued)

The intangible assets represented the costs of the 15 subsurface mineral permits acquired which were subsequently transferred into leases during the financial year ended 31 March 2017.

The permits were initially granted by the Saskatchewan Ministry of Energy and Resources, currently known as the Ministry of the Economy of Saskatchewan, in 2008 to prospect for subsurface minerals in mining Elk Point, Saskatchewan, Canada with area of approximately 3,989.95 square kilometers.

During the year ended 31 March 2017, all permits expired and were converted into lease. There is no change in the estimated lease term and the intangible asset is amortised on a straight-line basis over its estimated useful life of 24 years.

20 無形資產(續)

無形資產指所取得15份地下礦產許可證之成本，有關許可證其後已於截至二零一七年三月三十一日止財務年度轉撥至租賃。

薩斯喀徹溫省能源與資源部(現稱薩斯喀徹溫省經濟部)起初於二零零八年授出許可證，以勘探開採加拿大薩斯喀徹溫省Elk Point面積約3,989.95平方公里之地下礦產。

截至二零一七年三月三十一日止年度，所有許可證均已屆滿並已轉為租賃。估計租賃期概無變動，而無形資產按直線法於其估計可使用年期24年內攤銷。

21 INTERESTS IN JOINT VENTURES

21 於合營企業之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investment cost	投資成本	—	1
Share of result of jointly-controlled entities	應佔共同控制實體業績	—	(1)
Share of net assets	應佔資產淨值	—	—

Details of the joint ventures are as follows:

合營企業之詳情如下：

Name	Form of business structure	Place of incorporation	Principal activity	Percentage of ownership interests/voting rights/profit share 擁有權權益/ 投票權/分佔溢利 百分比
名稱	業務架構模式	註冊成立地點	主要業務	
KINGSBI Investment Management Limited*	Limited liability company 有限責任公司	Hong Kong 香港	Investment advisory 投資顧問	50%

* Deregistered during the year ended 31 March 2016.

* 截至二零一六年三月三十一日止年度已撤銷註冊。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

21 INTERESTS IN JOINT VENTURES (continued)

21 於合營企業之權益(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total assets	資產總值	–	–
Total liabilities	負債總額	–	–
Net assets	資產淨值	–	–
The Group's share of net assets of joint ventures	本集團應佔合營企業資產淨值	–	–
Revenue	收益	–	–
Other income	其他收入	–	–
Administrative expenses	行政開支	–	(2)
Loss before income tax	除所得稅前虧損	–	(2)
Income tax	所得稅	–	–
Loss after income tax	除所得稅後虧損	–	(2)
The Group's share of loss of joint ventures	本集團應佔合營企業虧損	–	(1)

22 INVENTORIES

22 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Food and beverage and hotel operating supplies	食品及飲料以及酒店經營用品	2,322	2,727

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

23 AVAILABLE-FOR-SALE INVESTMENTS

23 可供出售投資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investment funds, at fair value	投資基金，按公平值	548	440

The available-for-sale investments are denominated in United States dollars and there is no public market for the investments.

可供出售投資以美元計值，該投資並無公開市場。

The fair value is based on net asset value of the investment funds at the end of the reporting period. During the year ended 31 March 2017, a surplus arising on change in fair value of approximately HK\$108,000 (2016: deficit of HK\$490,000) was recognised in other comprehensive income and accumulated in the investment revaluation reserve.

公平值按投資基金於報告期末之資產淨值計算。截至二零一七年三月三十一日止年度，公平值變動產生盈餘約108,000港元（二零一六年：虧絀490,000港元），已於其他全面收入確認，並於投資重估儲備累計。

24 HELD FOR TRADING INVESTMENTS

24 持作買賣投資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Equity securities listed in Hong Kong, at market value	於香港上市之股本證券，按市值	134,955	114,921

Changes in fair value of financial assets at fair value through profit or loss and other comprehensive income are recognised in the consolidated statement of profit or loss and other comprehensive income.

按公平值計入損益及其他全面收入之金融資產公平值變動已於綜合損益及其他全面收益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

25 ADVANCES TO CUSTOMERS IN MARGIN FINANCING

25 向客戶墊付保證金融資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Directors of subsidiaries and their associates	附屬公司之董事及其聯繫人士	77,597	149,979
Other margin clients	其他保證金客戶	19,458,100	18,313,828
Less: Allowance for doubtful debt	減：呆賬撥備	(66,749)	(20,642)
		19,468,948	18,443,165

The movements in impairment loss on advances to customers in margin financing, all assessed individually, are as follows:

以下為按個別情況評估之向客戶墊付保證金融資減值虧損變動：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At the beginning of the year	年初	20,642	12,647
Impairment loss recognised	已確認減值虧損	58,754	7,995
Bad debt written off	壞賬撇賬	(12,647)	-
		66,749	20,642

Advances to customers in margin financing are repayable on demand and carry interest at approximately Hong Kong Dollar Prime rate plus 3%. Margin clients are required to pledge securities collateral to the Group in order to obtain credit facilities for securities trading. The amount of credit facilities granted to them is determined by the discounted value of securities accepted by the Group.

向客戶墊付保證金融資須應要求償還，並大致上按港元最優惠利率加3厘計息。保證金客戶須向本集團抵押證券抵押品，以就證券交易獲取信貸融資。授予彼等之信貸融資金額按本集團接納之證券貼現值釐定。

At 31 March 2017, total market value of securities pledged as collateral in respect of the loan to margin clients was approximately HK\$75,132,966,000 (31 March 2016: HK\$86,196,514,000).

於二零一七年三月三十一日，作為保證金客戶所獲貸款抵押品之已抵押證券總市值約為75,132,966,000港元(二零一六年三月三十一日：86,196,514,000港元)。

No aging analysis is disclosed for advances to customers in margin financing as, in the opinion of the directors, an aging analysis is not meaningful in view of the business nature of securities dealings and margin financing.

董事認為，鑒於證券交易及保證金融資之業務性質，賬齡分析並無意義，故並無披露向客戶墊付保證金融資之賬齡分析。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

26 TRADE AND OTHER RECEIVABLES

26 貿易及其他應收賬款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables from financial services segments	來自金融服務分類之貿易應收賬款	34,683	73,341
Trade receivables from hotel and gaming segments	來自酒店及博彩分類之貿易應收賬款	67,555	66,628
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項	49,682	58,376
		151,920	198,345

Trade receivables from financial services segments

來自金融服務分類之貿易應收賬款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accounts receivable arising from the ordinary course of business of dealing in securities:	證券交易日常業務過程產生之應收賬款：		
Cash clients	現金客戶	13,715	36,074
Clearing house	結算所	8,590	9,744
Brokers and dealers	經紀及交易商	623	630
Accounts receivable arising from the ordinary course of business of dealing in futures contracts:	期貨合約日常業務過程產生之應收賬款：		
Clearing house	結算所	7,128	21,657
Accounts receivable arising from the ordinary course of business of provision of:	提供以下各項日常業務過程產生之應收賬款：		
Corporate finance advisory services	企業財務顧問服務	4,627	5,236
		34,683	73,341

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

26 TRADE AND OTHER RECEIVABLES *(continued)*

Trade receivables from financial services segments *(continued)*

The settlement terms of accounts receivable attributable to dealing in securities are one or two days after trade date, and those of accounts receivable attributable to dealing in futures are one day after the trade date. All accounts receivable from cash clients are not past due at the reporting dates for which the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

Accounts receivable from clearing houses, brokers, dealers and corporate finance clients are current.

Trading limits are set for customers. The Group seeks to maintain tight control over its outstanding accounts receivable in order to minimise credit risk. Overdue balances are regularly monitored by management.

Trade receivables from hotel and gaming segments

The Group generally allows an average credit period of 30 days to its customers. The following is an aging analysis of trade receivables at the end of the reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0–30 days	0至30日	50,365	47,062
31–60 days	31至60日	11,687	10,972
61–90 days	61至90日	907	1,823
Over 90 days	90日以上	27,980	30,155
		90,939	90,012
Allowance for doubtful debt	呆賬撥備	(23,384)	(23,384)
		67,555	66,628

26 貿易及其他應收賬款 *(續)*

來自金融服務分類之貿易應收賬款 *(續)*

證券交易應佔應收賬款須於交易日期後一至兩日內償付，而買賣期貨應佔應收賬款則須於交易日期後一日內償付。所有現金客戶之應收賬款於報告日期並無逾期，管理層相信，由於信貸質素並無重大變動，且有關結餘仍被視作可全數收回，故毋須就此等結餘計提減值撥備。

應收結算所、經紀、交易商及企業融資客戶之賬款屬即期性質。

本集團就客戶設有交易限額。本集團致力嚴格監控其尚未償還應收賬款，務求將信貸風險減至最低。管理層定期監察逾期結餘。

來自酒店及博彩分類之貿易應收賬款

本集團一般給予客戶30日之平均信貸期。以下為貿易應收賬款於報告期末之賬齡分析：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

26 TRADE AND OTHER RECEIVABLES *(continued)*

Trade receivables from hotel and gaming segments *(continued)*

The movements of impairment loss on trade receivables of the hotel and gaming segment are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning and end of the year	於年初及年終	23,384	23,384

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	並無逾期或減值	50,365	47,062
Past due but not impaired:	已逾期但無減值：		
Less than 1 month past due	逾期少於1個月	11,687	10,972
1 to 3 months past due	逾期1至3個月	1,298	7,694
Over 3 months past due	逾期超過3個月	4,205	900
		17,190	19,566
		67,555	66,628

The balances which are past due but not impaired relate to a number of customers who have a good track record with the Group, or are active during the year.

The balances of other classes within trade and other receivables of the Group are neither past due nor impaired. Management considers that the credit risk associated with these receivables is minimal.

26 貿易及其他應收賬款 *(續)*

來自酒店及博彩分類之貿易應收賬款 *(續)*

酒店及博彩分類之貿易應收賬款減值虧損之變動如下：

已逾期但無減值之結餘與多名與本集團有良好往績記錄或於年內活躍之客戶有關。

本集團之貿易及其他應收賬款中，其他類別之結餘並無逾期或減值。管理層認為，該等應收賬款之相關信貸風險極低。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

27 CASH AND BANK BALANCES HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated trust accounts with authorised institutions to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash and bank balances held on behalf of customers under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payable (note 29) to respective clients on the grounds that it is liable for any loss or misappropriation of clients' monies. The cash held on behalf of customers is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

27 代客戶持有之現金及銀行結餘

本集團於認可機構開設獨立信託賬戶，以存置於一般業務過程中產生之客戶款項。本集團將此等客戶款項分類為綜合財務狀況表中流動資產項下代客戶持有之現金及銀行結餘，並根據其須就客戶款項之任何損失或挪用負上責任之基礎，確認相應之應付賬款(附註29)。代客戶持有之現金受證券及期貨條例項下證券及期貨(客戶款項)規則所限制及規管。

28 CASH AND CASH EQUIVALENTS

28 現金及現金等值項目

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Time deposits	定期存款	36,583	30,438
Cash at bank and in hand	銀行及手頭現金	268,179	138,901
Cash and cash equivalents in the consolidated statement of financial position	於綜合財務狀況表之現金及現金等值項目	304,762	169,339

Cash at banks and cash held in a securities account maintained in a securities company earns interest at floating rates based on daily bank deposit rates. Short term deposits during the year are made for varying period of between 1 day and 3 months depending on the immediate cash requirements of the Group, and earn interest at respective short term time deposits rates. The carrying amounts of the cash and cash equivalent approximate their fair value.

銀行現金及於證券公司開立之證券賬戶內之現金根據每日銀行存款利率賺取浮息利息。年內短期存款之存款期介乎一日至三個月不等，視乎本集團之即時現金需求而定，按相關短期定期存款利率賺取利息。現金及現金等值項目之賬面值與其公平值相若。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 TRADE AND OTHER PAYABLES

29 貿易及其他應付賬款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables from financial services segments	來自金融服務分類之貿易應付賬款	2,480,424	1,667,334
Trade payables from hotel and gaming segments	來自酒店及博彩分類之貿易應付賬款	14,621	14,834
Other payable and accruals	其他應付賬款及應計費用	121,416	69,847
		2,616,461	1,752,015

Trade payables from financial services segments

來自金融服務分類之貿易應付賬款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accounts payable arising from the ordinary course of business of dealing in securities:	證券交易日常業務過程產生之應付賬款：		
Cash clients	現金客戶	976,696	937,144
Margin clients	保證金客戶	1,482,139	703,703
		2,458,835	1,640,847
Dividend payable to clients	應付客戶股息	28	17
Clearing house	結算所	8,914	-
Accounts payable arising from the ordinary course of business of dealing in futures contracts:	期貨合約日常業務過程產生之應付賬款：		
Clients	客戶	10,418	24,435
Accounts payable arising from the ordinary course of business of provision of:	提供以下各項日常業務過程產生之應付賬款：		
Corporate finance advisory services	企業財務顧問服務	36	97
Assets management services	資產管理服務	2,193	1,938
		2,480,424	1,667,334

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 TRADE AND OTHER PAYABLES *(continued)*

Trade payables from financial services segments

(continued)

The settlement terms of accounts payable attributable to dealing in securities are one or two days after the trade date, and those of accounts payable attributable to dealing in futures are one day after trade date.

No aging analysis is disclosed for payables to margin clients as, in the opinion of the directors, an aging analysis is not meaningful in view of the business nature of securities dealings and margin financing.

As at the 31 March 2017, included in accounts payable was an amount of approximately HK\$2,410,359,000 (2016: HK\$1,569,493,000) payable to clients and other institutions in respect of trust and segregated bank balances received and held for clients and other institutions in the course of the conduct of regulated activities.

Trade payables from hotel and gaming segments

The following is an aging analysis of trade payables at the end of the reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0-30 days	0至30日	8,978	8,859
31-60 days	31至60日	3,466	2,460
61-90 days	61至90日	724	738
Over 90 days	90日以上	1,453	2,777
		14,621	14,834

29 貿易及其他應付賬款 *(續)*

來自金融服務分類之貿易應付賬款 *(續)*

證券交易應佔應付賬款須於交易日期後一至兩日內償付，而買賣期貨應佔應付賬款則須於交易日期後一日內償付。

董事認為，鑒於證券交易及保證金融資之業務性質，賬齡分析並無意義，故並無披露有關應付保證金客戶款項之賬齡分析。

於二零一七年三月三十一日，應付賬款包括應付客戶及其他機構賬款約2,410,359,000港元(二零一六年：1,569,493,000港元)，涉及於進行受規管活動過程中代客戶及其他機構收取及持有之信託及獨立銀行結餘。

來自酒店及博彩分類之貿易應付賬款

以下為貿易應付賬款於報告期末之賬齡分析：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

30 AMOUNTS DUE TO SHAREHOLDERS

30 應付股東款項

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註		
Better Sino Limited	佳育有限公司	(a)	1,190,000	1,190,000
Mrs. Chu Yuet Wah	李月華女士	(b)	1,121,911	1,131,911
			2,311,911	2,321,911

(a) The amount is non-interest bearing, unsecured and repayable on demand.

(b) The loan of HK\$1,010,000,000 (2016: HK\$1,010,000,000) is unsecured, interest bearing at the rate of 3% per annum and repayable on the third anniversary of drawdown (i.e. on or before 31 March 2020). This loan is subject to review at anytime and to the lender's overriding right of withdrawal and immediate repayment on demand. The remaining balance of HK\$111,911,000 (2016: HK\$121,911,000) is unsecured, interest bearing at the rate of 3% and repayable on demand.

(a) 有關款項為不計息、無抵押及須應要求償還。

(b) 為數1,010,000,000港元(二零一六年：1,010,000,000港元)之貸款為無抵押、以年利率3厘計息及於提款後第三周年(即二零二零年三月三十一日或之前)償還。該貸款可隨時審閱，並受限於貸款人提出提款及即時還款要求之凌駕性權利。餘額111,911,000港元(二零一六年：121,911,000港元)則為無抵押、以年利率3厘計息及須應要求償還。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 LOAN FROM A RELATED COMPANY

The loan is due to Kingston Finance Limited which has common directors and shareholders with the Group. The loan is unsecured, interest bearing at the rate of 2% per annum (2016: ranging from 1.5% to 2% per annum) and repayable on demand.

31 來自一家關連公司貸款

貸款乃應付金利豐財務有限公司款項，該公司與本集團有共同董事及股東。有關貸款為無抵押、按年利率2厘(二零一六年：年利率介乎1.5厘至2厘)計息及須應要求償還。

32 SUBORDINATED LOANS

32 後償貸款

	Draw date 提取日期	Terms 條款	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loan from Mr. Lee Wai Man 來自李惠文先生之貸款	30 Jan 2004 二零零四年 一月三十日	P+1% 最優惠利率 加1厘	250,000	250,000
	20 Feb 2004 二零零四年 二月二十日	1.5% 1.5厘	150,000	150,000
Revolving loan from Mrs. Chu Yuet Wah 來自李月華女士之循環貸款	24 May 2010 二零一零年 五月二十四日	1.5% 1.5厘	300,000	300,000
			700,000	700,000

The subordinated loans of the Group are interest bearing, unsecured and repayable on demand.

本集團之後償貸款為計息、無抵押及須應要求償還。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

33 BANK LOANS

33 銀行貸款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註	
Secured bank loans:	有抵押銀行貸款：		
Money market loans and revolving loans	貨幣市場貸款及循環貸款	(a)	2,526,000
Term loans	定期貸款	(b)	1,410,000
Unsecured bank loans:	無抵押銀行貸款：		
Corporate tax loan	企業稅務貸款		-
		3,235,834	3,936,000
Repayable:	須於以下期限內償還：		
Within one year	一年內	2,005,834	2,616,000
More than one year, but not exceeding two years	一年後但不超過兩年	90,000	90,000
More than two years, but not exceeding five years	兩年後但不超過五年	270,000	270,000
After five years	五年後	870,000	960,000
		3,235,834	3,936,000
Amount due within one year included in current liabilities	計入流動負債之一年內應付款項	(2,005,834)	(2,616,000)
Amount due after one year	一年後應付款項	1,230,000	1,320,000

Notes:

(a) The bank loans of the Group were secured by marketable securities of approximately HK\$6,414,393,000 (2016: HK\$14,222,660,000) pledged to the Group by margin clients, a bond at a value of HK\$46,512,000 and certificates of deposit at value of HK\$48,470,000. The bank loans bear floating interest rates ranging from 0.82% to 1.82% per annum (2016: 0.83% to 1.55%).

附註：

(a) 本集團之銀行貸款乃以保證金客戶抵押予本集團之有價證券約6,414,393,000港元(二零一六年：14,222,660,000港元)、價值46,512,000港元之債券及價值48,470,000港元之存款證作擔保。銀行貸款按浮動年利率介乎0.82厘至1.82厘(二零一六年：0.83厘至1.55厘)計息。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

33 BANK LOANS (continued)

Notes: (continued)

- (b) The term loans of HK\$1,320,000,000 (2016: HK\$1,410,000,000), bearing floating interest rates ranging from 2.86% to 3.32% per annum (2016: 2.69% to 2.86%) were secured by:
- the pledge of leasehold land and buildings held for own use with carrying amounts of approximately HK\$2,140,000,000 (2016: HK\$2,350,000,000);
 - shares of a subsidiary;
 - corporate guarantee from a subsidiary;
 - a charge over operating bank accounts of two subsidiaries;
 - assignment of income and receivables arising from commercial operations of two subsidiaries.

34 EMPLOYEE RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employee are each required to make contributions to the plan at 5% of the employee’s relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

The employees of the Group’s subsidiaries in Macau were members of state-managed retirement benefit schemes operated by the Macau government. The Group was required to contribute a certain percentage of its payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme was to make the required contributions under the scheme.

33 銀行貸款(續)

附註：(續)

- (b) 定期貸款 1,320,000,000 港元(二零一六年：1,410,000,000 港元)按浮動年利率介乎 2.86 厘至 3.32 厘(二零一六年：2.69 厘至 2.86 厘)計息，以下列各項作擔保：
- 抵押賬面值約為 2,140,000,000 港元(二零一六年：2,350,000,000 港元)之持作自用之租賃土地及樓宇；
 - 一家附屬公司之股份；
 - 來自一家附屬公司之公司擔保；
 - 質押兩家附屬公司之營運銀行賬戶；
 - 轉讓兩家附屬公司商業營運所產生收入及應收賬款。

34 僱員退休福利

本集團根據香港強制性公積金計劃條例為按香港僱傭條例受僱之員工參與強制性公積金計劃(「強積金計劃」)。強積金計劃為定額供款退休計劃，由獨立信託人管理。根據強積金計劃，僱主及其僱員各自須按僱員有關收入 5% 向計劃作出供款，惟每月有關收入上限為 30,000 港元。向計劃作出之供款即時歸屬。

本集團旗下澳門附屬公司之僱員均為澳門政府營運之政府管理退休福利計劃之參與者。本集團須按其所付薪金之若干百分比向退休福利計劃供款。本集團就有關退休福利計劃之唯一責任為根據該計劃作出供款。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

35 SHARE-BASED PAYMENT TRANSACTIONS

At the annual general meeting of the Company held on 20 August 2013, shareholders of the Company have adopted a new share option scheme (the "Share Option Scheme").

Pursuant to the Share Option Scheme, the total numbers of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 10% of the aggregate of the Shares of the Company in issue on the date of adoption. The Company may renew this 10% limit with shareholders' approval provided that such renewal may not exceed 10% of the shares in the Company in issue as at the date of the shareholders' approval.

The total number of shares of the Company which may be issued upon exercise of all outstanding options to be granted and yet to be exercised under the Share Option Scheme and all outstanding options granted and yet to be exercised under any other share option scheme adopted by the Company should not exceed 30% of the shares in issue from time to time.

Unless approved by the shareholders of the Company in general meeting, the total number of shares of the Company issued and to be issued upon the exercise of the options granted to each participant (including both exercised and unexercised options) under the Share Option Scheme and any other share option schemes adopted by the Company in any 12-month period must not exceed 1% of the shares of the Company in issue.

The period within which the options must be exercised will be specified by the Company at the time of grant. This period must expire no later than 10 years from the date of grant of the options. The exercise of options may also be subject to any conditions imposed by the Company at the time of offer.

35 以股份為基礎支付之交易

於二零一三年八月二十日舉行之本公司股東周年大會，本公司股東已採納一項新購股權計劃（「購股權計劃」）。

根據購股權計劃，因行使根據購股權計劃及本公司採納之任何其他購股權計劃授出之所有購股權而可予發行之股份總數，合共不得超過本公司於採納日期全部已發行股份之10%。本公司可在取得股東批准下重訂此10%限額，惟有關重訂不得超過於取得股東批准日期本公司已發行股份之10%。

在根據購股權計劃將予授出但尚未行使之所有未行使購股權及根據本公司採納之任何其他購股權計劃已授出但尚未行使之所有未行使購股權獲行使時可予發行之本公司股份總數，不得超過不時已發行股份之30%。

除非於股東大會獲本公司股東批准，於任何12個月期間內，在根據購股權計劃及本公司採納之任何其他購股權計劃授予各參與者之購股權（包括已行使及未行使之購股權）獲行使時已發行及將予發行之本公司股份總數，不得超過本公司已發行股份之1%。

購股權須獲行使之期限將由本公司於授出時指定。該期限必須於授出購股權日期起計10年內屆滿。行使購股權亦可能受限於本公司於呈要約時訂定之任何條件。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

35 SHARE-BASED PAYMENT TRANSACTIONS

(continued)

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the daily quotation sheets issued by the Exchange on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share of the Company on the date of grant. The subscription price will be approved by the board of directors at the time the option is offered to the participants.

For the year ended 31 March 2017 and 2016, the Company had no share option being granted, outstanding, lapsed or cancelled pursuant to the Share Option Scheme.

36 DEFERRED TAXATION

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Revaluation of leasehold land and buildings 租賃土地及 樓宇之重估 HK\$'000 千港元	Unused tax losses 未動用 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	3	(303,537)	6,104	(297,430)
Credit to other comprehensive income	計入其他全面收入	–	84,286	–	84,286
Credit to consolidated income statement	計入綜合收益表	–	8,669	–	8,669
At 31 March 2016	於二零一六年三月三十一日	3	(210,582)	6,104	(204,475)
Credit to other comprehensive income	計入其他全面收入	–	23,520	–	23,520
(Charge)/credit to consolidated income statement	(自綜合收益表扣除)/計入 綜合收益表	(3)	6,201	(6,104)	94
At 31 March 2017	於二零一七年三月三十一日	–	(180,861)	–	(180,861)

35 以股份為基礎支付之交易 (續)

於購股權獲行使時將予發行之本公司股份認購價不得低於以下較高者：(i)本公司股份於授出日期在聯交所刊發之每日報價表所示收市價；(ii)本公司股份於緊接授出日期前五個營業日在香港聯合交易所有限公司刊發之每日報價表所示平均收市價；及(iii)本公司股份於授出日期之面值。認購價將由董事局於參與者獲授購股權時批准。

截至二零一七年及二零一六年三月三十一日止年度，本公司並無根據購股權計劃已授出、尚未行使、已失效或已註銷之購股權。

36 遞延稅項

年內，於綜合財務狀況表確認之遞延稅項資產/(負債)組成部分及其變動如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

36 DEFERRED TAXATION *(continued)*

At 31 March 2017, the Group has unused tax losses of approximately HK\$120,397,000 (2016: HK\$171,241,000) available for offset against future profits. No deferred tax asset has been recognised (2016: A deferred tax asset has been recognised in respect of unused tax losses HK\$50,867,000) in respect of the tax losses due to the unpredictability of future profit streams. The unrecognised tax losses may be carried forward for a period of:

36 遞延稅項 *(續)*

於二零一七年三月三十一日，本集團可用作抵銷未來溢利之未動用稅項虧損約為120,397,000港元(二零一六年：171,241,000港元)。由於無法預測未來溢利來源，故並無就稅項虧損確認遞延稅項資產(二零一六年：已就未動用稅項虧損50,867,000港元確認遞延稅項資產)。未確認稅項虧損可於下列期間結轉：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Indefinitely	無限期	120,397	120,374

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

37 SHARE CAPITAL

37 股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.02	每股面值0.02港元之普通股				
Authorised: At 1 April 2016/2015 and 31 March 2017/2016	法定股本： 於二零一六年/ 二零一五年四月一日及 二零一七年/ 二零一六年三月三十一日	24,750,000,000	495,000	24,750,000,000	495,000
Issued and fully paid: At 1 April 2016/2015	已發行及繳足股本： 於二零一六年/二零一五年 四月一日	13,614,480,666	272,290	12,114,480,666	242,290
Share conversion (note)	股份轉換(附註)	-	-	1,500,000,000	30,000
At 31 March 2017/2016	於二零一七年/二零一六年 三月三十一日	13,614,480,666	272,290	13,614,480,666	272,290
Non-redeemable convertible preference shares Shares of HK\$0.02 each	不可贖回可換股優先股 每股面值0.02港元之股份				
Authorised: At 1 April 2016/2015 and 31 March 2017/2016	法定股本： 於二零一六年/ 二零一五年四月一日及 二零一七年/ 二零一六年三月三十一日	5,250,000,000	105,000	5,250,000,000	105,000
Issued and fully paid: At 1 April 2016/2015	已發行及繳足股本： 於二零一六年/二零一五年 四月一日	3,750,000,000	75,000	5,250,000,000 (1,500,000,000)	105,000 (30,000)
Share conversion (note)	股份轉換(附註)	-	-		
At 31 March 2017/2016	於二零一七年/二零一六年 三月三十一日	3,750,000,000	75,000	3,750,000,000	75,000

Note: During the year ended 31 March 2016, 1,500,000,000 convertible preference shares of HK\$0.02 each in the capital of the Company were converted into 1,500,000,000 ordinary shares of HK\$0.02 each in the capital of the Company at a conversion price of HK\$0.8 per share.

附註：截至二零一六年三月三十一日止年度，本公司股本中每股面值0.02港元之可換股優先股1,500,000,000股以轉換價每股0.8港元轉換為本公司股本中每股面值0.02港元之普通股1,500,000,000股。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

37 SHARE CAPITAL *(continued)*

Non-redeemable convertible preference shares

The fair value assessment of the convertible preference shares ("CPS") was carried out by AA Property Services Limited, an independent professional valuer. The basis for determining the fair value of CPS at HK\$2,395,106,000 at the date of completion is as follows:

The fair value of the CPS is estimated by using Black-Scholes Option Pricing Model.

Risk Free Rate: The CPS are denominated in Hong Kong Dollars. The risk free rate is determined by making reference to the Exchange Fund Notes of comparable terms issued by the Hong Kong Monetary Authority.

Terms and Conditions: The face value and coupon of the CPS and other relevant terms and conditions are considered.

Conversion Options Calculation: (i) Stock Price = HK\$1.05; (ii) Exercise Price = HK\$0.8; (iii) Risk Free Rate = 2.732%; (iv) Expected Option Period = 10.005 Years; (v) Expected Volatility = 87.825%; (vi) Option Type = Call; (vii) Expected Dividend Yield = 0%.

On 27 April 2015, 1,500,000,000 shares were converted to ordinary shares with an exercise price of HK\$0.8 per share.

Capital Management

The Group manages its capital to ensure that the group companies 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 capital structure of the Group consists of subordinated loans, loan from a related company, amounts due to shareholders, bank loans and equity attributable to equity holders of the Company, comprising paid up capital/share capital and reserves. The directors of the Group review the capital structure regularly. As part of this review, the director considers the cost and the risks associated with each class of the capital.

37 股本^(續)

不可贖回可換股優先股

可換股優先股(「可換股優先股」)之公平值評估乃由獨立專業估值師環亞物業顧問有限公司進行。釐定為數2,395,106,000港元之可換股優先股於完成當日之公平值之基準如下：

可換股優先股之公平值乃運用柏力克—舒爾斯期權定價模式作出估計。

無風險利率：可換股優先股乃以港元計值。無風險利率乃參照由香港金融管理局發出並具有可資比較條款之外匯基金債券而釐定。

條款及條件：已計及可換股優先股之面值及票面息率以及其他相關條款及條件。

轉換期權計算方法：(i) 股價 = 1.05 港元；(ii) 行使價 = 0.8 港元；(iii) 無風險利率 = 2.732%；(iv) 預期期權年期 = 10.005 年；(v) 預期波幅 = 87.825%；(vi) 期權類別 = 認購；(vii) 預期股息率 = 0%。

於二零一五年四月二十七日，1,500,000,000 股股份按行使價每股0.8港元轉換為普通股。

資本管理

本集團管理其資本，務求透過優化債務與權益間之平衡，確保本集團旗下各公司可持續經營，同時提高權益持有人之回報。

本集團之資本結構包括後償貸款、來自一名關連公司之貸款、應付股東款項、銀行貸款及本公司權益持有人應佔權益(包括實繳資本／股本及儲備)。本集團董事定期檢討資本結構。作為有關檢討之一部分，董事考慮各類資本之成本及所附帶風險。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

37 SHARE CAPITAL (continued)

Capital Management (continued)

Based on the recommendation of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

The Group monitors capital using gearing ratio, which is net debts divided by total equity attributable to owners of the Company. Net debts include amounts due to shareholders, loan from a related company, bank loans and subordinated loans, less cash and bank balances — general accounts and time deposits. The gearing ratio as at the end of the reporting period is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net debts	債務淨額	13,891,844	13,967,810
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額	19,581,267	18,615,992
Gearing ratio	資產負債比率	0.71	0.75

Several subsidiaries of the Group (the “Regulated Subsidiaries”) are registered with Hong Kong Securities and Futures Commission (“SFC”) for the business they operate in. The Regulated Subsidiaries are subject to liquid capital requirements under Hong Kong Securities and Futures (Financial Resources) Rules (“SF(FR)R”) adopted by the SFC. Under the SF(FR)R, the Regulated Subsidiaries must maintain their liquid capital (assets and liabilities adjusted as determined by SF(FR)R) in excess of statutory floor requirement or 5% of their total adjusted liabilities, whichever is higher. The required information is filed with the SFC on a regular basis and the Group has complied with those requirements during the year.

37 股本(續)

資本管理(續)

本集團會根據董事之推薦意見，透過派付股息、發行新股份及發行新債務或贖回現有債務，從而平衡本集團整體資本結構。

本集團採用資產負債比率(即債務淨額除本公司擁有人應佔權益總額)監控資本。債務淨額包括應付股東款項、來自一家關連公司之貸款、銀行貸款及後償貸款減現金及銀行結餘 — 一般賬戶和定期存款。於報告期末之資產負債比率如下：

本集團多家附屬公司(「受規管附屬公司」)就其所經營業務於香港證券及期貨事務監察委員會(「證監會」)註冊。受規管附屬公司須遵守證監會採納之香港證券及期貨(財政資源)規則(「證券及期貨(財政資源)規則」)項下之流動資金規定。根據證券及期貨(財政資源)規則，受規管附屬公司須維持其流動資金(經證券及期貨(財政資源)規則釐定之已調整資產及負債)超出法定下限規定或其已調整負債總額之5%(以較高者為準)。所規定資料須定期向證監會提交，而本集團於年內已遵守有關規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

38 RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity on page 88 of the financial statements.

38 儲備

本集團於本年度及上一年度之儲備金額及其變動已於財務報表第88頁之綜合權益變動表呈列。

Company		Share premium account	Contributed surplus	Capital redemption reserve	Retained earnings	Total
本公司		股份溢價賬 HK\$'000 千港元	繳納盈餘 HK\$'000 千港元	資本贖回 儲備 HK\$'000 千港元	保留盈利 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	11,739,980	69,332	466	197,455	12,007,233
Loss for the year	年內虧損	-	-	-	(21,023)	(21,023)
At 31 March 2016	於二零一六年三月三十一日	11,739,980	69,332	466	176,432	11,986,210
Profit for the year	年內溢利	-	-	-	501,132	501,132
Payment of dividends	派付股息	-	-	-	(347,290)	(347,290)
At 31 March 2017	於二零一七年三月三十一日	11,739,980	69,332	466	330,274	12,140,052

- a. The share premium account represents the excess of proceeds received over the nominal value of the Company's shares issued, less share issue expenses.
- b. The contributed surplus represents the difference between the nominal value of the Company's shares issued and the value of net assets of the underlying subsidiaries acquired. Under the Companies Act 1981 of Bermuda (as amended), a company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.
- c. Capital redemption reserve arises from the reduction of the nominal value of the issued share capital of the Company upon the cancellation of the repurchased shares.
- d. Property revaluation reserve represents gain/losses arising on the revaluation of properties.
- e. Investment revaluation reserve represents gains/losses arising on the revaluation of available-for-sale investments.
- a. 股份溢價賬指本公司已收取所得款額高於所發行股份面值之金額(扣除股份發行開支)。
- b. 繳納盈餘指本公司所發行股份面值與所收購有關附屬公司資產淨值兩者間之差額。根據百慕達一九八一年公司法(經修訂),倘有合理理據相信(i)本公司現時或將於派付後無力償還到期負債;(ii)本公司資產之可變現價值會因此低於其負債、已發行股本及股份溢價賬之總值,則本公司不得宣派或派付股息,或自繳納盈餘作出分派。
- c. 資本贖回儲備乃因註銷所購回股份而削減本公司已發行股本之面值而產生。
- d. 物業重估儲備指產生自物業重估之收益/虧損。
- e. 投資重估儲備指產生自可供出售投資重估之收益/虧損。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

39 HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

39 控股公司之財務狀況表

		31.3.2017 二零一七年 三月三十一日 HK\$'000 千港元	31.3.2016 二零一六年 三月三十一日 HK\$'000 千港元
		Notes 附註	
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	377	1,129
Investments in subsidiaries	於附屬公司之投資	14,790,513	14,705,981
		14,790,890	14,707,110
Current assets	流動資產		
Deposits and prepayment	按金及預付款項	9,859	9,932
Amount due from a subsidiary	應收一家附屬公司款項	399,184	399,178
Cash and bank balances — general accounts	現金及銀行結餘 — 一般賬戶	19,974	6,509
		429,017	415,619
Current liabilities	流動負債		
Other payable and accruals	其他應付賬款及應計費用	1,901	1,685
Amounts due to shareholders	應付股東款項	2,021,911	2,031,911
Bank loans	銀行貸款	48,000	48,000
Tax payable	應付稅項	4,753	3,633
		2,076,565	2,085,229
Net current liabilities	流動負債淨額	(1,647,548)	(1,669,610)
Total asset less current liabilities	資產總值減流動負債	13,143,342	13,037,500
Non-current liabilities	非流動負債		
Bank loans	銀行貸款	656,000	704,000
Total non-current liabilities	非流動負債總額	656,000	704,000
Total liabilities	負債總額	2,732,565	2,789,229
Net assets	資產淨值	12,487,342	12,333,500
Capital and reserves	資本及儲備		
Share capital — ordinary shares	股本 — 普通股	37	272,290
Share capital — non-redeemable convertible preference shares	股本 — 不可贖回可換股優先股	37	75,000
Reserves	儲備	38	12,140,052
			11,986,210
Total equity	權益總額	12,487,342	12,333,500

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

40 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

40 於附屬公司之投資

下表僅呈列主要影響本集團業績、資產或負債之附屬公司詳情。除另有指明者外，所持股份類別屬普通股。

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/登記及 經營地點	Particulars of registered/issued and paid up share capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司 持有	Held by a subsidiary 附屬公司 持有	
Bebright Limited 必明有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	-	Investment holding 投資控股
Futuremind Holdings Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	-	100%	Investment holding 投資控股
GR Casa Real Holdings Limited	British Virgin Islands 英屬處女群島	US\$5 5美元	100%	-	100%	Investment holding 投資控股
GR Casa Real Company Limited 皇家金堡酒店有限公司	Macau 澳門	MOP100,000 100,000澳門元	100%	-	100%	Operating Casa Real Hotel 經營皇家金堡酒店
Glory State Limited	Hong Kong 香港	HK\$1 1港元	100%	100%	-	Investment holding 投資控股
Golden Resorts Group Hotel Investment Limited 黃金集團酒店投資有限公司	Macau 澳門	MOP100,000 100,000澳門元	100%	-	100%	Operating Grandview Hotel 經營君怡酒店
Goventure Finance Limited ^	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	-	Providing services to casinos run by SJM 向澳博營運之 賭場提供服務
Next Champion Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	-	Investment holding 投資控股

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

40 INVESTMENTS IN SUBSIDIARIES (continued)

40 於附屬公司之投資(續)

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/登記及 經營地點	Particulars of registered/issued and paid up share capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權權益比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司 持有	Held by a subsidiary 附屬公司 持有	
New Times Entertainment Limited [®] 新時代娛樂有限公司 [®]	Macau 澳門	MOP100,000 100,000澳門元	100%	–	100%	Providing services to casinos run by SJM 向澳博營運之賭場提供服務
Golden New Times Club [®] 黃金新時代貴賓會 [®]	Macau 澳門	HK\$32,500,000 32,500,000港元	80%	–	80%	Providing services to casino run by SJM 向澳博營運之賭場提供服務
Golden New Times 28 Club [®] 黃金新時代28貴賓會 [®]	Macau 澳門	MOP10,000,000 10,000,000澳門元	100%	–	100%	Providing services to casino run by SJM 向澳博營運之賭場提供服務
Target All Investments Limited [^] 普中投資有限公司 [^]	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	–	Providing services to casino run by SJM 向澳博營運之賭場提供服務
Good Start Group Limited [^]	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	–	Providing services to casino run by SJM 向澳博營運之賭場提供服務
Crystal Sea Group Limited [^]	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	–	Investment holding and operating Golden Times Club* in hotel 投資控股及於酒店經營黃金時代貴賓廳*
Noble Brand Limited [#]	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	–	Trading of listed securities 買賣上市證券
Right Business Limited [#] 商達有限公司 [#]	British Virgin Islands 英屬處女群島	US\$100 100美元	100%	100%	–	Investment holding 投資控股

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

40 INVESTMENTS IN SUBSIDIARIES (continued)

40 於附屬公司之投資(續)

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/登記及 經營地點	Particulars of registered/issued and paid up share capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 本公司 持有	Held by a subsidiary 附屬公司 持有	
Kingston Securities Limited 金利豐證券有限公司	Hong Kong 香港	HK\$3,000,000,000 3,000,000,000 港元	100%	–	100%	Dealing and advising in securities 證券交易及顧問服務
Kingston Futures Limited 金利豐期貨有限公司	Hong Kong 香港	HK\$15,000,000 15,000,000 港元	100%	–	100%	Dealing in futures contracts 期貨合約交易
Kingston Corporate Finance Limited 金利豐財務顧問有限公司	Hong Kong 香港	HK\$11,000,000 11,000,000 港元	100%	–	100%	Provision of corporate finance advisory services 提供企業財務顧問 服務
Kingston Asset Management Limited 金利豐資產管理有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	100%	–	100%	Provision of asset management services 提供資產管理服務
Canada United Potash Limited	Canada 加拿大	CAD50,000,100 50,000,100 加元	100%	–	100%	Investment holding 投資控股
#	<i>Company operates principally in Hong Kong instead of in their respective places of incorporation/establishment.</i>		#	<i>主要在香港而非其各自之註冊成立/成立地點營運之公司。</i>		
^	<i>Company operates principally in Macau instead of in their respective places of incorporation/establishment.</i>		^	<i>主要在澳門而非其各自之註冊成立/成立地點營運之公司。</i>		
@	<i>Golden New Times 28 Club and Golden New Times Club are registered in Macau as business enterprises under the control of and were operated by New Times Entertainment Limited.</i>		@	<i>黃金新時代28貴賓會及黃金新時代貴賓會均於澳門登記為商業企業，並由新時代娛樂有限公司控制及經營。</i>		

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

41 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following tables present details of financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements.

41 抵銷金融資產與金融負債

下表呈列可予抵銷之金融工具、可強制執行之總淨額結算安排及類似協議之詳情。

		Financial assets subject to offsetting 可予抵銷之金融資產					Related amounts not offset in the consolidated statement of financial position 概無於綜合財務狀況表抵銷之相關金額	
		Gross amount of recognised financial liabilities offset in the consolidated statement of financial position	Net amount of financial assets presented in the consolidated statement of financial position	Financial instruments other than cash collateral	Cash collateral received	Net amount		
		Gross amount of recognised financial assets	Net amount of financial position	Financial instruments other than cash collateral	Cash collateral received	Net amount		
		於綜合財務狀況表已確認金融資產總值	於綜合財務狀況表呈列之金融資產淨值	現金抵押品以外之金融工具	已收現金抵押品	淨額		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
		千港元	千港元	千港元	千港元	千港元		
At 31 March 2017	於二零一七年三月三十一日							
Type of financial assets	金融資產類別							
Trade receivable from HKSCC	來自香港結算之貿易應收賬款	138,677	(138,677)	-	-	-	-	
At 31 March 2016	於二零一六年三月三十一日							
Type of financial assets	金融資產類別							
Trade receivable from HKSCC	來自香港結算之貿易應收賬款	140,714	(130,970)	9,744	-	-	9,744	

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

41 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

41 抵銷金融資產與金融負債(續)

		Financial liabilities subject to offsetting					Net amount
		Gross amount of recognised financial assets offset in the consolidated statement of financial position		Net amount of financial liabilities presented in the consolidated statement of financial position		Related amounts not offset in the consolidated statement of financial position	
		Gross amount of recognised financial liabilities	Gross amount of recognised financial assets offset in the consolidated statement of financial position	Net amount of financial liabilities presented in the consolidated statement of financial position	Financial instruments other than cash collateral	Cash collateral received	
		於綜合財務狀況表已確認金融負債總值	於綜合財務狀況表抵銷之已確認金融資產總額	於綜合財務狀況表呈列之金融負債淨額	現金抵押品以外之金融工具	已收現金抵押品	淨額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 31 March 2017	於二零一七年三月三十一日						
Type of financial liabilities	金融負債類別						
Trade payable from HKSCC	來自香港結算之貿易應付賬款	147,591	(138,677)	8,914	-	-	8,914
At 31 March 2016	於二零一六年三月三十一日						
Type of financial liabilities	金融負債類別						
Trade payable from HKSCC	來自香港結算之貿易應付賬款	130,970	(130,970)	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

41 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The tables below reconcile the amounts of trade and other receivables and trade and other payables as presented in the statement of financial position:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade and other receivables 貿易及其他應收賬款			
Net amount of trade receivables from HKSCC	來自香港結算之貿易應收賬款淨額	—	9,744
Trade and other receivables not in the scope of offsetting disclosure	不在抵銷披露範圍之貿易及其他應收賬款	151,920	188,601
Trade and other receivables as disclosed in the consolidated statement of financial position	綜合財務狀況表所披露之貿易及其他應收賬款	151,920	198,345

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade and other payables 貿易及其他應付賬款			
Net amount of trade payable from HKSCC	來自香港結算之貿易應付賬款淨額	8,914	—
Trade and other payable not in the scope of offsetting disclosure	不在抵銷披露範圍之貿易及其他應付賬款	2,607,547	1,752,015
Trade and other payable as disclosed in the consolidated statement of financial position	綜合財務狀況表所披露之貿易及其他應付賬款	2,616,461	1,752,015

41 抵銷金融資產與金融負債(續)

下表為於財務狀況表所呈列貿易及其他應收賬款與貿易及其他應付賬款之對銷：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT

(a) Categories of financial instruments

The carrying amounts of each of the categories of the Group financial assets and liabilities as at the reporting date are as follows:

42 財務風險管理

(a) 金融工具類別

於報告日期，本集團各類金融資產及負債之賬面值如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale investments	可供出售投資	548	440
At fair value through profit or loss	按公平值計入損益		
— Held-for-trading investments	— 持作買賣投資	134,955	114,921
Loans and receivables	貸款及應收賬款		
— Advances to customers in margin financing	— 向客戶墊付保證金融資	19,468,948	18,443,165
— Financial assets included in trade and other receivables	— 計入貿易及其他應收賬款之金融資產	118,682	173,797
— Cash and cash equivalents	— 現金及現金等值項目	2,715,121	1,738,832
		22,302,751	20,355,794
		22,438,254	20,471,155
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債		
— Financial liabilities included in trade and other payables	— 計入貿易及其他應付賬款之金融負債	2,563,088	1,707,029
— Amounts due to shareholders	— 應付股東款項	2,311,911	2,321,911
— Loan from a related company	— 來自一家關連公司貸款	7,948,861	7,179,238
— Subordinated loans	— 後償貸款	700,000	700,000
— Bank loans	— 銀行貸款	3,235,834	3,936,000
		16,759,694	15,844,178

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

i. Market risk

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi ("RMB"), United States Dollars ("USD"), and Singapore Dollars ("SGD"). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The carrying amounts of the Group's foreign currency denominated financial assets and liabilities at the reporting date are as follows:

		Liabilities 負債		Assets 資產	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
USD	美元	77,726	774	78,420	3,596
RMB	人民幣	2,888	1,201	5,351	4,390
SGD	新加坡元	380	89,346	983	89,739

The Group currently does not have a foreign currency hedging policy. However, the management monitors the foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group does not expect any significant movements in the exchange rate of USD to HKD and the net effect of SGD is low. The Group is mainly exposed to the effects of fluctuation in RMB.

42 財務風險管理(續)

(b) 財務風險管理目標及政策

本集團之業務承受多項財務風險：市場風險(包括匯兌風險、利率風險及價格風險)、信貸風險及流動資金風險。

i. 市場風險

匯兌風險

本集團承受多種因不同貨幣而產生之匯兌風險，主要涉及人民幣(「人民幣」)、美元(「美元」)及新加坡元(「新加坡元」)。匯兌風險來自未來商業交易及已確認資產與負債。

於報告日期，本集團以外幣計值之金融資產及負債之賬面值如下：

本集團目前並無外幣對沖政策。然而，管理層會監察匯兌風險，並於有需要時考慮對沖重大匯兌風險。

本集團預期美元兌港元之匯率將無任何重大波動，而新加坡元之淨影響輕微。本集團現時主要承受人民幣波動之影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies (continued)

(i) Market risk (continued)

Foreign exchange risk (continued)

The following table indicates the approximately change in the group's profit and loss for the year in response to reasonably possible changes in the foreign exchange rates to which the group has significant exposure at the reporting date.

		2017 二零一七年		2016 二零一六年	
		Increase/ (Decrease) in foreign exchange rates	Increase/ (Decrease) in profit after tax for the year 年內除稅後 溢利增加/ (減少)	Increase/ (Decrease) in foreign exchange rates	Increase/ (Decrease) in profit after tax for the year 年內除稅後 溢利增加/ (減少)
		%	HK\$'000 千港元	%	HK\$'000 千港元
Renminbi	人民幣	3%	74	3%	96
		-3%	(74)	-3%	(96)

It is assumed that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to the Group's exposure to foreign exchange risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. It is also assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. The analysis is performed on the same basis for 31 March 2016.

42 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

(i) 市場風險(續)

匯兌風險(續)

下表列載本年度本集團之溢利及虧損因匯率合理可能變動(本集團於報告日期承受重大風險)而產生之概約變動。

已假設匯率變動於報告期末發生，並已應用於本集團於該日持有之金融工具所面對匯兌風險，且所有其他變數(特別是利率)維持不變。同時亦假設港元兌美元之聯繫匯率大致不會受到美元兌其他貨幣之任何價值變動影響。二零一六年三月三十一日之分析乃採用相同基準進行。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies (continued)

(i) Market risk (continued)

Interest rate risk

The Group's exposure to interest rate risk arises primarily from its borrowings, bank deposits and loan receivables. Borrowings and bank deposits at variable rates and loan receivables at fixed rates expose the group to cash flow interest rate risk and fair value interest rate risk respectively.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk. The management monitors the Group's exposure on ongoing basis.

At 31 March 2017, it is estimated that a general increase/decrease of 100 basis points (2016: 100 basis points) in interest rates, with all other variables held constant, would increase/decrease the Group's profit after tax and retained earnings by approximately HK\$158,289,000 (2016: HK\$131,024,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the company's exposure to interest rate risk for financial instruments in existence at that date. The analysis is performed on the same basis for 31 March 2016.

Price risk

The Group is exposed to price risks arising from equity investments held for trading purpose (note 24) and available-for-sale investment (note 23) whose returns are linked to a portfolio of securities listed in Hong Kong and other major stock market in the portfolio.

42 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

(i) 市場風險(續)

利率風險

本集團之利率風險主要由其借貸、銀行存款及應收貸款產生。浮息借款及銀行存款以及定息應收貸款令本集團分別承受現金流量利率風險及公平值利率風險。

本集團並無採用利率掉期對沖其面對之利率風險。管理層持續監察本集團承受之風險。

於二零一七年三月三十一日，如利率整體上調/下調100基點(二零一六年：100基點)，而所有其他變數維持不變，將令本集團之除稅後溢利及保留盈利增加/減少約158,289,000港元(二零一六年：131,024,000港元)。

上述敏感度分析假設利率變動於報告期末發生，並已應用於本公司於該日持有之金融工具所面對利率風險。二零一六年三月三十一日之分析乃採用相同基準進行。

價格風險

本集團承受之價格風險來自持作買賣用途之股本投資(附註24)及投資組合中之可供出售投資(其回報與於香港及其他主要股票市場上市之證券投資組合掛鈎)(附註23)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies (continued)

(i) Market risk (continued)

Price risk (continued)

The Group's listed investments are listed on the Stock Exchange of Hong Kong. Decisions to buy or sell held for trading investments are based on daily monitoring of the performance of individual securities, as well as the Group's liquidity needs. Management manages this exposure by maintaining a portfolio of investments with different risk profiles. The available-for-sale investment has been chosen based on their good value and growth prospects and are monitored regularly for performance against expectations.

The following table demonstrates the sensitivity to every 14% (2016: 26%) change in the equity prices with all other variables held constant and based on their carrying amounts at the end of the reporting period. For the available-for-sale investment, the impact is deemed to be on the investment revaluation reserve and no account is given for factors such as impairment, which might have impact on the statement of profit or loss and other comprehensive income.

42 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

(i) 市場風險(續)

價格風險(續)

本集團之上市投資於香港聯交所上市。買入或沽出持作買賣投資之決定乃根據每日監察個別證券表現以及本集團流動資金需要而作出。管理層維持投資組合帶有不同風險程度之投資，以管理有關風險。本集團根據投資是否物有所值及其增長前景挑選可供出售投資，並定期監察表現是否達到預期。

下表說明在所有其他變數維持不變之情況下，根據股份於報告期末之賬面值計算，股價變動14% (二零一六年：26%)之敏感度。就可供出售投資而言，有關變動被視為將對投資重估儲備構成影響，而並無考慮其他如減值等可能影響損益及其他全面收益表之因素。

		Increase/ decrease in net profit/loss and retained earnings 純利/虧損 淨額及保留盈利 增加/減少 HK\$'000 千港元	Increase/ decrease in other equity reserves 其他股本儲備 增加/減少 HK\$'000 千港元
2017	二零一七年		
Held for trading investments	持作買賣投資	14%	13,184
Available-for-sale investment	可供出售投資	14%	-
2016	二零一六年		
Held for trading investments	持作買賣投資	26%	29,879
Available-for-sale investment	可供出售投資	26%	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT *(continued)*

(b) Financial risk management objectives and policies *(continued)*

(ii) Credit risk

The extent of the Group's credit exposure is represented by the aggregate balance of cash at bank, advances to customers in margin financing and trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Before granting loans and margin financing to outsiders, the Group uses an internal credit assessment process to assess the potential borrower's credit quality and defines credit limits by borrower. Limits attributed to borrowers are reviewed by the management regularly. The Group obtains collateral from borrower to minimise the credit risk in respect of the loan receivables.

In respect of trade and other receivables, the management of the Group has delegated a team responsible for determination of credit limits, credit approval and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Trade receivables from hotel and gaming segments are due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

In order to minimise the credit risk in respect of the trade and other receivables and margin financing, the Group reviews the recoverable amount at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

42 財務風險管理 *(續)*

(b) 財務風險管理目標及政策 *(續)*

(ii) 信貸風險

本集團承受之信貸風險指銀行現金、向客戶墊付保證金融資以及貿易及其他應收賬款之總結餘。管理層已實施信貸政策，持續監控有關信貸風險。

在批出貸款及保證金融資予外界人士之前，本集團以一套內部信貸評估程序評估每名潛在借款人之信貸質素及為每名借款人設定信貸限額。借款人之信貸限額乃由管理層定期檢討。本集團就該等應收貸款向借款人收取抵押品以盡量減低信貸風險。

就貿易及其他應收賬款而言，本集團管理層已委任一組隊伍，負責釐定信貸限額、審批信貸以及實行其他監控程序，確保已就收回逾期債項採取跟進行動。酒店及博彩分類之貿易應收賬款於發票日期起計30日內到期。一般而言，本集團不會要求客戶提供抵押品。

為盡量減低貿易及其他應收賬款以及保證金融資之信貸風險，本集團於報告期末檢討可收回金額，確保已就不可收回金額作出足夠撥備。就此方面，本集團董事認為本集團之信貸風險已大大減少。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT *(continued)*

(b) Financial risk management objectives and policies *(continued)*

(ii) Credit risk *(continued)*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. At the end of 31 March 2017, there is no concentration of credit risk with respect to the receivables, as no one customer is responsible for more than 10% of the Group's trade receivables and margin financing. This was also the case as at 31 March 2016.

Further quantitative disclosures in respect of the company's exposure to credit risk arising from advances to customers in margin financing and trade and other receivables are set out in notes 25 and 26, respectively.

(iii) Liquidity risk

A number of the Group's activities are subject to various statutory liquidity requirements as prescribed by the Securities and Futures Commission in accordance with the Hong Kong Securities and Futures Ordinance (the "HKSF"). The Group is closely monitored to the liquidity gap to ensure that it maintains adequate liquid capital to fund its business commitments and to comply with the relevant Financial Resources Rules under the HKSF. As part of the measures to safeguard liquidity, the Group has maintained a balance between continuity of funding and flexibility through the uses of the shareholders' loan, subordinated loan and banking facilities in order to meet its liquidity requirements in the short and long terms.

42 財務風險管理 *(續)*

(b) 財務風險管理目標及政策 *(續)*

(ii) 信貸風險 *(續)*

本集團面對之信貸風險主要受各客戶個別特質所影響。於二零一七年三月三十一日期終時，應收賬款並無集中信貸風險，此乃由於概無單一客戶佔本集團貿易應收賬款及保證金融資之比例超過10%。於二零一六年三月三十一日情況亦相同。

就本公司所面對向客戶墊付保證金融資以及貿易及其他應收賬款產生之信貸風險披露之進一步量化資料分別載於附註25及26。

(iii) 流動資金風險

本集團之若干活動受限於證券及期貨事務監察委員會根據香港證券及期貨條例(「香港證券及期貨條例」)所列各項法定流動資金規定。本集團密切監察其流動資金差距，以確保維持充裕之流動資金，以為其業務所需提供資金，以及遵守香港證券及期貨條例有關之財務資源規則。作為保障流動資金措施之一部分，本集團一直維持資金持續性及靈活性之間平衡，並透過利用股東貸款、後償貸款及銀行融資，以應付其短期及長期流動資金需要。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management objectives and policies (continued)

(iii) Liquidity risk (continued)

The following table details the remaining contractual maturities at the end of the reporting period of the Group and Company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates current at the end of the reporting period) and the earliest date the company can be required to pay:

	2017				2016				
	二零一七年				二零一六年				
	Carrying amount	Total contractual undiscounted cash flow		Over one year	Carrying amount	Total contractual undiscounted cash flow		Over one year	
		on demand	one year or more			on demand	one year or more		
賬面值	合約未貼現現金流量總額	一年內或應要求	超過一年	賬面值	合約未貼現現金流量總額	一年內或應要求	超過一年		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
Trade and other payables	貿易及其他應付賬款	2,563,088	2,563,088	2,563,088	-	1,707,029	1,707,029	1,707,029	-
Amounts due to shareholders	應付股東款項	2,311,911	2,335,468	2,335,468	-	2,321,911	2,345,768	2,345,768	-
Loan from a related company	來自一家關連公司貸款	7,948,861	8,107,838	8,107,838	-	7,179,238	7,322,823	7,322,823	-
Subordinated loans	後償貸款	700,000	721,750	721,750	-	700,000	721,750	721,750	-
Bank loans	銀行貸款	3,235,834	3,286,614	2,030,822	1,255,792	3,936,000	3,992,346	2,641,440	1,350,906
		16,759,694	17,014,758	15,758,966	1,255,792	15,844,178	16,089,716	14,738,810	1,350,906

42 財務風險管理(續)

(b) 財務風險管理目標及政策(續)

(iii) 流動資金風險(續)

下表詳列本集團及本公司非衍生金融負債於報告期末之剩餘合約屆滿期，乃根據合約未貼現現金流量，包括採用合約利率計算（或倘為浮息，則根據報告期末當日利率計算）之利息付款，以及本公司可被要求付款之最早日期釐定：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT *(continued)*

(c) Fair value estimation

The fair values of financial assets and financial liabilities are determined as follows:

- the fair values of held-for-trading investments with standard terms and conditions and traded on active liquid markets are determined with reference of quoted market prices;
- the fair value of available-for-sale financial asset is based on net asset value of the investment fund at the end of the reporting period;
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

(d) Fair value hierarchy of financial instruments

HKFRS 7 requires disclosure of financial instruments that are measured at fair value by level of the following fair value measurement hierarchy:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 — inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

42 財務風險管理 *(續)*

(c) 公平值估計

金融資產及金融負債之公平值乃按下列各項釐定：

- 附有標準條款及條件並於活躍流動市場買賣之持作買賣投資之公平值乃參考所報之市價釐定；
- 可供出售金融資產之公平值乃根據於報告期末之投資基金資產淨值釐定；
- 其他金融資產及金融負債之公平值乃按公認定價模式，以使用可觀察之現時市場交易價格或比率之貼現現金流量分析為基準釐定。

(d) 金融工具公平值級別

香港財務報告準則第7號規定，以公平值計算之金融工具須按下列公平值計量級別作出披露：

- 第一級別 — 相同資產或負債於活躍市場之報價(未經調整)。
- 第二級別 — 資產或負債有不屬於第一級別報價但可以觀察得到之輸入資料，不論是直接(即價格)或間接(即從價格中衍生)觀察得到。
- 第三級別 — 計量資產或負債之輸入資料並非建基於可觀察得到之市場數據(即無法觀察得到之輸入資料)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

42 FINANCIAL RISK MANAGEMENT (continued)

(d) Fair value hierarchy of financial instruments

(continued)

The following table presents the financial instruments that are measured at fair value as at 31 March 2017 and 2016.

At 31 March 2017

		Level 1 第一級別 HK\$'000 千港元	Level 2 第二級別 HK\$'000 千港元	Level 3 第三級別 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Held-for-trading investments	持作買賣投資	134,955	–	–	134,955
Available-for-sale investments	可供出售投資	–	548	–	548
		134,955	548	–	135,503

At 31 March 2016

		Level 1 第一級別 HK\$'000 千港元	Level 2 第二級別 HK\$'000 千港元	Level 3 第三級別 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Held-for-trading investments	持作買賣投資	114,921	–	–	114,921
Available-for-sale investments	可供出售投資	–	440	–	440
		114,921	440	–	115,361

During the year, there are no significant transfers between Level 1 and Level 2.

42 財務風險管理(續)

(d) 金融工具公平值等級(續)

下表列出於二零一七年及二零一六年三月三十一日以公平值計量之金融工具。

於二零一七年三月三十一日

於二零一六年三月三十一日

年內，第一級別與第二級別之間並無重大調撥。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

43 OPERATING LEASE COMMITMENT

- (a) The Group leases its land and buildings under operating lease arrangements, and the terms of the leases range from one to ten years and the leases are repayable in fixed monthly installments. The lease agreements are renewable at the end of the respective lease terms. There is no arrangement for contingent rent payments.

At 31 March 2017, the Group had total future minimum lease receivable under non-cancellable operating leases which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	38,107	10,269
After one year but within five years	一年後但五年內	21,982	37,640
After five years	五年後	-	21,982
		60,089	69,891

- (b) The Group entered into non-cancellable operating lease arrangements with landlords and the terms of the leases range from one to three years.

The lease payments recognised as expenses are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Minimum lease payments	最低租賃款項	30,490	30,411

43 經營租賃承擔

- (a) 本集團根據經營租賃安排租賃其土地及樓宇，租賃期介乎一年至十年不等，租金每月定額分期支付。租賃協議可於各自租賃期屆滿時重續。本集團並無就或然租金付款作出安排。

於二零一七年三月三十一日，本集團於不可撤回經營租賃項下之日後應收最低租金總額於下列期間到期：

- (b) 本集團與業主已訂立不可撤回經營租賃安排，租賃期介乎一年至三年不等。

確認為開支之租賃款項如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

43 OPERATING LEASE COMMITMENT (continued)

(b) (continued)

At 31 March 2017, the Group had total future minimum lease rent payables under non-cancellable operating leases falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	27,082	30,785
After one year but within five years	一年後但五年內	140	26,647
		27,222	57,432

44 COMMITMENTS AND CONTINGENT LIABILITIES

43 經營租賃承擔(續)

(b) (續)

於二零一七年三月三十一日，本集團於不可撤回經營租賃項下之日後應付最低租金總額於下列期間到期：

44 承擔及或然負債

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Expenditure contracted but not provided for in respect of:	就下列項目已訂約但未撥備之支出		
— Property, plant and equipment	— 物業、廠房及設備	1,335	2,450

The Group's wholly owned subsidiary Good Start Group Limited received tax notices issued by Macau Financial Services Bureau dated 29 April 2014 and 18 May 2016 assessing its Macau Complementary Tax payable for the years of assessment 2009 and 2010 and years of assessment 2011 and 2012 respectively. The tax amounts per tax notices for aforementioned years of assessment were approximately HK\$15,000,000, HK\$20,000,000, HK\$24,400,000 and HK\$25,400,000 respectively.

本集團之全資附屬公司 Good Start Group Limited 收到澳門財政局所發出日期為二零一四年四月二十九日及二零一六年五月十八日之評稅通知書，評定其於二零零九年及二零一零年課稅年度及二零一一年及二零一二年課稅年度之應付澳門所得補充稅。按照評稅通知書，上述課稅年度之稅項分別約為 15,000,000 港元、20,000,000 港元、24,400,000 港元及 25,400,000 港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

44 COMMITMENTS AND CONTINGENT LIABILITIES *(continued)*

The Group's another wholly owned subsidiary Target All Investments Limited received tax notices issued by Macau Financial Services Bureau dated 26 August 2015 and 24 October 2016 assessing its Macau Complementary Tax payable for the years of assessment 2011 and 2012 and years of assessment 2013 and 2014 respectively. The tax amounts per tax notices for aforementioned years of assessment were approximately HK\$1,300,000, HK\$1,000,000, HK\$3,800,000 and HK\$6,300,000. The Group lodged objection to appeal against the aforesaid notices according to stipulated appeal procedures. The Review Committee of Macau Financial Services Bureau (the "Committee") issued their decisions to reject all appeals by the Group in relation to the aforesaid Macau Complementary Tax payable.

After receiving the final decision of the Committee on their rejection of the Group's appeal, the Group made the tax payment according to stipulated regulation requirement before making further appeal via court. In regard to each of the Committee's rejection of the Group's appeal, the Group separately submitted initial petitions to the court on 9 December 2014 and 24 October 2016 for Good Start Group Limited while submitted initial petitions to the court on 10 March 2016 and 17 February 2017 for Target All Investments Limited. As advised by local tax consultant and lawyer, the directors considered that the Group has valid grounds for the appeal and they believed that the gaming revenue generated through Good Start Limited and Target All Investments Limited's Service Agreement with SJM is not subject to Macau Complementary Tax since it is derived from SJM gaming revenue, which gaming revenue is exempted pursuant to Macau Law. Accordingly, no provision of taxation is considered given the chances for the chargeability is not probable.

44 承擔及或然負債(續)

本集團另一家全資附屬公司普中投資有限公司收到澳門財政局所發出日期為二零一五年八月二十六日及二零一六年十月二十四日之評稅通知書，評定其於二零一一年及二零一二年之課稅年度及二零一三年及二零一四年之課稅年度應付澳門所得補充稅。上述課稅年度每份評稅通知書之稅項分別約為1,300,000港元、1,000,000港元、3,800,000港元及6,300,000港元。本集團按既定上訴程序提出反對，就上述通知書作出上訴。澳門財政局審查委員會(「委員會」)作出裁決駁回本集團有關上述應付澳門所得補充稅之所有上訴。

收到委員會駁回本集團上訴之最終裁決後，本集團按既定法例規定在繳付稅款後始再向法院提出上訴。就委員會駁回本集團各宗上訴，本集團分別於二零一四年十二月九日及二零一六年十月二十四日就Good Start Group Limited入稟法院提出初步呈請以及於二零一六年三月十日及二零一七年二月十七日就普中投資有限公司入稟法院提出初步呈請。誠如當地稅務顧問及律師建議，董事認為本集團有充分上訴理據，而彼等相信，透過Good Start Limited及普中投資有限公司與澳博所訂立服務協議產生之博彩收益毋須繳納澳門所得補充稅，原因為有關收益來自澳博之博彩收益，而澳博之博彩收益已根據澳門法例獲得豁免。鑒於應課稅可能性不大，故不考慮作出稅項撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

44 COMMITMENTS AND CONTINGENT LIABILITIES *(continued)*

If the Group's appeal for the years of assessment 2009, 2010, 2011, and 2012 of Good Start Group Limited, and years of assessment 2011, 2012, 2013, and 2014 of Target All Investments Limited is eventually unsuccessful and if the same basis of taxation is applied to all years of assessment from 2011 to 2017, the tax recoverable amount of HK\$97,200,000 will be offset against the tax obligation and the Group will additionally need to pay approximately HK\$96,000,000 of Macau Complementary Tax for its mass market business in Macau. Pursuant to the Macau Complementary Tax law, the assessment on an estimated assessable profit in a year of assessment will lapse in five consecutive years after that year of assessment, thus no tax liability was expected for the year of assessment before 2009.

45 UNDERWRITING AND SUB-UNDERWRITING COMMITMENTS

The Group guarantees to purchase the securities in underwriting amounted to HK\$616,976,000 (2016: HK\$1,433,968,000) being offered by sales of securities, at an agreed-upon price between the Group and issuer of securities, regardless of whether or not the securities can be sold to investors in the futures. In the opinion of the directors of the Group, the fair values of the underwriting and sub-underwriting arrangements are insignificant to the Group.

44 承擔及或然負債(續)

倘本集團就 Good Start Group Limited 於二零零九年、二零一零年、二零一一年及二零一二年課稅年度提出之上訴以及就普中投資有限公司於二零一一年、二零一二年、二零一三年及二零一四年課稅年度提出之上訴最終未能成功，而相同課稅基準適用於二零一一年至二零一七年所有課稅年度，則可收回稅項 97,200,000 港元將用以抵銷稅務責任，且本集團將須額外就其澳門中場業務繳納澳門所得補充稅約 96,000,000 港元。根據澳門所得補充稅法，課稅年度之估計應課稅溢利之評稅將於該課稅年度起計連續五年後失效，故預期二零零九年前之課稅年度並無任何稅務負債。

45 包銷及分包銷承擔

本集團保證購買包銷中為數 616,976,000 港元(二零一六年：1,433,968,000 港元)之證券，其為證券銷售中提呈發售之證券，價格由本集團與證券發行人協定，而不論證券日後能否銷售予投資者。本集團董事認為，包銷及分包銷安排之公平值對本集團而言並不重大。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

46 MATERIAL RELATED PARTY AND CONNECTED TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party and connected transactions.

(a) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in note 16 as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	101,985	82,078
Retirement scheme contribution	退休計劃供款	104	96
		102,089	82,174

Total remuneration is included in "Staff costs" (note 9).

46 重大關連方及關連交易

除此等財務報表其他部分披露之交易及結餘外，本集團已進行下列重大關連方及關連交易。

(a) 主要管理人員酬金

主要管理人員酬金，包括向本公司董事支付之款項（於附註16披露）如下：

酬金總額計入「員工成本」(附註9)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

46 MATERIAL RELATED PARTY AND CONNECTED TRANSACTIONS *(continued)*

(b) During the year ended 31 March 2017, the Group entered into the following material related party transactions (“RPT”) which are also connected transactions (“CT”)/continuing connected transactions (“CCT”) under the Listing Rules.

46 重大關連方及關連交易 (續)

(b) 截至二零一七年三月三十一日止年度內，本集團曾進行下列重大關連方交易(「關連方交易」)，該等交易亦為上市規則項下之關連交易(「關連交易」)/持續關連交易(「持續關連交易」)。

Name of related party 關連方名稱	Nature of transaction 交易性質	Transaction type under Listing Rules 上市規則項下 之交易種類	2017	2016
			二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Chu and Li's Family 朱氏及李氏家族	Brokerage income 經紀收入	CCT 持續關連交易	495	3,575
	Maximum amount of IPO financing 最高首次公開發售融資額	CCT 持續關連交易	—	—
	Maximum amount of margin financing 最高保證金融資額	CCT 持續關連交易	240,266	226,666
	Interest income 利息收入	CCT 持續關連交易	3,211	360
Ho Chi Ho 何志豪先生	Brokerage income 經紀收入	CCT 持續關連交易	—	—
	Maximum amount of IPO financing 最高首次公開發售融資額	CCT 持續關連交易	—	5,010
	Maximum amount of margin financing 最高保證金融資額	CCT 持續關連交易	—	2,582
	Interest income 利息收入	CCT 持續關連交易	—	5
Directors of subsidiaries and associates 附屬公司董事及其聯繫人士	Brokerage income 經紀收入	CT 關連交易	55	635
Kingston Finance Limited (note 2) 金利豐財務有限公司 (附註 2)	Interest expense 利息開支	CT 關連交易	156,265	113,149
	Management fee income (note 1) 管理費收入(附註 1)	CT 關連交易	600	600

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

46 MATERIAL RELATED PARTY AND CONNECTED TRANSACTIONS (continued)

(b) (continued)

Name of related party 關連方名稱	Nature of transaction 交易性質	Transaction type under Listing Rules 上市規則項下 之交易種類	2017	2016
			二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Sincere Watch (Hong Kong) Limited (note 3)	Management fee income (note 1) 管理費收入(附註1)	CT/RPT 關連交易/關連方交易	240	240
Sincere Watch (Hong Kong) Limited (附註3)	Placing commission and financial services incomes 配售佣金及金融服務收入	CT/RPT 關連交易/關連方交易	3,327	-
	Underwriting commission and financial advisory income 包銷佣金及財務顧問收入	CT/RPT 關連交易/關連方交易	-	8,969
Mr. Lee Wai Man (note 4) 李惠文先生(附註4)	Consultancy fee (note 1) 顧問費用(附註1)	CT 關連交易	1,000	1,000
Mrs. Chu Yuet Wah 李月華女士	Staff quarter rental expenses 員工宿舍租金開支	CT 關連交易	954	894
REF Holdings Limited (Note 5) 緯豐控股有限公司(附註5)	Management fee income 管理費收入	CT 關連交易	-	480
	Underwriting commission 包銷佣金	CT 關連交易	-	465
	Selling concession 銷售特許佣金	CT 關連交易	-	240
REF Financial Press Limited (Note 5) 緯豐財經印刷有限公司 (附註5)	Financial printing service charge 財經印刷服務費用	CT 關連交易	346	391

For the continuing connected transactions above, the independent non-executive directors have reviewed and confirm that the continuing connected transactions are in the ordinary and usual course of business, on normal commercial terms and in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

46 重大關連方及關連交易(續)

(b) (續)

獨立非執行董事已檢討以上持續關連交易，並確認持續關連交易乃於日常及一般業務過程中、按正常商業條款、並根據監管該等交易之相關協議之公平合理條款進行，且符合本公司股東整體利益。

本公司確認已根據上市規則第14A章遵守披露規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

46 MATERIAL RELATED PARTY AND CONNECTED TRANSACTIONS *(continued)*

(b) *(continued)*

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in page 193 to 194 of the Annual Report in accordance with Main Board Listing Rule 14A.56. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

Notes:

1. *This transaction was transacted at a price agreed between the parties and in accordance with the agreement.*
2. *Mrs. Chu Yuet Wah had controlling interest in the company.*
3. *Mrs. Chu Yuet Wah ceased to be the controlling shareholder of Sincere Watch (Hong Kong) Limited on 7 September 2015. Transactions entered during the year represented related party transactions only.*
4. *Mr. Lee Wai Man is the father of Mrs. Chu Yuet Wah.*
5. *Mr. Lau Man Tak is a controlling shareholder of REF Holdings Limited. REF Financial Press Limited is an indirectly wholly owned subsidiary of REF Holdings Limited.*

46 重大關連方及關連交易 *(續)*

(b) *(續)*

本公司核數師已獲委聘遵照香港會計師公會頒佈之香港鑒證業務準則第3000號(修訂)「非審核或審閱過往財務資料的鑒證工作」，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團之持續關連交易作出報告。核數師已根據主板上市規則第14A.56條就年報第193至194頁所披露之本集團持續關連交易發出無保留意見函件，當中載列其調查結果及結論。本公司已向香港聯合交易所有限公司呈交核數師函件副本。

附註：

1. 此項交易乃按訂約各方協定之價格及根據有關協議進行。
2. 李月華女士擁有該公司之控股權益。
3. 於二零一五年九月七日，李月華女士不再為Sincere Watch (Hong Kong) Limited之控股股東。於本年度內進行之交易僅為關連方交易。
4. 李惠文先生為李月華女士之父親。
5. 劉文德先生為緯豐控股有限公司之控股股東。緯豐財經印刷有限公司為緯豐控股有限公司之間接全資附屬公司。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

47 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 29 June 2017.

47 批准財務報表

財務報表已於二零一七年六月二十九日獲董事局批准及授權刊發。

金利豐金融集團有限公司
KINGSTON FINANCIAL GROUP LIMITED

香港中環港景街一號國際金融中心一期28樓2801室
Suite 2801, 28th Floor, One International Finance Centre
1 Harbour View Street, Central, Hong Kong
電話 Tel : (852) 2298 6200 傳真 Fax : (852) 2552 6666
網址 Website : www.kingston.com.hk