



中持基業控股有限公司 Kate China Holdings Limited

(Incorporated in Hong Kong with limited liability)
(於香港註冊成立之有限公司)
(Stock Code 股份代號 : 8125)

Annual Report 年報

2015/16

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BOARD OF DIRECTORS

Executive Directors

Mr. Chan Chi Yuen (*Chairman*)
(appointed on 27/10/2015 and designated
as Chairman on 17/11/2015)
Mr. Tsang Kei Cheong (*Chief Executive Officer*)
(designated as Chief Executive Officer on 28/4/2016)

Mr. Liu Rongsheng (appointed on 27/10/2015)
Mr. Fok Chun Kit (resigned on 28/4/2016)
Mr. Chan Tat Wah (resigned on 17/11/2015)

Non-executive Director

Mr. Yuan Guanghua
(appointed on 27/10/2015 and resigned on 23/3/2016)

Independent non-executive Directors

Mr. Chan Chiu Hung Alex (appointed on 17/9/2015)
Mr. Wu Zhao (appointed on 17/11/2015)
Mr. Lam Cheok Va
(appointed on 28/4/2016)
Mr. Lu Tak Ming (resigned on 28/4/2016)
Prof. Lai Kin Keung (resigned 17/11/2015)
Mr. Lam Yiu Kin (resigned on 17/9/2015)

COMPANY SECRETARY

Mr. Pang Pui Hung Paton (appointed on 1/2/2016)
Ms. Lam Yuen Ling Eva (resigned on 1/2/2016)

COMPLIANCE OFFICER

Mr. Chan Chi Yuen

BOARD COMMITTEE

Audit committee

Mr. Chan Chiu Hung Alex (*Chairman*)
Mr. Wu Zhao
Mr. Lam Cheok Va

Nomination committee

Mr. Wu Zhao (*Chairman*)
Mr. Chan Chiu Hung Alex
Mr. Lam Cheok Va

Remuneration committee

Mr. Lam Cheok Va (*Chairman*)
Mr. Chan Chiu Hung Alex
Mr. Wu Zhao

董事會

執行董事

陳志遠先生(*主席*)
(於二零一五年十月二十七日獲委任及
於二零一五年十一月十七日委任為主席)
曾紀昌先生(*行政總裁*)
(於二零一六年四月二十八日委任為
行政總裁)
劉榮生先生(於二零一五年十月二十七日獲委任)
霍俊傑先生(於二零一六年四月二十八日辭任)
陳達華先生(於二零一五年十一月十七日辭任)

非執行董事

袁光華先生(於二零一五年十月二十七日獲委任
及於二零一六年三月二十三日辭任)

獨立非執行董事

陳釗洪先生(於二零一五年九月十七日獲委任)
吳兆先生(於二零一五年十一月十七日獲委任)
Lam Cheok Va先生
(於二零一六年四月二十八日獲委任)
盧德明先生(於二零一六年四月二十八日辭任)
黎建強教授(於二零一五年十一月十七日辭任)
林耀堅先生(於二零一五年九月十七日辭任)

公司秘書

彭沛雄先生(於二零一六年二月一日獲委任)
林婉玲女士(於二零一六年二月一日辭任)

監察主任

陳志遠先生

董事會委員會

審核委員會

陳釗洪先生(*主席*)
吳兆先生
Lam Cheok Va先生

提名委員會

吳兆先生(*主席*)
陳釗洪先生
Lam Cheok Va先生

薪酬委員會

Lam Cheok Va先生(*主席*)
陳釗洪先生
吳兆先生

CORPORATE INFORMATION

公司資料

Compliance committee

Mr. Chan Chiu Hung Alex (*Chairman*)
Mr. Wu Zhao
Mr. Lam Cheok Va

AUTHORISED REPRESENTATIVES

Mr. Chan Chi Yuen
Mr. Pang Pui Hung Paton

AUDITOR

SHINewing (HK) CPA Limited
Certified Public Accountants

COMPLIANCE ADVISER

Altus Capital Limited

HEADQUARTER, REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 2201, 22/F
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

PRINCIPAL BANKERS

OCBC Wing Hang Bank
Hang Seng Bank
DBS Bank
Shanghai Commercial Bank

SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F., Two Chinachem Exchange Square,
338 King's Road, North Point,
Hong Kong

PRINCIPAL PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

COMPANY'S WEBSITE

www.katechina.hk

STOCK CODE

8125

合規委員會

陳釗洪先生(主席)
吳兆先生
Lam Cheok Va先生

授權代表

陳志遠先生
彭沛雄先生

核數師

信永中和(香港)會計師事務所有限公司
執業會計師

合規顧問

浩德融資有限公司

總部、註冊辦事處及 主要營業地點

香港灣仔港灣道26號
華潤大廈22樓
2201室

主要往來銀行

華僑永亨銀行
恆生銀行
星展銀行
上海商業銀行

股份過戶登記處

聯合證券登記有限公司
香港北角英皇道338號
華懋交易廣場2期33樓
3301-04室

主要上市地點

香港聯合交易所有限公司

公司網址

www.katechina.hk

股份代號

8125

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Director(s)") of Kate China Holdings Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2016.

OVERVIEW

The year was a challenging year for the Group. The global economic environment continued to slow down which hampered the growth of emerging market economies as well as Hong Kong and the South East Asia. In addition, the competition from other contractors was keen to the Group.

During the year, the Group recorded a turnover of approximately HK\$101.0 million, representing a down-turn of approximately 29.2% as compared with the turnover for the year ended 31 March 2015 of approximately HK\$142.6 million. The Group had a turnaround from profit to loss of approximately HK\$9.4 million or HK2.84 cents per share. The loss for the year was mainly due to the drop in the gross profit of approximately HK\$16.9 million, a loss on valuation of the investment property of approximately HK\$2.1 million and an impairment of receivables of approximately HK\$2.0 million.

FUTURE PROSPECTS

Looking forward, the Group will continue to focus on its core business and effectively utilise its available resources to further engage in its current business sector. Besides the current business, the Group will actively explore new business and investment opportunities so as to diversify the principal activities of the Group and broaden its revenue base. The Group is currently in the process of applying a money lender licence which is expected to be completed in the next few months. Subject to the granting of the licence and the availability of funding from the proposed placement of shares as announced on 14 June 2016, the Group will commence its money lending business so as to enlarge the Group's assets and revenue base.

APPRECIATION

On behalf of the Board, I would like to express my gratitude towards the support and advice of our shareholders and business partners, for their recognition of the Company's direction and strategies of development, as well as the devotion and enthusiasm of our staff in all scopes of tasks. They all helped us to drive the Company towards perfection. We, the Board and all the Company's staff, will continue to dedicate ourselves to refine our services to maximise the returns from shareholders.

Chan Chi Yuen

Chairman

Hong Kong, 27 June 2016

致各股東，

本人謹代表中持基業控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(統稱為「本集團」)截至二零一六年三月三十一日止年度之全年業績。

概覽

過去的一年對本集團是充滿挑戰的一年。全球經濟持續放緩，令到香港和東南亞的新興市場經濟體的增長減慢。此外，承建商之間的競爭依然激烈。

於本年度，本集團錄得約101,000,000港元的營業額，相比截至二零一五年三月三十一日止年度的約142,600,000港元減少約29.2%。本集團由盈轉虧約9,400,000港元或每股虧損2.84港仙。本年度虧損主要由於毛利下跌約16,900,000港元，投資物業估值虧損約2,100,000港元，以及應收賬款減值約2,000,000港元。

未來前景

展望未來，本集團將繼續專注發展核心業務，並有效地利用現有資源經營現有業務。此外，除現有之業務外，本集團將積極發掘新業務及投資機會，以多元化本集團之主要業務及擴闊其收入基礎。本集團現正申請放債人牌照，並預期於未來數月內完成審批。倘若本集團獲發該牌照及於二零一六年六月十四日公告之建議配售股份完成所得款項，本集團將開展放債人業務以擴大本集團之資產及收益基礎。

鳴謝

本人謹代表董事會對認同本公司方針及發展戰略的股東及業務夥伴所提供之支持及建議以及我們之員工在工作各方面之貢獻及熱忱表示衷心感謝，在他們的幫助下，本公司日益成熟完善。我們、董事會及本公司全體員工將繼續全力奉獻，精益求精，為股東帶來最大回報。

陳志遠

主席

香港，二零一六年六月二十七日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Kate China Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") is principally engaged in the provision of (i) design and fitting-out services in Hong Kong and (ii) design and procurement of furnishings and materials services in Hong Kong, Singapore and Malaysia.

As at 31 March 2016, the Group has 13 projects in progress, of which 9 of them relate to design and fitting-out services and the remaining 4 relate to design and procurement of furnishings and materials services in Hong Kong.

FINANCIAL REVIEW

Revenue

The Group's revenue is mainly generated from (i) contracts to provide design and fitting-out services; and (ii) design and procurement of furnishings and materials services.

The total revenue for the year ended 31 March 2016 was approximately HK\$101.0 million (2015: HK\$142.6 million) which represents a decrease of approximately HK\$41.6 million or 29.2% as compared to the previous year. Such decrease was mainly attributable to the substantial decrease in design and procurement of furnishings and materials services which were mainly associated with decoration contracts for hotels, residential apartments and restaurants.

Breakdown of revenue by types of projects is as follows:

業務回顧

中持基業控股有限公司(統稱為「本公司」)及其附屬公司(統稱為「本集團」)之主要業務為(i)在香港提供設計及裝修服務及(ii)於香港、新加坡及馬來西亞提供設計及採購室內陳設及裝飾材料服務。

於二零一六年三月三十一日，本集團共有13個進行中之項目，其中9個為設計及裝修服務相關，餘下4個則為香港的設計及採購室內陳設及裝飾材料服務相關。

財務回顧

收益

本集團之收益主要產生自(i)提供設計及裝修服務之合同；及(ii)設計及採購室內陳設及裝飾材料服務。

截止二零一六年三月三十一日之總收益約為101,000,000港元(二零一五年：142,600,000港元)，與去年比較，減少約41,600,000港元或29.2%。此等減少主要乃由於與酒店，住宅及餐廳相關之裝修合約引申之設計及採購室內陳設及裝飾材料服務大幅減少。

收益按項目類型劃分如下：

		For the year ended 31 March	
		截至三月三十一日止年度	
		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Design and fitting-out service income	設計及裝修服務收入	97,043	98,129
Design and procurement of furnishings and decoration materials service income	設計及採購室內陳設及裝飾材料服務收入	4,005	44,427
		101,048	142,556

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Breakdown of revenue by geographical locations is as follows:

收益按地區收入分類如下：

		For the year ended 31 March 截至三月三十一日止年度	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	香港	101,048	133,075
Malaysia	馬來西亞	–	9,481
		101,048	142,556

For the year ended 31 March 2016, the Group recorded total revenue of approximately HK\$101.0 million, all of which were derived from Hong Kong.

於截至二零一六年三月三十一日止年度，本集團錄得總收益約101,000,000港元，乃悉數產生自香港。

Gross profit and loss for the year

For the year ended 31 March 2016, the Group recorded a gross profit of approximately HK\$14.7 million (2015: HK\$31.6 million) and the overall gross profit margin was approximately 14.5% (2015: 22.2%). The gross profit for design and fitting-out services derived in Hong Kong amounted to approximately HK\$11.2 million (2015: HK\$24.9 million) and for design and procurement of furnishings and materials services was approximately HK\$3.5 million (2015: HK\$2.4 million). The decrease in gross profit margin for the year ended 31 March 2016 was mainly attributable to the continuous increase in direct cost.

本年度之毛利及虧損

於截至二零一六年三月三十一日止年度，本集團錄得毛利約14,700,000港元(二零一五：31,600,000港元)，而總體毛利率則約為14.5%(二零一五：22.2%)。於香港的設計及裝修服務的毛利約11,200,000港元(二零一五：24,900,000港元)，而設計及採購室內陳設及裝飾材料服務的毛利則約為3,500,000港元(二零一五：2,400,000港元)。截至二零一六年三月三十一日止年度的毛利率下跌乃主要由於直接成本持續增加所致。

For the year ended 31 March 2016, the Group recorded a loss for the year of approximately HK\$9.4 million (2015: profit of approximately HK\$5.5 million). The loss for the year was due to a lower gross profit margin of the projects for the year of approximately HK\$16.9 million, a loss on the valuation of the investment property of approximately HK\$2.1 million and impairment of trade and other receivables of approximately HK\$2.0 million.

截至二零一六年三月三十一日止年度，本集團錄得年度虧損約9,400,000港元(二零一五年：利潤約5,500,000港元)。本年度虧損是由於本年度之項目錄得較低毛利約16,900,000港元，投資物業估值虧損約2,100,000港元，以及貿易及其他應收款減值虧損約2,000,000港元所致。

OUTLOOK

Currently, the Group's projects in progress are all in Hong Kong. The project works for the existing customer base will be completed in the next few months. Since the completed decoration works will not be recurred in a short period, new projects from the existing customers will be decreased. The Group will proactively seek for new customers and make tenders for new project works.

展望

目前，本集團進行之項目均在香港。現有客戶之工程項目將於未來數月內完成。由於剛完成裝修之項目於短期內不會重新開展，因此，現有的客戶的新項目將會減少。本集團將積極尋求新客戶及投標於新工程項目。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Looking forward, the Group will actively look for business opportunities associated with its core business so as to strengthen its revenue base and maximise the return to the shareholders and the value of the Company.

With reference to an announcement of the Company dated 17 November 2015, the Company acquired a subsidiary including a joint venture which was intended to be engaged in the business of logistics, freight forwarding, warehousing and/or related business in connection with commodities and other general trades. The subsidiary and the joint venture had carried out a feasibility study and due diligence study on an investment and/or trading opportunity. Owing to the results of the study and the current economic situation, the Board adopted a prudent approach and hold up further investment until signals from recovery of the commodity market are noticed.

Despite the uncertainties of the local economy, the Group observed that the demand for money lending business in Hong Kong continued to have a steady growth.

In order to broaden our income sources, subsequent to the end of the financial year on 31 March 2016, the Group has made an application for a money lender licence which is expected to be finalised with licence granted in the next few months. The target borrowers in relation to the Group's money lending business will be corporate and individuals with high creditworthiness. The Group will adopt a prudent management approach to minimise its credit risk exposure in cultivating this new business segment.

Besides the current business development, the Group will actively seek for business opportunities and explore new investment opportunities so as to diversify the principal activities of the Group and broaden its revenue base.

LIQUIDITY, FINANCIAL RESOURCES, CAPITAL STRUCTURE AND GEARING

During the year ended 31 March 2016, the Group financed its operations by its internal resources. As at 31 March 2016, the Group had net current assets of approximately HK\$70.7 million (2015: HK\$103.7 million), including cash and bank balances of approximately HK\$25.3 million (2015: HK\$50.0 million).

The current ratio, being the ratio of current assets to current liabilities, was approximately 2.5 times as at 31 March 2016 (2015: 2.7 times). There was no material changes in the current ratio during the year.

展望未來，本集團將積極尋求與其核心業務相關之商機，藉此加強其收入基礎，盡可能提高股東回報及本公司之價值。

根據本公司日期為二零一五年十一月十七日之公告提及，本公司收購一間附屬公司連同一合營公司計劃從事有關商品及其他一般貿易之物流、貨運、倉儲及／或相關業務。該附屬公司和該合營公司對投資及／或貿易商機進行了可行性研究和盡職調查研究。依據研究所得結果及當前的經濟形勢，董事會採用審慎態度及暫停進一步投資，直至商品市場有復甦跡象。

儘管本港經濟面臨不確定因素，本集團觀察到放債人業務需求於香港維持穩定增長。

為拓寬本集團收入來源，於財務年末二零一六年三月三十一日後，本集團已申請放債人牌照，並預期於未來數月內完成及授予牌照。本集團的放債人業務之目標借款人將為有信譽之企業或個人借款人。本集團將採取審慎政策，以減低開拓此新業務分部之信貸風險。

除現有業務發展，本集團將積極發掘新投資機會，以使本集團之主要業務更多元化及擴闊其收入基礎。

流動性、財務資源、資本結構及負債比率

於截至二零一六年三月三十一日止年度內，本集團以其內部資源為其營運提供資金。於二零一六年三月三十一日，本集團之流動資產淨額為約70,700,000港元(二零一五年：103,700,000港元)，包括約25,300,000港元現金及銀行結存(二零一五年：50,000,000港元)。

於二零一六年三月三十一日，流動比率，即流動資產與流動負債之比率，為約2.5倍(二零一五年：2.7倍)。本年內，流動比率並無重大變動。

The Group's current assets comprised mainly (i) trade and other receivables, (ii) amounts due from customers for contract work and (iii) bank balances and cash. Similarly, current liabilities comprised mainly (i) trade and other payables, (ii) amounts due to customers for contract work and (iii) income tax payable.

While the trade and other receivables increased by approximately HK\$6 million to approximately HK\$43.2 million as at 31 March 2016, amounts due from customers for contract work were decreased from approximately HK\$78.8 million as at 31 March 2015 to approximately HK\$48.5 million as at 31 March 2016. The decrease in overall trade receivable and amounts due from customers was mainly attributable to the decrease in contracts outstanding as at 31 March 2016.

The Group's borrowings comprised bank borrowings of approximately HK\$7.3 million and obligation under a finance lease of HK\$0.2 million. The Group's gearing ratio, calculated by dividing total borrowings by total equity, was 7.9% (2015: 0.3%). The increase in the gearing ratio was mainly attributable to the inception of a bank loan during the year.

The capital of the Group comprises only ordinary shares. There was no changes in the share capital of the Company during the year. Total equity attributable to owners of the Company amounted to approximately HK\$95.0 million as at 31 March 2016 (2015: HK\$104.3 million).

FOREIGN EXCHANGE EXPOSURE

Operations of the Group are mainly conducted in Hong Kong dollar ("HK\$"), Singapore dollar ("SGD") and United States dollar ("US\$") and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$, SGD and US\$.

The Group does not enter into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 March 2016.

CHARGES ON GROUP ASSETS

As at 31 March 2016, the investment property and a motor vehicle of the Group with a carrying value of approximately HK\$22.4 million and HK\$0.2 million respectively are pledged to secure facilities and borrowings granted to the Group. Details of the pledged assets are set out in notes 17 and 18 to the consolidated financial statements.

本集團之流動資產主要由(i)貿易及其他應收款項、(ii)應收客戶合約工程款項及(iii)銀行結餘及現金組成。同樣地，流動負債則由(i)貿易及其他應付款項、(ii)應付客戶合約工程款項及(iii)應付利得稅組成。

本年度貿易及其他應收款項增加約6,000,000港元至於二零一六年三月三十一日約43,200,000港元，應收客戶合約工程款項由二零一五年三月三十一日約78,800,000港元減少至二零一六年三月三十一日約48,500,000港元。貿易應收款項及應收客戶合約工程款項總體之減少主要乃由於二零一六年三月三十一日未完成之合約減少所致。

本集團之借貸主要為銀行借貸約7,300,000港元及融資租賃承擔約200,000港元。本集團之負債比率(按借貸總額除權益總額計算)為7.9%(二零一五年:0.3%)。負債比率上升主要乃年內新增銀行借款所致。

本集團之資本僅由普通股組成。本年內，本公司之股本並無變動。於二零一六年三月三十一日，本公司擁有人應佔權益總額約為95,000,000港元(二零一五年:104,300,000港元)。

外匯風險

本集團業務主要以港元(「港元」)、新加坡元(「新加坡元」)及美元(「美元」)計值，而其收入、開支、資產、負債及借貸主要以港元、新加坡元及美元為單位。

本集團並無訂立任何對沖外匯風險之工具。本集團將密切監察匯率變化，並會採取適當行動降低匯兌風險。

股息

董事會並不建議派發截至二零一六年三月三十一日止年度之任何股息。

集團資產抵押

於二零一六年三月三十一日，本集團賬面值分別約為22,400,000港元及200,000港元之投資物業及汽車已抵押以使集團取得融資及借貸。資產抵押詳情載於綜合財務報表附註17及18。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT ACQUISITION AND DISPOSAL OF ASSETS

During the year, the Group acquired an investment property at a consideration of approximately HK\$24 million.

Save as disclosed above, there has been no other significant acquisition and disposal of assets of the Group during the year.

CONTINGENT LIABILITIES

Save as disclosed in note 36 to the consolidated financial statements, the Group did not have other significant contingent liabilities as at 31 March 2016.

COMMITMENTS

Details of the commitments of the Group are set out in note 31 to the consolidated financial statements.

USE OF PROCEEDS FROM THE LISTING OF THE COMPANY ON GEM (THE "LISTING") AND THE PLACING OF NEW SHARES IN MARCH 2015

The business plan and planned use of proceeds from the Listing as disclosed in the prospectus of the Company dated 8 July 2014 (the "Prospectus") were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus, while the proceeds were applied in accordance with the recent development of the market. As described in the Prospectus, net proceeds of approximately HK\$31.0 million were raised.

On 16 February 2015, the Company entered into a placing agreement with a placing agent to place up to 30,000,000 new shares at a placing price of HK\$1.20 per placing share (the "2015 Placing") to not less than six independent placees with net proceeds of approximately HK\$35.0 million (equivalent to HK\$1.7 per share). The closing market price of the shares of the Company on that date was HK\$1.49.

As described in an announcement of the Company dated 23 June 2015, the Group continued to focus its business in Hong Kong and the Directors believed that it would be more effective for the management to focus in its Hong Kong operations. Accordingly, the Directors changed the proceeds from the Listing originally allocated for the expansion of an office in Singapore to be used as the Group's general working capital purposes.

重大收購及出售資產

本年內，本集團以代價約24,000,000港元購買一投資物業。

除以上披露者外，於年內，本集團並無其他重大收購及出售事項。

或然負債

除於綜合財務報表附註36披露外，本集團於二零一六年三月三十一日並無其他重大或然負債。

承擔

本集團之承擔詳情載於綜合財務報表附註31。

本公司於創業板上市(「上市」)及二零一五年三月配售事項所得款項用途

本公司日期為二零一四年七月八日之招股章程(「招股章程」)所述之業務計劃及上市所得款項之計劃用途乃基於本集團於編製招股章程時對未來市場狀況之最佳預測，而所得款項則根據市場之最新發展而運用。誠如招股章程所述，已籌集所得款項淨額約31,000,000港元。

於二零一五年二月十六日，本公司與配售代理訂立配售協議以每股1.20港元之配售價配售最多30,000,000股新股份(「二零一五年配售事項」)予不少於六名獨立承配人，籌集所得款項淨額合共約35,000,000港元(相當於每股1.17港元)。本公司股份於當天之收市價為1.49港元。

誠如本公司日期為二零一五年六月二十三日之公告所述，本集團持續專注於香港之業務，董事相信，管理層專注於香港業務可提高效率。因此，董事將上市所得款項中原來分配作擴展新加坡辦公室之款項改作本集團一般營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

After seeking to expand the Group's office in Hong Kong through the acquisition of property for almost a year, the Group has on 29 June 2015 successfully entered into a provisional sale and purchase agreement with the vendor for a cash consideration of approximately HK\$22.4 million with expected related expenses of approximately HK\$2.5 million. As this property was smaller than those potential properties being considered by the Group at the time of execution of the 2015 Placing, the eventual sum required for the acquisition was less than anticipated. As a result, as announced on 29 June 2015, the remaining balance of the proceeds for the acquisition of a new showroom/workshop in Hong Kong (i.e. approximately HK\$11.1 million) was reallocated for general working capital purpose.

經嘗試透過收購物業以擴充本集團香港辦事處近一年後，本集團已於二零一五年六月二十九日成功與賣方訂立臨時買賣協議，現金代價約為22,400,000港元，預期相關費用約為2,500,000港元。由於此物業較本集團於簽訂二零一五年配售事項時考慮之該等潛在物業為小，收購事項所需之最終款項總額將會少於預期。因此，誠如二零一五年六月二十九日所公佈，用於香港收購新陳列室／工作室之所得款項之餘額（即約11,100,000港元）已重新分配作一般營運資金。

		Revised use of proceeds as described in the annual results announcement dated 23 June 2015 包括於 二零一五年 六月二十三日之 週年業績公告 所得款項 計劃用途 HK\$'000 港幣千元	Revised use of proceeds as described in the discloseable transaction announcement dated 29 June 2015 按照 二零一五年 六月二十九日 之公告 之所得款項 已更新用途 HK\$'000 港幣千元	Revised use of proceeds as described in the discloseable transaction announcement dated 29 June 2015 按照 二零一五年 六月二十九日 之公告 之所得款項 已更新用途 HK\$'000 港幣千元	Actual use of proceeds up to 31 March 2016 截至 二零一六年 三月三十一日 所得款項 實際用途 HK\$'000 港幣千元
Proceeds from the Listing	上市所得款項				
- Enhance our customer awareness	- 加強客戶意識	3,000	3,000	3,000	3,000
- Enhance design capacity and office efficiency	- 提高設計能力及辦公效率	500	500	500	500
- Expand our office in Hong Kong	- 擴充香港辦事處	13,000	13,000	-	-
- Expand our office in Singapore	- 擴充新加坡辦事處	11,500	-	-	-
- General working capital	- 一般營運資金	3,000	14,500	14,500	14,500
Proceeds from the 2015 Placing	二零一五年配售事項所得款項				
- Acquisition of a new showroom/ workshop in Hong Kong	- 於香港收購新陳列室/ 工作室	23,000	23,000	24,900	24,900
- General working capital	- 一般營運資金	12,000	12,000	23,100	23,100
Total	總計	66,000	66,000	66,000	66,000

The proceeds from the Listing and the 2015 Placing had been fully utilised during the year.

上市和二零一五年配售事項所得款項已於本年度內悉數運用。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROPOSED PLACING OF SHARES

Reference is made to the announcement issued by the Company on 14 June 2016 in relation to the placing of new shares under general mandate ("Proposed Placing").

On 14 June 2016, the Company entered into a placing agreement with a placing agent to place up to 33,000,000 new shares (the "Shares") of the Company at the placing price of HK\$2.45 per Share to not less than six placees. The closing price per Share on that date was HK\$3.00.

Upon completion of the Proposed Placing, the net proceeds are estimated to be HK\$78.5 million (equivalent to HK\$2.38 per Share). The net proceed of the Proposed Placing of approximately HK\$78.5 million will be used for the Group's general working capital and/or other potential business development opportunities as considered appropriate.

As disclosed in the section headed "Outlook" on pages 7 to 8 of this annual report, the Group expects that a money lender license will be granted in the next few months, it is expected that at least HK\$30 million of the net proceed will be applied in commencement of the money lending business.

EMPLOYEE INFORMATION

Total remuneration for the year ended 31 March 2016 (including Directors' emoluments and salaries to staff and Directors including MPF contributions) was approximately HK\$9.6 million (2015: HK\$10.5 million). Such decrease was mainly due to the decrease in the bonus of approximately HK\$2 million as compared with last year. As at 31 March 2016, the Group had 33 employees (2015: 31 employees).

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties including business risks, operational risks and financial management risks.

The key business and operations risk exposure by the Group are summarized as follows:

- (i) Slow down of the economy and customer spending;
- (ii) Fierce of market competition; and
- (iii) Over reliance on single business segment.

The financial risk management policies and practices of the Group are shown in note 6 to the consolidated financial statements.

股份配售建議

謹此提述本公司於二零一六年六月十四日刊發之公佈，內容有關根據一般授權配售新股份（「建議配售」）。

於二零一六年六月十四日，本公司與配售代理訂立配售協議，配售最多33,000,000股本公司新股份（「股份」）予不少於六名獨立承配人，配售價為每股股份2.45港元。股份於當天收市價為每股3.00港元。

於建議配售完成，估計所得款項淨額約為78,500,000港元（相當於每股2.38港元），所得款項淨額擬用作本集團一般營運資金及／或其他認為適宜之潛在業務發展機會。

誠如載於本年報第7頁至第8頁之「展望」一節披露，本集團預期在未來數月內獲授予放債人牌照，預計於放貸人業務開展時，將投放不少於30,000,000港元。

僱員資料

於截至二零一六年三月三十一日止年度，總薪酬（包括董事酬金、向僱員及董事發放之薪金（包括強積金供款））約為9,600,000港元（二零一五年度：10,500,000港元）。該減少主要乃由於花紅與去年比較減少約2,000,000港元所致。於二零一六年三月三十一日，本集團僱用33名僱員（二零一五年：31名）。

主要風險及不確定因素

本集團之財務狀況、營運業績、業務及前景受多項風險及不確定因素影響，包括業務風險、營運風險及財務管理風險。

本集團所面對的主要業務及營運風險概列如下：

- (i) 經濟及顧客消費放緩；
- (ii) 市場競爭惡化；及
- (iii) 過於倚賴單一業務分類。

本集團的財務風險管理政策及慣例載於綜合財務報表附註6。

There may be other risks and uncertainties in addition to those mentioned above which are not known to the Group or which may not be material now but could turn out to be material in the future.

ENVIRONMENTAL POLICY AND PERFORMANCE

The Group has observed the sense of environmental conservation. Although the Group has not yet established a formal environmental policy, various practices have been implemented to encourage compliance with environmental legislation and promote awareness towards environmental protection to the employees. It implements green office practices such as double-sided printing and copying, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliances. To conserve the environment, the Company encourages staff to maintain electronic records in order to reduce paper consumption.

The Group will review its environmental practices periodically and will consider implementing further eco-friendly measures and practices in the operation of the Group's businesses.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group establishes good working relationship with employees. The quality of the employer-employee relationship affects each employee's morale, productivity and ultimately, the Company's profitability. Each employee's ideal work environment varies and the expectations include a relationship that is mutually respect, encourages open communication and is free of hostile working conditions. The Group also concerns the work safety to the employees. During the year, there was no serious work safety issue. Certain employees have worked for the Group for over 10 years.

The Group has built a solid track record for providing reliable and cost competitive design and fitting-out services and has a good reputation with the customers. The Group has also concerned customers' opinion on its services with regard to the types of services which had been provided to the customers and their comments on the quality of the services provided.

The Group puts strong emphasis on the reliability of suppliers to meet the needs of our customers. The Group's practice to make prompt payment to suppliers benefited the Group from negotiating a better price and maintaining long term relation with the suppliers.

Save as disclosed in note 36 to the consolidated financial statements, during the year, there was no other material and significant dispute between the Group and its employees, suppliers and/or customers.

除上述者外，可能有其他本集團並未知悉，或於現在並不重大，但可能於未來成為有重大影響的風險及不確定因素。

環境保護政策及表現

本集團注重環保。儘管本集團並未有制訂正式的環境政策，但已落實多項做法鼓勵遵守環境法例及提高僱員的環保意識。本集團實行多項綠色辦公室慣例，如雙面打印及複印、提倡使用環保紙及關掉閒置燈光及電器減少用電。為保護環境，本公司鼓勵員工保存電子記錄，減少用紙。

本集團將定期審閱其環保慣例，並將考慮於本集團的業務營運中實施更多生態友好措施及慣例。

與僱員、客戶及供應商的關係

本集團與僱員建議良好工作關係。勞資關係好壞可影響各僱員的士氣、生產力，最終對本公司的盈利能力造成影響。各僱員對理想工作環境的定義不同，彼等的預期包括互相尊重的關係、鼓勵公開溝通及友善的工作環境。本集團亦注重僱員的工作安全。本年內並無嚴重的工作安全事故。若干僱員已為本集團工作逾十年。

本集團有提供可靠及具成本競爭力設計及裝修服務的實績，於客戶之間聲譽良好。本集團亦已就其服務進行客戶意見調查，內容有關其向客戶提供的服務類型及彼等對所提供服務質素的意見。

本集團十分注重供應商能否可靠地滿足客戶需要。本集團的慣常做法為準時向供應商付款，這有助本集團磋商更佳的價格，並與供應商維持長遠關係。

除於綜合財務報表附註36披露外本年內，本集團與僱員、供應商及或客戶之間並無其他重大及主要分歧。

DIRECTORS' AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

DIRECTORS

Mr. Chan Chi Yuen ("Mr. Chan"), aged 49, is an executive Director and the chairman of the Company. He has joined the Group since October 2015. Mr. Chan holds a bachelor degree with honours in Business Administration and a master of science degree with distinction in Corporate Governance and Directorship. He is a fellow of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and is an associate of The Institute of Chartered Accountants in England and Wales. He is a practising certified public accountant and has extensive experience in financial management, corporate development, corporate finance and corporate governance.

Mr. Chan presently holds directorship in certain of the subsidiaries of the Group. Mr. Chan is currently an executive director and the chief executive officer of Noble Century Investment Holdings Limited (Stock code: 2322) and an executive director of e-Kong Group Limited (Stock code: 524). He is also an independent non-executive director of Asia Energy Logistics Group Limited (Stock code: 351), Jun Yun Financial Holding Limited (formerly Known as Jun Yang Solar Power Investments Limited) (Stock code: 397), Media Asia Group Holdings Limited (Stock code: 8075), New Times Energy Corporation Limited (Stock code: 166), China Baoli Technologies Holdings Limited (formerly known as REX Global Entertainment Holdings Limited) (Stock code: 164), U-RIGHT International Holdings Limited (Stock code: 627) and Leyou Technologies Holdings Limited (Stock code: 1089). Mr. Chan was an executive director of China Minsheng Drawin Technology Group Limited (formerly Known as South East Group Limited) (Stock code: 726) from December 2013 to July 2015 and Co-Prosperity Holdings Limited (Stock code: 707) from December 2014 to October 2015. He was also an executive director and the Chairman of Kong Sun Holdings Limited (Stock code: 295) from December 2011 to September 2013 and an independent non-executive director of China Sandi Holdings Limited (Stock code: 910) from September 2009 to July 2014.

董事

陳志遠先生(「陳先生」)，49歲，為本公司執行董事及主席。彼於二零一五年十月加入本集團。陳先生持有工商管理榮譽學士學位及公司管治與董事學理學碩士(優異)學位。彼為香港會計師公會及特許公認會計師公會資深會員，以及英格蘭及威爾斯特許會計師公會會員。彼為執業會計師，於財務管理、企業發展、企業融資及企業管治方面具有豐富經驗。

陳先生目前在本集團若干附屬公司擔任董事。彼現為仁瑞投資控股有限公司(股份代號：2322)之執行董事兼行政總裁及e-Kong Group Limited(股份代號：524)之執行董事，彼亦為亞洲能源物流集團有限公司(股份代號：351)、君陽金融控股有限公司(前稱「君陽太陽電力投資有限公司」)(股份代號：397)、寰亞傳媒集團有限公司(股份代號：8075)、新時代能源有限公司(股份代號：166)、中國寶力科技控股有限公司(前稱「御濠娛樂控股有限公司」)(股份代號：164)、佑威國際控股有限公司(股份代號：627)及樂遊科技控股有限公司(股份代號：1089)之獨立非執行董事。陳先生曾於二零一三年十二月至二零一五年七月期間出任中民築友科技集團有限公司(前稱「東南國際集團有限公司」)(股份代號：726)及於二零一四年十二月至二零一五年十月期間出任協盛協豐控股有限公司(股份代號：707)之執行董事。彼亦於二零一一年十二月至二零一三年九月期間出任江山控股有限公司(股份代號：295)之執行董事兼主席，並於二零零九年九月至二零一四年七月期間出任中國三迪控股有限公司(股份代號：910)之獨立非執行董事。

Mr. Tsang Kei Cheong (“Mr. Tsang”), aged 38, was appointed as a Director on 20 January 2014 and became executive Director on 30 June 2014. Mr. Tsang was designed as the chief executive officer of the Company on 28 April 2016. Mr. Tsang joined our Group in 2004 and has over 17 years of experience in the interior design and consultancy industry. Prior to joining our Group, Mr. Tsang worked at S.W. Law & Associates Architects & Development Consultants Ltd, an architectural company from July 1998 to July 2004 as project coordinator responsible for assisting project architects to deal with clients, contractors and consultants. Mr. Tsang was awarded a Diploma in Electronics and Communications Engineering by Kwun Tong Technical Institute in July 1997. Mr. Tsang graduated from a Master of Engineering Management course offered by University of Technology, Sydney in conjunction with the Hong Kong Management Association in 2014.

Mr. Liu Rongsheng (“Mr. Liu”), aged 54 is an executive Director. He has joined the Group since October 2015. Mr. Liu completed a professional programme in International Economics and Trading from 北京經濟技術研修學院, the PRC in 1998. He also holds a qualification as a senior economist in the PRC. Mr. Liu has over 25 years of experience in import and export trading, logistics, corporate strategic management, project management and finance business.

Mr. Chan Chiu Hung Alex (“Mr. A Chan”), aged 50, has been appointed as an independent non-executive Director since September 2015. Mr. A Chan is an associate member of the Hong Kong Institute of Certified Public Accountants and The Institute of Chartered Accountants in England and Wales, and a fellow member of The Association of Chartered Certified Accountants, The Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators, having served in senior financial and company secretarial positions in a number of public companies listed in Hong Kong and Singapore for 18 years. Mr. A Chan holds a Bachelor of Business Administration degree (major in finance) from Hong Kong Baptist University and professional diplomas in Hong Kong tax and China tax from the Hong Kong Institute of Certified Public Accountants.

曾紀昌先生(「曾先生」)，38歲，於二零一四年一月二十日獲委任為董事，並於二零一四年六月三十日成為執行董事。曾先生於二零一六年四月二十八日被委任為行政總裁。曾先生於二零零四年加入本集團，於室內設計及諮詢行業擁有超過17年經驗。加入本集團前，曾先生於一九九八年七月至二零零四年七月期間曾任職一間建築公司羅守弘建築師事務所有限公司，擔任項目統籌，負責協助項目建築師處理客戶、承建商及顧問事宜。曾先生於一九九七年七月獲觀塘工業學院頒發電子及資訊工程文憑，於二零一四年修畢悉尼科技大學與香港管理專業協會共同開辦之工程管理碩士課程。

劉榮生先生(「劉先生」)，54歲，為執行董事，彼於二零一五年十月加入本集團。劉先生於一九九八年在中華人民共和國(「中國」)北京經濟技術研修學院完成國際經濟與貿易專業課程。彼亦持有中國高級經濟師資格。劉先生於出入口買賣、物流、企業策略管理、項目管理及融資業務擁有逾25年經驗。

陳釗洪先生(「陳先生」)，50歲，於二零一五年九月獲委任為獨立非執行董事。陳先生為香港會計師公會與英格蘭及威爾斯特許會計師公會之會員，以及英國特許公認會計師公會、香港特許秘書公會以及英國特許秘書及行政人員公會資深會員。陳先生在多家於香港及新加坡上市之公眾公司擔任高級財務及公司秘書職位長達十八年。陳先生持有香港浸會大學工商管理學士學位(主修財務)及香港會計師公會頒發之香港稅務及中國稅務專業文憑。

DIRECTORS' AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. A Chan is currently an independent non-executive director of e-Kong Group Limited (Stock code: 524), Cinderella Media Group Limited (Stock code: 550) and Feishang Non-metal Materials Technology Limited (Stock code: 8331). He was an independent non-executive director of Co-Prosperty Holdings Limited (Stock code: 707) from March 2015 to October 2015.

Mr. Wu Zhao ("Mr. Wu"), aged 38, has been appointed as an independent non-executive Director since November 2015. Mr. Wu obtained a bachelor degree in Engineering (Chemical) from the University of Queensland, Australia. He also obtained a master of commerce in applied finance and a master of information technology from the University of Queensland, Australia. He has approximately 11 years of experience in finance, information technology, investment and funds management. He is currently a director of a funds management company and is also licensed to carry out Type 1 (Dealings in Securities) and Type 4 (Advising on Securities) regulated activities under the Securities and Futures Ordinance. Mr. Wu is currently an independent non-executive director of Loudong General Nice Resources (China) Holdings Limited (stock code: 988).

陳先生現為e-Kong Group Limited(股份代號：524)，先傳媒集團有限公司(股份代號：550)，飛尚非金屬材料科技有限公司(股票代號：8331)之獨立非執行董事。陳先生曾於二零一五年三月至二零一五年十月期間出任協盛協豐控股有限公司(股份代號：707)之獨立非執行董事。

吳兆先生(「吳先生」)，38歲，於二零一五年十一月十七日獲委任為獨立非執行董事。吳先生於澳洲昆士蘭大學取得工程學(化學)學士學位。彼亦於澳洲昆士蘭大學取得應用金融商業碩士及資訊科技碩士。彼於財務、資訊科技、投資及基金管理擁有約11年經驗，現為一間基金管理公司之董事，並持有牌照獲准從事根據證券及期貨條例項下第1類(證券交易)及第4類(就證券提供意見)受規管活動。吳先生現為樓東俊安資源(中國)控股有限公司(股份代號：988)之獨立非執行董事。

Mr. Lam Cheok Va ("Mr. Lam"), aged 58, has been appointed as an independent non-executive Director since April 2016. Mr. Lam is a member of the Standing Committee of Yunnan Province Committee of the Chinese People's Political Consultative Conference. He is also the President of Macau Yunnan Chamber of Commerce, the Director General of Macau Small and Medium Enterprises Chamber of Commerce, a director of China Federation of Overseas Entrepreneurs, a director of Macau Chamber of Commerce, an executive director of Macau Region China Council for the Promotion of Peaceful National Reunification, and a member of Advisory Board of School of Language and Translation of Macau Polytechnic Institute. Mr. Lam has over 35 years of experience in business including entertainment, food and beverage, retail, tourism and consulting.

He is currently a director of Macau Resources Group Limited, of which its securities are traded on the Over-The-Counter Market, the United States (OTCBB: MRGLF).

SENIOR MANAGEMENT

Ms. Lee Yuk Pui Kawina ("Ms. Lee"), aged 47, joined the Group in 2006 and is the Operating Manager of the Group. She is the head of Operation Department. Ms. Lee has accumulated more than 20 years experience in the interior design and construction industry since 1995, and is experienced in project management. Prior to joining the Group, Ms. Lee worked for seven years in Creative C & C Limited, an interior design and project management company.

Ms. Lee graduated from a Master of Engineering Management course offered by University of Technology, Sydney in conjunction with the Hong Kong Management Association in 2014 and has completed the MBA (Executive) programme offered by City University of Hong Kong.

Ms. Sze Po Yee ("Ms. Sze"), aged 38, is the head of Administration Department and responsible for the overall administrative function, assisting in project management and human resources related matters. Ms. Sze joined the Group in 2005 and has over 18 years of experience in administration work in the architectural design and engineering industries.

LAM CHEOK VA 先生(「**LAM**先生」)，58歲，於二零一六年四月已獲委任為獨立非執行董事。Lam先生現為中華人民共和國雲南省人民政治協商會議常務委員。彼亦為澳門雲南商會會長、澳門中小企業商會理事長、中國僑商聯合會理事、澳門中華總商會理事、澳門地區中國和平統一促進會常務理事、澳門理工學院語言及翻譯高等學校諮詢委員會委員。Lam先生擁有逾35年娛樂、餐飲、零售、旅遊及顧問等工作經驗。

Lam先生現為Macau Resources Group Limited之董事，其證券在美國OTCBB證券市場上市(OTCBB股份編號：MRGLF)。

高級管理層

李玉佩女士(「**李女士**」)，47歲，於二零零六年加入本集團，為本集團營運經理。她是營運部主管。李女士自一九九五年起已於室內設計及建築業積累逾20年經驗，並於項目管理擁有豐富經驗。加入本集團前，李女士於一間室內設計及項目管理公司創藝舍有限公司任職七年。

李女士於二零一四年畢業於悉尼科技大學與香港管理專業協會共同開辦之工程管理碩士課程，剛完成香港城市大學開辦之行政人員工商管理碩士課程。

施寶怡女士(「**施女士**」)，38歲，為行政部主管，負責整體行政職能、協助項目管理及人力資源相關事宜。施女士於二零零五年加入本集團，於建築設計及工程業之行政工作方面擁有超過18年經驗。

DIRECTORS' AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Prior to joining the Group, Ms. Sze worked as secretary at Integrated Design Associates Limited, an architecture and interior design company, from June 2000 to May 2005. Ms. Sze was awarded a Diploma in Business Studies by YMCA College of Careers in November 1998 and a Certificate in Corporate Administration by Hong Kong Institute of Vocational Education in July 2001.

Mr. Pang Pui Hung Paton ("Mr. Pang"), aged 47, is the financial controller and the company secretary. He joined in December 2015. Mr. Pang has over 23 years of experience in the field of accounting, auditing, business advisory services and financial management.

Mr. Pang holds a Master of Professional Accounting degree from the Hong Kong Polytechnic University. He is a fellow member of the Association of International Accountants, the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong. He is also registered as Certified Tax Advisor in Hong Kong.

Mr. Lee Kin Ngai Kenneth ("Mr. Lee"), aged 38, is the financial manager and responsible for financial and accounting of the Group. Mr. Lee joined the Group in 2013. He has over 15 years of audit and accounting experience in several firms of accounting or audit practice from 2000 to February 2008, and also worked as accounting professional in various companies including private companies and a company listed on the Main Board of the Stock Exchange during the period from April 2008 to December 2012.

Mr. Lee obtained a Bachelor of Business Administration in Accountancy from the City University of Hong Kong in July 2000 and he is a Fellow of the Association of Chartered Certified Accountants.

加入本集團前，施女士自二零零零年六月至二零零五年五月於一間建築及室內設計公司綜滙建築設計有限公司任職秘書。施女士於一九九八年十一月獲青年會專業書院頒發商業學文憑，並於二零零一年七月獲香港專業教育學院頒發企業管理證書。

彭沛雄先生(「彭先生」)，47歲，為本公司財務總監及公司秘書。彼於二零一五年十二月加入本集團。彭先生於會計、審計、商業顧問及財務管理方面擁有逾二十三年經驗。

彭先生持有香港理工大學專業會計學碩士學位。彼現為英國國際會計師公會、香港會計師公會及香港稅務學會之資深會員。彼亦為香港註冊稅務師。

李堅毅先生(「李先生」)，38歲，為財務經理，負責本集團之財務及會計事務。李先生於二零一三年加入本集團。彼自二零零零年至二零零八年二月於數間會計師行或核數師行擁有超過15年核數及會計經驗，亦於二零零八年四月至二零一二年十二月期間於多間公司，包括私人公司及聯交所主板上市公司任職會計專業人員。

李先生於二零零零年七月取得香港城市大學工商管理(會計學)學士學位，彼現時為英國特許公認會計師公會資深會員。

The board (the “Board”) of directors (the “Director(s)”) of Kate China Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to present this corporate governance report of the Group for the year ended 31 March 2016.

CORPORATE GOVERNANCE PRACTICES

The Board considers that incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group could balance the interests of the shareholders, customers and employees of the Company. The Board has adopted the principles and the code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix 15 of the Rules (the “GEM Listing Rules”) Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to ensure that business activities and decision making processes are regulated in a proper and prudent manner. In accordance with the requirements of the GEM Listing Rules, the Company has established an audit committee, a remuneration committee, a nomination committee and a compliance committee with specific written terms of reference. During the year ended 31 March 2016, the Company has complied with the CG Code as set out in Appendix 15 to the GEM Listing Rules.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules.

On 6 October 2015, the then substantial shareholder of the Company, Genius Idea Holdings Limited, which is wholly-owned by Mr. Chan Tat Wah, a former executive Director and the former chairman of the Company who resigned on 17 November 2015, sold 155,000,000 shares of the Company (representing approximately 47.0% of the total issued shares) to more than one purchaser who are third parties independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

Save as disclosed above, no Director has dealt in the shares during the year.

Following specific enquiry by the Company, all Directors confirmed that they have complied with such code of conduct throughout the year ended 31 March 2016.

中持基業控股有限公司(「本公司」)及其附屬公司，統稱「本集團」董事(「董事」)會(「董事會」)欣然提呈本集團截至二零一六年三月三十一日止年度之本企業管治報告。

企業管治常規

董事認為，於本集團管理架構及內部監控程序中融入良好企業管治元素，可平衡本公司股東、客戶及員工之間之權益。董事會已採納香港交易所(「港交所」)創業板上市規則附錄15(「創業板上市規則」)企業管治守則(「企業管治守則」)載列之原則及守則條文，以確保業務活動及決策程序獲妥善慎重規管。本公司已按創業板上市規則要求，以特定書面職權範圍成立審核委員會、薪酬委員會、提名委員會及合規委員會。本公司於截至二零一六年三月三十一日止年度已遵守創業板上市規則附錄15載列之企業管治守則。

董事證券交易

本公司已根據創業板上市規則第5.48至5.67條採納董事買賣本公司證券之操守守則。

於二零一五年十月六日，本公司當時主要股東 Genius Idea Holdings Limited (由本公司前執行董事兼本公司前主席陳達華先生(於二零一五年十一月十七日辭任)全資擁有)向多於一名買方(彼等為獨立於本公司及其關連人士(定義見創業板上市規則)並與彼等概無關連之第三方)出售155,000,000股本公司股份(佔總發行股份約47.0%)。

除上文所披露外，概無董事於本年度內買賣股份。

本公司已向全體董事作出具體查詢，而全體董事亦確認於截至二零一六年三月三十一日止年度內均遵守該等行為守則。

BOARD OF DIRECTORS

Composition of the Board of Directors

Up to the date of this annual report, the Board currently comprises three executive Directors and three independent non-executive Directors. The compositions of the Directors in office during the year and up to the date of this annual report are set out in the "Report of the Directors" in this annual report on pages 36 to 37.

Functions of the Board

The principal function of the Board is to consider and approve the overall business plans and strategies of the Group, develop and implement the corporate governance function, monitor the implementation of these policies and strategies and the management of the Company. The Group has a professional management team, which is led by a team of senior management with substantial experience and expertise in the Group's business and the Board delegates the authority and responsibility for implementing the Group's policies and strategies.

During the year, the management provided all members of the Board with monthly updates in accordance with the code provision C.1.2 of the CG Code.

Board Meetings and Board Practices

The Directors can attend meetings in person or through other means of electronic communication in accordance with the Company's articles of association. All minutes of the Board meetings were recorded in sufficient detail the matters considered by the Board and the decisions reached.

董事會

董事會組成

截至本年報日期，董事會成員包括三名執行董事及三名獨立非執行董事。年內及直至本年報日期為止之董事組成載於本年報第36頁至第37頁之「董事會報告」。

董事會職能

董事會的主要職能是考慮及批准本集團的整體業務計劃及策略、制訂及執行企業管治功能、監督該等政策及策略的執行情況以及本公司的管理。本集團設有獨立管理團隊，由對本集團業務具備豐富經驗及專業知識的高級管理層領導。董事會向獨立管理團隊授予權力及責任，以執行本集團的政策及策略。

於本年內，管理層已根據企業管治守則之守則條文第C.1.2條向董事會全體董事提供每月最新資料。

董事會會議及董事會常規

董事可親身出席會議，或根據本公司的組織章程細則，利用其他電子通訊方式參與會議。所有董事會會議紀錄均須充分兼詳細記錄董事會所考慮事項及所作決定。

During the year, the Board held 15 Board meetings and one general meeting. Details of the attendance of Directors are as follows:

於本年內，董事會已舉行15次董事會會議及一次股東大會。各董事的出席詳情如下：

		Attendance/ Number of General Meeting entitled to attend 出席次數／有權 出席的股東 大會舉行次數	Attendance/ Number of Board Meeting entitled to attend 出席次數／有權 出席的董事會 會議舉行次數
Executive Directors			
執行董事			
Mr. Chan Chi Yuen (appointed on 27 October 2015 and designated as Chairman on 17 November 2015)	陳志遠先生(於二零一五年十月二十七日獲委任及於二零一五年十一月十七日委任為主席)	0/0	7/7
Mr. Tsang Kei Cheong (designated as Chief Executive Officer on 28 April 2016)	曾紀昌先生(於二零一六年四月二十八日委任為行政總裁)	1/1	15/15
Mr. Liu Rongsheng (appointed on 27 October 2015)	劉榮生先生(於二零一五年十月二十七日獲委任)	0/0	7/7
Mr. Fok Chun Kit (resigned on 28 April 2016)	霍俊傑先生(於二零一六年四月二十八日辭任)	1/1	15/15
Mr. Chan Tat Wah (resigned on 17 November 2015)	陳達華先生(於二零一五年十一月十七日辭任)	1/1	9/12
Non-executive Director			
非執行董事			
Mr. Yuan Guanghua (appointed on 27 October 2015, resigned on 23 March 2016)	袁光華先生(於二零一五年十月二十七日獲委任及於二零一六年三月二十三日辭任)	0/0	5/6
Independent non-executive Directors			
獨立非執行董事			
Mr. Lu Tak Ming	盧德明先生	1/1	14/15
Mr. Chan Chiu Hung Alex (appointed on 17 September 2015)	陳釗洪先生(於二零一五年九月十七日獲委任)	0/0	9/9
Mr. Wu Zhao (appointed on 17 November 2015)	吳兆先生(於二零一五年十一月十七日獲委任)	0/0	3/3
Prof. Lai Kin Keung (resigned on 17 November 2015)	黎建強教授(於二零一五年十一月十七日辭任)	1/1	9/12
Mr. Lam Yiu Kin (resigned on 17 September 2015)	林耀堅先生(於二零一五年九月十七日辭任)	0/1	3/6

Directors' Appointment, Re-election and Removal

Under the code provision A.4.1 of the CG Code, each of the executive Directors, the non-executive Director and independent non-executive Directors has entered into a service contract or letter of appointment with the Company for an initial term of two or three years and such term shall be governed by the articles of association and/or other relevant regulatory requirements unless terminated by either party giving at least three months' notice in writing.

董事的委任、重選及罷免

根據企業管治守則條文第A.4.1條，各執行董事、非執行董事及獨立非執行董事均已與本公司訂立服務合同或委任書，初步任期為兩或三年，受組織章程細則及／或其他相關監管規定的監管，除非其中一方發出至少三個月之書面通知終止。

In compliance with the code provision A.4.2 of the CG Code, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. By virtue of article 113 of the articles of association of the Company, the Board may appoint any person as an additional Director or to fill a casual vacancy, provided that any person so appointed shall hold office only until the conclusion of the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election.

In addition, every director should be subject to retirement by rotation at least once every three years. Furthermore, pursuant to article 141 of the articles of association of the Company, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation but shall be eligible for re-election. Where the number of Directors is not three or a number divisible by three, the number of Directors to retire will be the number which is nearest to but not less than one-third of the total number of Directors. If there are less than three Directors, they shall all retire. The Directors to retire by rotation will be those Directors who have been Directors longest in office since they were last elected, or appointed by the Members (as the case may be). Every retiring Director shall be eligible for re-election.

Independent Non-executive Directors

The Company has three independent non-executive Directors to comply with Rule 5.05 of the GEM Listing Rules. Furthermore, among the three independent non-executive Directors, Mr. Chan Chiu Hung Alex has appropriate professional qualifications or accounting or related financial management expertise as required by Rule 5.05(2) of the GEM Listing Rules. In accordance to Rule 5.09 of the GEM Listing Rules, the Company has received from each of its independent non-executive Directors the written confirmation of his independence. The Company, based on such confirmation, considers Mr. Chan, Mr. Wu and Mr. Lam to be independent.

Chairman and Chief Executive Officer

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. During the year, the role of the Chairman was performed by Mr. Chan Tat Wah (until 17 November 2015) and Mr. Chan Chi Yuen (since 17 November 2015) and the office of the chief executive officer of the Company was performed by Mr. Fok (until 28 April 2016) and Mr. Tsang (since 28 April 2016). The code provision A.2.1 of the CG Code has been complied with.

為遵照企業管治守則之守則條文第A.4.2條，所有獲委任以填補臨時空缺的董事須於獲委任後的首次股東大會上由股東重選連任。根據本公司的組織章程細則第113條，董事會可委任任何人士為董事，以填補董事會的臨時空缺或作為新增董事，惟所委任的任何人士，其任期僅直至本公司下屆股東大會結束（就填補臨時空缺者而言）或直至本公司下屆股東週年大會（就增加董事會成員而言）為止，並合資格膺選連任。

此外，每名董事均須最少每三年輪值退任一次。再者，根據本公司的組織章程細則第141條，於本公司每屆股東週年大會上，當時三分之一的董事須輪值退任，惟合資格膺選連任。倘董事人數並非三或三的倍數，則最接近但不少於三分之一的董事人數將告退。倘少於三名董事，則須全部退任。將輪值退任的董事須為自上次獲選或獲股東委任（視情況而定）後任期最長的董事。每名退任董事均合乎資格膺選連任。

獨立非執行董事

為遵守創業板上市規則第5.05條，本公司有三名獨立非執行董事。此外，按照創業板上市規則第5.05(2)條的規定，三名獨立非執行董事之中，陳劍洪先生具備適當之專業資格或會計或相關財務管理專長。根據創業板上市規則第5.09條，本公司已接獲各獨立非執行董事就其獨立性發出之確認書。根據該等確認書，本公司認為陳先生、吳先生及Lam先生均為獨立人士。

主席及行政總裁

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁的角色應予分開而不應由同一人兼任。於本年內，主席由陳達華先生（直至二零一五年十一月十七日）及陳志遠先生（由二零一五年十一月十七日起）擔任，而本公司行政總裁一職則由霍先生（直至二零一六年四月二十九日）及曾先生（由二零一六年四月二十八日起）擔任。因此已遵守企業管治守則之守則條文第A.2.1條。

Delegation of Powers

The Board delegates day-to-day operations of the Group to executive Directors and management of the Company with department heads responsible for different aspects of the business/functions, while reserving certain key matters in making strategic decision for its approval. When the Board delegates aspects of its management and administration functions to management, it gives clear directions as to the powers of management, in particular, with respect to the circumstances where management need to report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

Continuing Professional Development

According to the code provision A.6.5 of the CG Code, all directors shall participate in continuous professional development to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant. The Company would arrange and/or introduce some Director's training courses for the Directors to develop and explore their knowledge and skills.

Each newly appointed Director receives comprehensive, formal and tailored induction on the first occasion of his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Company and that he is fully aware of his responsibilities and obligations under the GEM Listing Rules and relevant regulatory requirements. The Directors are continually updated on the legal and regulatory developments, as well as business and market changes, to facilitate the discharge of their responsibilities.

All Directors during the reporting period have participated in continuous professional development to develop and refresh their knowledge and skills through suitable trainings. The participation in such trainings is to ensure that their contributions to the Board remains informed and relevant.

Directors' and Officers' Liabilities

The Company has arranged for appropriate insurance covering the liabilities in respect of legal action against the Directors that may arise out in the corporate activities which has been complied with the CG Code. The insurance coverage is reviewed on an annual basis.

權力轉授

董事會授權本公司執行董事及管理層處理本集團的日常營運，部門主管則負責各個範疇的業務／職能，而若干有關戰略決策的主要事宜則留待董事會批准。董事會將其管理及行政職能授予管理層時，其就管理層的權力發出清晰指示，特別是管理層代表本公司作出任何決策或訂立任何承諾前須向董事會匯報及獲其事先批准的情況。

持續專業發展

根據企業管治守則之守則條文第A.6.5條，全體董事應參與持續專業發展以增進及更新彼等的知識及技能，確保彼等繼續向董事會作出知情及相關的貢獻。本公司將為董事安排及／或推薦若干董事培訓課程，以增進及發展彼等的知識及技能。

每名新委任董事於首次獲委任時會收到全面、正式及度身訂制的指引，以確保彼對本公司業務及營運有適當的理解，且彼已完全知悉其根據創業板上市規則及相關監管規定的責任及義務。董事將持續獲得有關法律及法規發展以及業務及市場變化的最新資料，以便彼等履行其職責。

所有董事於報告期間已參與持續專業發展，以透過適當的培訓增進及更新其知識及技能。參與該等培訓乃為確保彼等能向董事會作出知情及相關的貢獻。

董事及高級職員之法律責任

本公司已遵照企業管治守則就可能因其企業活動而提出針對董事的法律訴訟產生的法律責任，為彼等安排合適保險。本公司每年審閱保險的保障範圍。

BOARD COMMITTEES**Audit Committee**

The audit committee of the Company (the "Audit Committee") was established by the Board on 30 June 2014 with written terms of reference which were further revised on 14 December 2015 in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors and is chaired by Mr. Lam Yiu Kin (until 17 September 2015) and Mr. Chan Chiu Hung Alex (since 17 September 2015). The other members are Mr. Lu Tak Ming, Prof. Lai Kin Keung (until 17 November 2015) and Mr. Wu Zhao (since 17 November 2015). The primary duties of the Audit Committee include the review of the Group's financial reporting process and the internal control systems as well as risk management of the Group.

The Audit Committee had reviewed with the management the accounting principles and practices adopted by the Group and discussed financial matters, including a review of the audited consolidated results of the Group for the year ended 31 March 2016.

Subsequent to 31 March 2016, on 28 April 2016, Mr. Lu Tak Ming resigned as a member of the Audit Committee and Mr. Lam Cheok Va was appointed in replacement of Mr. Lu.

Five Audit Committee meetings were held during the year. Details of the attendance of members of the Audit Committee meeting are as follows:

Members	成員	Attendance 出席次數
Chan Chiu Hung Alex (<i>Chairman</i>) (appointed on 17 September 2015)	陳釗洪先生(主席) (於二零一五年九月十七日獲委任)	3/3
Lu Tak Ming	盧德明先生	5/5
Wu Zhao (appointed on 17 November 2015)	吳兆先生(於二零一五年十一月十七日獲委任)	2/2
Prof. Lai Kin Keung (resigned on 17 November 2015)	黎建強教授(於二零一五年十一月十七日辭任)	3/3
Lam Yiu Kin (resigned on 17 September 2015)	林耀堅先生(於二零一五年九月十七日辭任)	2/2

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

- (a) reviewed the unaudited financial statements for three months ended 30 June 2015, six months ended 30 September 2015 and nine months ended 31 December 2015;
- (b) reviewed the Group's financial controls, internal control and risk management systems;

董事委員會**審核委員會**

董事會已於二零一四年六月三十日成立本公司之審核委員會(「審核委員會」)，並遵照創業板上市規則第5.28條及5.29條規定及企業管治守則之守則條文第C.3.3條制定書面職權範圍(於二零一五年十二月十四日經修訂)。審核委員會現時由三名獨立非執行董事組成，並由林耀堅先生(直至二零一五年九月十七日)及陳釗洪先生(由二零一五年九月十七日起)擔任主席，其餘成員為盧德明先生、黎建強教授(直至二零一五年十一月十七日)及吳兆先生(由二零一五年十一月十七日起)。審核委員會之主要職責包括檢討本集團之財務申報程序及本集團之內部監控制度以及本集團之風險管理。

審核委員會已與管理層審視本集團所採納之會計政策及常規，其討論財務事宜，包括審視本集團截至二零一六年三月三十一日止年度之經審核綜合業績。

於二零一六年三月三十一日期後，於二零一六年四月二十八日，盧德明先生辭任審計委員會委員及Lam Cheok Va先生獲委任接替盧先生。

於本年內，審核委員會舉行五次會議。審核委員會成員出席會議之詳情如下：

以下為審核委員會於本期間內所進行之工作概要：

- (a) 審閱截至二零一五年六月三十日止三個月、截至二零一五年九月三十日止六個月及截至二零一五年十二月三十一日止九個月之未經審核財務報表；
- (b) 審閱本集團之財務監控、內部監控及風險管理系統；

- | | |
|---|--|
| <p>(c) approved the remuneration and the appointment and the terms of engagement of the external auditor; and</p> <p>(d) reviewed the external auditor's independence and objectivity and the effectiveness of audit process in accordance with applicable standards.</p> | <p>(c) 批准外聘核數師之薪酬及委任以及委聘條款；及</p> <p>(d) 根據適用標準審閱外聘核數師之獨立性以及審核程序之客觀性及有效性。</p> |
|---|--|

Remuneration Committee

The remuneration committee of the Company (the "Remuneration Committee") was established by the Board on 30 June 2014 with written terms of reference in compliance with the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The Remuneration Committee currently comprises three independent non-executive Directors and is chaired by Mr. Lu Tak Ming. The other members are Mr. Lam Yiu Kin (until 17 September 2015), Mr. Chan Chiu Hung Alex (since 17 September 2015), Prof. Lai Kin Keung (until 17 November 2015) and Mr. Wu Zhao (since 17 November 2015). The primary duties of the remuneration committee are to review and recommend the terms of remuneration packages, bonuses and other compensation payable to the Directors and the senior management personnel of the Group, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.

Subsequent to 31 March 2016, on 28 April 2016, Mr. Lu Tak Ming resigned as the chairman of the Remuneration Committee and Mr. Lam Cheok Va was appointed in replacement of Mr. Lu.

Six Remuneration Committee meetings were held during the year to review the remuneration packages of all Directors. Details of the attendance of the members of the Remuneration Committee meeting are as follows:

薪酬委員會

本公司於二零一四年六月三十日成立薪酬委員會(「薪酬委員會」)，並遵照創業板上市規則附錄15所載之企業管治守則及企業管治報告訂定其職權範圍。薪酬委員會現時由三名獨立非執行董事組成，由盧德明先生擔任主席，其餘成員為林耀堅先生(直至二零一五年九月十七日)、陳釗洪先生(由二零一五年九月十七日起)、黎建強教授(直至二零一五年十一月十七日)及吳兆先生(由二零一五年十一月十七日起)。薪酬委員會之主要職責為就董事及本集團高級管理人員的薪酬政策、花紅及其他賠償作出審閱及建議，包括實物利益、退休金權利及賠償款項(包括於失去彼等職位或終止彼等職務或委任時應付的任何賠償)。

於二零一六年三月三十一日期後，於二零一六年四月二十八日，盧德明先生辭任薪酬委員會主席及Lam Cheok Va先生獲委任接替盧先生。

於本年內，薪酬委員會舉行六次會議，以批准所有獨立非執行董事之委任書，以審閱全體董事之薪酬待遇。薪酬委員會成員出席會議之詳情如下：

Members	成員	Attendance 出席次數
Lu Tak Ming (<i>Chairman</i>)	盧德明先生(主席)	6/6
Chan Chiu Hung Alex (appointed on 17 September 2015)	陳釗洪先生(於二零一五年九月十七日獲委任)	4/4
Wu Zhao (appointed on 17 November 2015)	吳兆先生(於二零一五年十一月十七日獲委任)	2/2
Prof. Lai Kin Keung (resigned on 17 November 2015)	黎建強教授(於二零一五年十一月十七日辭任)	3/4
Lam Yiu Kin (resigned on 17 September 2015)	林耀堅先生(於二零一五年九月十七日辭任)	1/2

Remuneration Policy for Directors and Senior Management

The remuneration payable to the employees includes salaries and allowances. The Group's remuneration policies are formulated based on the performance of individual employees and are reviewed regularly. Subject to the Group's profitability, the Group may also provide a discretionary bonus to employees as an incentive for their contribution to the Group. The primary goal of the remuneration policy with regard to the remuneration package of the executive Directors is to enable the Group to retain and motivate the executive Directors by linking their compensation with performance as measured against corporate objectives achieved. The executive Directors are entitled to the remuneration packages including basic salaries and discretionary bonuses.

The share option scheme of the Company (the "Share Option Scheme") was adopted by sole Shareholder by way of written resolution on 30 June 2014. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The purpose of the Share Option Scheme is to provide (i) employees of the Group (whether full-time or part-time); (ii) directors (including executive directors, non-executive directors and independent non-executive directors (where applicable)) of the Group; (iii) substantial shareholders of each member of the Group and (iv) associates of directors or substantial shareholders of the Group of which includes any of the abovementioned persons (together, the "Participants" and each, a "Participant") with an opportunity to obtain an equity interest in the Company, thus linking their interest with the interests of the Group and thereby providing them with an incentive to work better for the interests of the Group.

The Company believes that by offering the Participants a shareholding stake in the Company, the interests of the Participants and the Company become aligning and thereby the Participants have additional incentives to improve the Company's performance.

Pursuant to Code Provision B.1.5 of the CG Code, details of the annual remuneration of the members of the senior management by band for the year ended 31 March 2016 are as follows:

董事及高級管理層的薪酬政策

應付僱員的酬金包括薪金及津貼。本集團的薪酬政策乃根據僱員的個人表現而釐訂，並定期檢討。視乎本集團的盈利能力，本集團亦可能向僱員發放酌情花紅，作為彼等對本集團所作貢獻的獎勵。有關執行董事薪酬待遇之薪酬政策的主要目的，是本集團可藉此將彼等的酬勞與根據已達成的企業目標衡量的表現掛鉤，以期挽留和激勵執行董事。各執行董事有權收取的薪酬待遇包括基本薪金及酌情花紅。

於二零一四年六月三十日，唯一股東以書面決議案方式採納本公司之購股權計劃（「購股權計劃」）。購股權計劃之條款符合創業板上市規則第23章的規定。購股權計劃的目的是向(i)本集團僱員（全職及兼職）；(ii)本集團董事（包括執行董事、非執行董事及獨立非執行董事（如適用））；(iii)本集團各成員公司之主要股東，及(iv)本集團董事或主要股東的聯繫人士（包括任何上述人士）（統稱「參與者」）提供獲取本公司股本權益之機會，將彼等之利益與本集團利益聯繫起來，進而激勵彼等更好地為本集團利益作出貢獻。

本公司相信，透過向參與者提供本公司股權，可將彼等利益與本公司利益連成一線，並進而激勵參與者為本公司爭取佳績。

按照企業管治守則之守則條文第B.1.5條，高級管理人員之截至二零一六年三月三十一日止年度酬金範圍詳情如下：

		Number of Individuals 人員數量
Nil to HK\$1,000,000	0 – 1,000,000港元	3
HK\$1,000,001 to HK\$1,500,000	1,000,001 – 1,500,000港元	1
		4

Nomination Committee

The Board is empowered under the Company's articles of association to appoint any person as a director either to fill a casual vacancy on or, as an additional member of the Board. Qualified candidates will be proposed to the Board for consideration and the selection criteria are mainly based on the assessment of their professional qualifications and experience. The Board selects and recommends candidates for directorship to the shareholders having regards to the balance of skills and experience appropriate to the Group's business.

The nomination committee of the Company (the "Nomination Committee") was established by the Board on 30 June 2014 with written terms of reference in compliance with the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The Nomination Committee currently comprises three independent non-executive Directors and is chaired by Prof. Lai Kin Keung (until 17 November 2015) and Mr. Wu Zhao (since 17 November 2015). The other members are Mr. Lu Tak Ming, Mr. Lam Yiu Kin (until 17 September 2015) and Mr. Chan Chiu Hung Alex (since 17 September 2015). The primary duties of the Nomination Committee are to make recommendations to the Board regarding the candidates for directorship, either to fill vacancies on or appoint additional Directors, and succession planning for Directors, in particular, the chairman and the chief executive of the Company.

Subsequent to 31 March 2016, on 28 April 2016, Mr. Lu Tak Ming resigned as a member of the Nomination Committee and Mr. Lam Cheok Va was appointed in replacement of Mr. Lu.

Four Nomination Committee Meeting was held during the year to approve the appointment letters of all independent non-executive Directors. Details of the attendance of the members of the Nomination Committee meeting are as follows:

Members	成員	Attendance 出席次數
Wu Zhao (<i>Chairman</i>) (appointed on 17 November 2015)	吳兆先生(主席) (於二零一五年十一月十七日獲委任)	0/0
Chan Chiu Hung Alex (appointed on 17 September 2015)	陳釗洪先生(於二零一五年九月十七日獲委任)	2/2
Lu Tak Ming	盧德明先生	4/4
Prof. Lai Kin Keung (resigned on 17 November 2015)	黎建強教授(於二零一五年十一月十七日辭任)	3/4
Lam Yiu Kin (resigned on 17 September 2015)	林耀堅先生(於二零一五年九月十七日辭任)	1/2

提名委員會

董事會可根據本公司組織章程細則所賦予權力委任任何人士出任董事以填補臨時空缺，或加入董事會為新成員。合資格候選人將獲提呈董事會以供考慮，而董事會主要根據候選人之專業資格及經驗作為評選準則。董事會經考慮候選人適合本集團業務的技能及經驗後，將挑選及向股東推薦其出任董事。

本公司於二零一四年六月三十日成立提名委員會(「提名委員會」)，並遵照創業板上市規則附錄15所載之企業管治守則及企業管治報告訂定其職權範圍。提名委員會現時由三名獨立非執行董事組成，由黎建強教授(直至二零一五年十一月十七日)及吳兆先生(由二零一五年十一月十七日起)擔任主席，其餘成員為盧德明先生、林耀堅先生(直至二零一五年九月十七日)及陳釗洪先生(由二零一五年九月十七日起)。提名委員會的主要職責為就提名董事人選以填補空缺或委任新增董事以及董事繼任(尤其是本公司主席及主要行政人員)向董事會提出建議。

於二零一六年三月三十一日期後，於二零一六年四月二十八日，盧德明先生辭任提名委員會委員及Lam Cheok Va先生獲委任接替盧先生。

於本年內，提名委員會舉行四次會議以批准所有獨立非執行董事之委任書。提名委員會成員出席會議之詳情如下：

Board Diversity Policy

During the year, the Nomination Committee formulated the board diversity policy of the Company (the “Board Diversity Policy”). The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. In designing the Board’s composition, the Nomination Committee will consider 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. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure the effectiveness of the Board Diversity Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

The Nomination Committee also monitors the implementation of the Board Diversity Policy and reports to the Board on the achievement of the measurable objectives for achieving diversity under the Board Diversity Policy.

Compliance Committee

The compliance committee of the Company (the “Compliance Committee”) was established by the Board on 30 June 2014 with written terms of reference. The Compliance Committee currently comprises three independent non-executive Directors and is chaired by Mr. Lam Yiu Kin (until 17 September 2015) and Mr. Chan Chiu Hung Alex (since 17 September 2015). The other members are Mr. Lu Tak Ming, Prof. Lai Kin Keung (until 17 November 2015) and Mr. Wu Zhao (since 17 November 2015).

董事會成員多元化政策

於本年內，提名委員會制定本公司之董事會成員多元化政策（「董事會成員多元化政策」）。本公司認同及接受董事會成員多元化對提升其表現質素的裨益。在制定董事會的組成時，提名委員會將會考慮多個方面，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、知識及服務年期。董事會的所有委任將以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。最終決定將會以經甄選候選人將為董事會帶來之好處及貢獻為依據。

提名委員會將檢討董事會成員多元化政策（如適用）以確保其行之有效，並就可能需要作出的任何修改進行討論，以及就任何有關修改向董事會提供推薦意見以供其審議及批准。

提名委員會亦會監察董事會成員多元化政策的實施，並就根據董事會成員多元化政策達致可計量之多元化目標的達成情況向董事會匯報。

合規委員會

本公司於二零一四年六月三十日成立合規委員會（「合規委員會」），並訂定其職權範圍。合規委員會現時由三名獨立非執行董事組成，由林耀堅先生（直至二零一五年九月十七日）及陳釗洪先生（由二零一五年九月十七日起）擔任主席，其餘成員為盧德明先生、黎建強教授（直至二零一五年十一月十七日）及吳兆先生（由二零一五年十一月十七日起）。

The primary duties of the Compliance Committee are to review matters relating to the historical conduct of the operations of the Group with a view to (i) understand the relevant legal compliance obligations; (ii) recommend procedures and protocols for implementation and/or inclusion into the policies of the Group for regulation of our recent or future operations to ensure compliance with all applicable laws, rules and regulations, and to review such policies from time to time to consider whether any amendments or updates are necessary and to make recommendations to the Board for amendment and adoption as appropriate, and (iii) review the effectiveness of and compliance by the Group with the policies implemented by the Group and to recommend remedial actions to be taken (if any) in the event any non-compliance is discovered. Any incident of non-compliance will be reported to our compliance committee. Meetings will be held on a monthly basis or as and when necessary to perform the functions set out above. For effective monitoring, external independent professionals will be engaged to conduct reviews of our internal control system and its implementation and effectiveness on an annual basis, and if considered necessary by compliance committee, at frequency as it considered appropriate.

Subsequent to 31 March 2016, on 28 April 2016, Mr. Lu Tak Ming resigned as a member of the Compliance Committee and Mr. Lam Cheok Va was appointed in replacement of Mr. Lu.

One Compliance Committee Meeting was held during the year. Details of the attendance of the members of the Nomination Committee meeting are as follows:

Members	成員	Attendance 出席次數
Chan Chiu Hung Alex (<i>Chairman</i>) (appointed on 17 September 2015)	陳釗洪先生(主席) (於二零一五年九月十七日獲委任)	0/0
Lu Tak Ming	盧德明先生	1/1
Prof. Lai Kin Keung (resigned on 17 November 2015)	黎建強教授(於二零一五年十一月十七日辭任)	1/1
Lam Yiu Kin (resigned on 17 September 2015)	林耀堅先生(於二零一五年九月十七日辭任)	1/1
Wu Zhao (appointed on 17 November 2015)	吳兆先生(於二零一五年十一月十七日獲委任)	0/0

Corporate Governance Functions

According to code provision D.3 of the CG Code, the Board is responsible for performing the corporate governance duties of the Company. The Board shall have the following duties and responsibilities for performing the corporate governance duties of the Company:

- to develop and review the policies and practices on corporate governance of the Group and make recommendations;
- to review and monitor the training and continuous professional development of Directors and senior management;

合規委員會之主要職責為檢討有關本集團過往營運行為之事宜，以(i)了解相關法律合規責任；(ii)建議程序及方案以供實行及／或納入本集團政策，用作規管我們最近或未來營運，以確保遵守一切適用法律、規則及法規，且不時檢討該等政策，以考慮是否需要作出任何修訂或更新，並向董事會提出適當修訂及採納之建議；及(iii)檢討本集團所實施政策之成效及本集團遵守該等政策之情況，並在發現任何不合規行為時建議應採取之補救行動(如有)。任何不合規事故將向合規委員會匯報。會議將每月或於有需要時舉行，以履行上文所載之職能。為有效監察，合規委員會將每年及在其認為有需要之情況下按其認為適當之頻密度，委聘外部獨立專業人士，以檢討我們之內部監控制度以及其實行及成效。

於二零一六年三月三十一日期後，於二零一六年四月二十八日，盧德明先生辭任合規委員會委員及Lam Cheok Va先生獲委任接替盧先生。

於本年內，合規委員會舉行一次會議。合規委員會成員出席會議之詳情如下：

企業管治職能

根據企業管治守則之守則條文第D.3條，董事會負責履行本公司之企業管治職責。就履行本公司之企業管治職責而言，董事會應承擔以下職責及責任：

- 制定及審閱本集團之企業管治政策及常規，並提出推薦意見；
- 審閱及監察董事及高級管理層人員的培訓及持續專業發展；

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企業管治報告

3. to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
 4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to Directors and employees; and
 5. to review the Company's compliance with the CG Code as set out in Appendix 15 to the GEM Listing Rules and disclosure in the corporate governance report of the Company.
3. 審閱及監察本集團於遵守法律及監管規定方面的政策及常規；
 4. 制定、審閱及監察適用於董事及僱員之行為守則及合規手冊(如有)；及
 5. 審閱本公司遵守創業板上市規則附錄15所載之企業管治守則的情況以及於本公司企業管治報告內的披露事項。

Accountability and Audit

Directors' and Auditor's Responsibilities for the Consolidated Financial Statements

All Directors acknowledges their responsibility to prepare the Group's consolidated financial statements for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the consolidated financial statements for the year ended 31 March 2016, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the consolidated financial statements on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The statement of auditor about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report. The Directors continue to adopt the going concern approach in preparing the consolidated financial statements and are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

問責及核數

董事及核數師於綜合財務報表的責任

全體董事明瞭彼等有責任編製本集團各財務期間的綜合財務報表，以真實及公平地反映本集團於該期間的事務狀況及業績與現金流量。於編製截至二零一六年三月三十一日止年度的綜合財務報表時，董事會已選擇及貫徹應用合適的會計政策，作出審慎、公平及合理的判斷及估計，並按持續經營基準編製綜合財務報表。董事亦負責採取一切合理及必須的措施保障本集團的資產及防止及審查欺詐及其他違規行為。有關核數師對綜合財務報表的報告責任的聲明載於獨立核數師報告。董事繼續採納持續經營基準以編製綜合財務報表，且並不知悉有任何重大不明朗因素涉及可能對本公司作為持續經營實體產生重大疑問的事件或狀況。

Auditor's Remuneration

During the year, the remuneration paid or payable to the Company's auditor, SHINEWING (HK) CPA Limited, in respect of their audit and non-audit services was as follows:

核數師酬金

截至本年度，就審核及非審核服務已付或應付本公司核數師信永中和(香港)會計師事務所有限公司的酬金如下：

		HK\$ 港元
Audit service	審核服務	700,000
Non-audit services	非審核服務費	295,000
Total	總計	995,000

Internal Control

The Board, recognising its overall responsibility in ensuring the risk management and internal control systems of the Company and for reviewing its effectiveness, is committed to implement an effective and sound risk management and internal control systems to safeguard the interests of shareholders and the assets of the Group.

The Board is responsible for establishing the Group's internal control framework, covering all material controls including financial, operational and compliance controls, as well as risk management functions of different systems. Review has been carried out in a systematic approach based on the risk assessments of the operations and controls. The Board considers that the key areas of the Group's internal control systems are reasonably implemented.

The Group has engaged an external professional (the "IC Consultant") carry out an internal control review on the system of the Group with the first report issued in December 2015 with no material weakness noted. The IC Consultant will be further engaged to follow up the improvement of the internal control system and the risk management of the Group in the years to come.

內部監控

董事會知悉其就確保本公司風險管理及內部控制系統以及檢討其有效性之全面職責，致力執行有效及健全之風險管理及內部控制系統，以保障股東權益及本集團資產。

董事會負責建立本集團內部控制框架，涵蓋所有重大監控，包括財務、營運及合規控制，以及不同系統之風險管理職能。已根據營運及監控之風險評估而進行系統性檢討。董事會認為本集團已經合理地實行內部監控制度之主要範疇。

本集團已聘請外部專業人仕(「內部監控顧問」)進行內部監控系統上的審閱。第一份報告於二零一五年十二月發出並無重大缺憾。將繼續聘任該內部監控顧問跟進及改善本集團內部監控體制及日後之風險管理。

INVESTORS AND SHAREHOLDERS RELATIONS

The Company values communication with the shareholders and investors. The Company uses two-way communication channels to account to shareholders and investors for the performance of the Company. Enquiries and suggestions from shareholders or investors are welcomed, and enquiries from shareholders may be put to the Board through the following channels to the executive Director:

1. By mail to the Company's principal place of business at Suite 2201, 22/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong;
2. By email at info@katechina.hk.

The Company uses a number of formal communications channel to account to shareholders and investors for the performance of the Company. These include (i) the publication of quarterly, interim and annual reports; (ii) the annual general meeting or extraordinary general meeting providing a forum for shareholders to raise comments and exchanging views with the Board; (iii) updated key information of the Group available on the websites of the Stock Exchange and the Company; (iv) the Company's website offering communication channel between the Company and its shareholders and investors; and (v) the Company's share registrars in Hong Kong serving the shareholders in respect of all share registration matters.

The Company aims to provide its shareholders and investors with high standards of disclosure and financial transparency. The Board is committed to provide clear, detailed, timely manner and on a regular basis information of the Group to shareholders through the publication of quarterly, interim and annual reports and/or dispatching circulars, notices, and other announcements.

The Company strives to take into consideration its shareholders' views and inputs, and address shareholders' concerns. Shareholders are encouraged to attend the annual general meeting for which at least 20 clear business days' notice shall be given. The chairman of the Board as well as chairmen of the Audit Committee, the Nomination Committee, the Remuneration Committee and the Compliance Committee, or in their absence, the Directors are available to answer shareholders' questions on the Group's businesses at the meeting. To comply with code provision E.1.2 of the CG Code, the management will ensure the external auditor to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

投資者及股東關係

本公司重視與股東及投資者之間的溝通。本公司利用雙向通訊渠道就本公司表現向股東及投資者提供資料。歡迎股東或投資者查詢及給予意見，股東可透過以下渠道向執行董事作出查詢，以便轉交董事會：

1. 郵寄至本公司的主要營業地點，地址為香港灣仔港灣道26號，華潤大廈22樓，2201室；
2. 電郵至info@katechina.hk。

本公司利用若干正規的通訊渠道就本公司表現向股東及投資者提供資料，其中包括(i)刊發季度、中期及年度報告；(ii)舉行股東週年大會或股東特別大會，為股東提供一個可提出意見及與董事會交流意見的平台；(iii)於聯交所及本公司的網站提供本集團的最新重要資訊；(iv)本公司網站為本公司及其股東及投資者提供溝通渠道；及(v)本公司的香港股份過戶登記處就所有股份過戶登記事宜向股東提供服務。

本公司旨在向股東及投資者提供高水平之披露及財務透明度。董事會致力透過刊發季度、中期及年度報告及／或寄發通函、通告及其他公告，定期向股東提供有關本集團明確、詳盡與及時的資料。

本公司致力考量其股東的意見及建議，並處理股東關注的問題。歡迎股東出席股東週年大會，就此，股東將至少獲二十個完整營業日的通知。董事會主席及審核委員會、提名委員會、薪酬委員會及合規委員會的主席或(倘彼等缺席)董事均會於會上就本集團的業務回答股東的提問。為遵守企業管治守則之守則條文第E.1.2條，管理層將確保外聘核數師會出席股東週年大會，以回答有關進行審核、核數師報告的編製及內容、會計政策以及核數師的獨立性等提問。

All shareholders have statutory rights to call for extraordinary general meetings and put forward agenda items for consideration by shareholders. According to section 566 of the Companies Ordinance, The directors are required to call a general meeting if the company has received requests to do so from members of the company representing at least 5% of the total voting rights of all the members having a right to vote at general meetings. A request (a) must state the general nature of the business to be dealt with at the meeting; and (b) may include the text of a resolution that may properly be moved and is intended to be moved at the meeting.

A shareholder may propose a person other than a retiring director or recommended by the board of directors for election as a director by validly lodging the following documents within the period hereinafter mentioned at the registered office of the Company at Suite 2201, 22/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong:

1. a notice in writing of the intention to propose the appointment or reappointment of such person to the office of director, which must state the full name of such person, include the person's biographical details as required by rule 17.50(2) of the GEM Listing Rules and be signed by the proposing shareholder; and
2. a notice in writing signed by such person of his willingness to be appointed or re-appointed as a director together with his written consent to the publication of his/her personal data.

Such documents shall be lodged at the registered office of the Company within the period of seven (7) days after the dispatch of the notice of the general meeting. Upon receipt of such documents, the Company shall verify the documents and, if the proposal is found to be in order, publish an announcement or issue a supplementary circular in respect of the proposal in accordance with rule 17.46B of the GEM Listing Rules.

所有股東均擁有要求召開股東特別大會及提出議程項目以供股東考慮之法定權利。根據公司條例第566條，若佔全體有股東大會表決權的股東總表決權最少5%的公司股東要求公司召開股東大會，則董事須召開股東大會。有關要求(a)必須列明大會上將予處理事務之一般性質；及(b)可包含在該大會恰當地動議並擬於該大會動議之決議案文本；

股東可在下文所述之期間內有效提交下列文件至本公司主要營業地點，地址為香港灣仔港灣道26號，華潤大廈22樓2201室，提名一位除退任董事或董事推選以外之任何人士參選董事一職：

1. 表明有意提名該人士參選或重選董事之書面通知，該書面通知須列明該人士之全名，包括根據創業板上市規則第17.50(2)條規定之該人士履歷詳情並經一名提名股東簽署；及
2. 該人士簽署表明願意參選或重選董事之書面通知連同同意刊登其個人資料之同意書。

有關文件須於寄發股東大會通告後七(7)天之期間內提交至本公司註冊辦事處。本公司於收到有關文件後將核。實該文件，及倘該建議符合程序，將按照上市規則第17.46B條之規定就該建議刊登公告及／或發出補充通函。

In the event of any general meeting called by at least ten (10) clear business days' (as defined by the GEM Listing Rules) or fourteen (14) days' (whichever is the longer) notice in writing, such documents lodged within the aforesaid period may be received less than ten (10) business days prior to the general meeting, in which case the Company will consider the adjournment of the general meeting in order to give shareholders at least ten (10) business days to consider the relevant information disclosed in the announcement or supplementary circular.

In order to promote effective communication, the Company also maintains website (<http://www.katechina.hk>) which includes the latest information relating to the Group and its businesses.

COMPANY SECRETARY

Mr. Pang Pui Hung Paton was appointed as the company secretary of the Company in replacement of Ms. Lam Yuen Ling Eva on 1 February 2016. During the year, Mr. Pang has taken not less than 15 hours of relevant professional training in accordance with Rule 5.15 of the GEM Listing Rules.

倘任何股東大會須發出至少十(10)個完整營業日(定義見上市規則)或十四(14)天(以較長者為準)之書面通知召開，則須於股東大會舉行日期前十(10)個營業日內收到於上述期間提交之有關文件，在此情況下，為了給予股東不少於十(10)個營業日以考慮該公佈或補充通函所披露之相關資料，本公司將考慮舉行該股東大會之續會。

為促進有效溝通，本公司另設有網站(<http://www.katechina.hk>)，當中載有本集團及其業務的最新資料。

公司秘書

於二零一六年二月一日，彭沛雄先生(「彭先生」)接替林婉玲女士為本公司之公司秘書。於本年內，根據創業板上市規則第5.15條，彭先生已參與不少於15小時的相關專業培訓。

The board (the "Board") of directors (the "Director(s)") of Kate China Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to present this annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and the activities of its subsidiaries are set out in note 37 to the consolidated financial statements. There were no significant changes in nature of Group's principal activities during the year.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the group's business, can be found in the Management Discussion and Analysis set out on pages 6 to 13 of this annual report. This discussion forms part of this directors' report.

RESULTS AND DIVIDEND

The results of the Group for the financial year ended 31 March 2016 and the state of affairs of the Group as at that day are set out in the consolidated financial statements on pages 49 to 51.

The Board does not recommend the payment of a final dividend for the year ended 31 March 2016.

RESERVES

Details of movements in the reserves of the Group and of the Company during the year ended 31 March 2016 are set out in the consolidated statement of changes in equity and in note 34 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2016, the Company's reserves available for distribution to the shareholders of the Company amounted to approximately HK\$1.5 million.

INVESTMENT PROPERTY

During the year, the Group acquired an investment property amounting to approximately HK\$24 million. Details of movements in the investment property of the Group are set out in note 18 to the consolidated financial statements.

中持基業控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)欣然提呈本年報以及本集團截至二零一六年三月三十一日止年度之經審核綜合財務報表。

主要活動及業務回顧

本公司的主要活動為投資控股，而其附屬公司的活動則載於綜合財務報表附註37。本集團主要活動的性質於年內並無重大變化。

根據公司條例附表5所要求對該等活動作出的進一步討論及分析載於本年報第6頁至第13頁的「管理層討論及分析」，當中包括本集團所面對的主要風險及不確定因素的討論，以及本集團業務可能進行的未來發展指標。本討論為董事會報告的一部份。

業績及股息

本集團截至二零一六年三月三十一日止財政年度之業績及本集團於該日的財務狀況載於綜合財務報表第49頁至第51頁。

董事會不建議就截至二零一六年三月三十一日止年度派發末期股息。

儲備

本集團及本公司於截至二零一六年三月三十一日止年度之儲備變動詳情分別載於綜合權益變動表及綜合財務報表附註34。

可分派儲備

於二零一六年三月三十一日，本公司可供分派予本公司股東之儲備約有1,500,000港元。

投資物業

本年內，本集團收購一投資物業合計約24,000,000港元。本集團的投資物業變動詳情載於綜合財務報表附註18。

REPORT OF THE DIRECTORS

董事會報告

PLANT AND EQUIPMENT

Details of movements in the plant and equipment of the Group are set out in note 17 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2016 are set out in note 28 to the consolidated financial statements.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 March 2016 are set out in notes 25 and 26 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2016, the Group's top five customers accounted for approximately 87% of the revenue. The top five suppliers accounted for approximately 26% of the cost of sales for the year. In addition, the Group's largest customer accounted for approximately 33% of the revenue and the Group's largest supplier accounted for approximately 7% of the cost of sales for the year.

During the year ended 31 March 2016, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had any interest in these major customers and suppliers.

DIRECTORS

During the year ended 31 March 2016 and up to the date of this annual report, the Directors were:

Executive Directors

Mr. Chan Chi Yuen

(appointed on 27 October 2015 and designated as Chairman on 17 November 2015)

Mr. Tsang Kei Cheong

(designated as Chief Executive Officer on 28 April 2016)

Mr. Liu Rongsheng (appointed on 27 October 2015)

Mr. Fok Chun Kit (resigned on 28 April 2016)

Mr. Chan Tat Wah (resigned as on 17 November 2015)

Non-executive Director

Mr. Yuan Guanghua

(appointed on 27 October 2015 and resigned on 23 March 2016)

廠房及設備

本集團廠房及設備的變動詳情載於綜合財務報表附註17。

股本

本公司股本於截至二零一六年三月三十一日止年度之變動詳情載於綜合財務報表附註28。

銀行貸款及其他借款

本集團銀行貸款及其他借款於二零一六年三月三十一日的詳情載於綜合財務報表附註25及26。

主要客戶及供應商

於截至二零一六年三月三十一日止年度，本集團五大客戶佔收益87%。五大供應商佔本年度銷售成本約26%。此外，本集團最大客戶佔收益約33%，而本集團最大供應商佔本年度銷售成本約7%。

於截至二零一六年三月三十一日止年度，概無董事、彼等的聯繫人士或就董事所知擁有本公司已發行股本5%以上權益的任何股東擁有該等主要客戶及供應商的任何權益。

董事

於截至二零一六年三月三十一日止年度及直至本年報日期的董事如下：

執行董事

陳志遠先生

(於二零一五年十月二十七日獲委任為董事，及於二零一五年十一月十七日委任為主席)

曾紀昌先生

(於二零一六年四月二十八日委任為行政總裁)

劉榮生先生

(於二零一五年十月二十七日獲委任為執行董事)

霍俊傑先生(於二零一六年四月二十八日辭任)

陳達華先生(於二零一五年十一月十七日辭任)

非執行董事

袁光華先生

(於二零一五年十月二十七日獲委任為董事，及於二零一六年三月二十三日辭任)

Independent non-executive Directors

Mr. Chan Chiu Hung Alex (appointed on 17 September 2015)

Mr. Wu Zhao (appointed on 17 November 2015)

Mr. Lam Cheok Va

(appointed on 28 April 2016)

Mr. Lu Tak Ming (resigned on 28 April 2016)

Prof. Lai Kin Keung (resigned on 17 November 2015)

Mr. Lam Yiu Kin (resigned on 17 September 2015)

All the Directors are subject to retirement by rotation in accordance with the articles of association (the "Articles").

Mr. Chan Chi Yuen, Mr. Liu Rongsheng, Mr. Wu Zhao and Mr. Lam Cheok Va, appointed as Directors after the last annual general meeting, will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company in accordance with article 113 of the Articles. In addition, in accordance with article 141 of the Articles, Mr. Tsang Kei Cheong and Mr. Chan Chiu Hung Alex will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors are set out on pages 14 to 17 of this annual report.

DIRECTORS OF SUBSIDIARIES

A list of the names of the directors of the Company's subsidiaries during the year and up to the date of this report can be found in the Company's website at www.katechina.hk.

DIRECTORS' SERVICE CONTRACTS

During the year under review, each Director has a service contract or letter of appointment with the Company for an initial term of two to three years and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Save as disclosed above, none of the Directors has a service contract or letter of appointment with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS AND COMPETING INTERESTS

Save as disclosed in note 13 to the consolidated financial statements, no contract of significance to which the Company, its holding companies, or any of its subsidiaries was a party, and in which a Director had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 March 2016.

獨立非執行董事

陳釗洪先生(於二零一五年九月十七日獲委任)

吳兆先生(於二零一五年十一月十七日獲委任)

Lam Cheok Va先生

(於二零一六年四月二十八日獲委任)

盧德明先生(於二零一六年四月二十八日辭任)

黎建強教授(於二零一五年十一月十七日辭任)

林耀堅先生(於二零一五年九月十七日辭任)

根據章程細則(「章程」)，各董事須於本公司應屆股東週年大會上輪值告退。

陳志遠先生，劉榮生先生，吳兆先生及Lam Cheok Va先生，於週年大會後獲委任為董事，將根據章程第113條於應屆股東週年大會退任，並符合資格膺選連任。此外，根據章程第141條，曾紀昌先生及陳釗洪先生將於應屆股東週年大會上退任並符合資格，膺選連任。

董事的履歷

董事的履歷詳情載於本年報第14頁至第17頁。

附屬公司董事

截至本報告之日起本公司附屬公司的董事名稱的列表已刊登於本公司網站www.katechina.hk。

董事的服務合約

於回顧年內，各董事已與本公司訂立服務合約或委任書，初步任期為二至三年，並須按照章程的規定輪值退任及重選。除上文披露外，概無董事與本公司及任何附屬公司訂立不可由本集團於一年內終止而毋需支付賠償，法定賠償以外的服務合約或委任書。

董事於合約的權益及競爭業務之權益

除於綜合財務報表附註13披露外，本公司、其控股公司或其任何附屬公司概無與董事訂立其直接或間接擁有重大權益的重大合約，而該等合約於年末或截至二零一六年三月三十一日止年度內任何時間仍然生效。

REPORT OF THE DIRECTORS

董事會報告

During the year, none of the Directors and their respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

During the year ended 31 March 2016, confirmations were provided by or obtained from the Directors to ensure that none of them was engaged in the competing business.

INTERESTS OF CONTROLLING SHAREHOLDERS IN CONTRACTS AND COMPETING INTERESTS

There was no contract of significance between the Company or any of its subsidiaries and a controlling shareholder (as defined in the GEM Listing Rules) or any of its subsidiaries, at any time during the year under review.

A deed of non-competition dated 7 July 2014 was executed by Genius Idea Holdings Limited in favour of the Company regarding certain non-competition undertakings given by an ex-controlling shareholders in favour of the Company. The details of the deed of non-competition have been disclosed in the Prospectus. Genius Idea Holdings Limited has ceased to be the controlling shareholder of the Company on 6 October 2015.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 March 2016.

EMOLUMENT POLICY

The emolument policy of the employees and senior management of the Group is set up by the remuneration committee (the "Remuneration Committee") of the Company on the basis of their merit, qualification and competence. The emoluments of the Directors are decided by the Remuneration Committee, having regard to market competitiveness, individual performance and achievement. The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of which are set out in the section headed "Share Options" below.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the directors and five individuals with highest emoluments are set out in note 13 and note 14 to the consolidated financial statements.

年內，各董事概無直接或間接(定義見創業板上市規則)於與本集團構成競爭或可能構成競爭之任何業務中擁有權益。

截至二零一六年三月三十一日止年度，各董事已提供或已向各董事取得確認，確保彼等概無進行競爭業務。

主要股東於合約及競爭業務之權益

在審查年度本公司或其任何附屬公司及主要股東(見創業板上市規則之定義)或任何其附屬公司，與本公司之間無訂立任何重大權益之重要合約。

Genius Idea Holdings Limited於二零一四年七月七日以本公司為受益人簽立之不競爭契據，乃有關前主要股東以本公司為受益人作出之若干不競爭承諾。不競爭契據之詳情於招股章程內披露。Genius Idea Holdings Limited已於二零一五年十月六日不再是本公司之主要股東。

管理合約

於截至二零一六年三月三十一日止年度，概無就本公司業務全部或任何重大部分的管理及行政訂立合約或存續有關合約。

酬金政策

本集團僱員及高級管理層人員之薪酬政策由本公司之薪酬委員會(「薪酬委員會」)按照僱員本身之長處、資歷及能力釐定。董事薪酬由薪酬委員會經考慮市場競爭力、個人表現及成績後決定。本公司採納購股權計劃作為給予董事及合資格僱員之獎勵，有關詳情載於下文「購股權」一節。

董事及五位最高薪酬人士的酬金

董事及五位最高薪酬人士酬金的詳情載於綜合財務報表附註13及附註14。

RETIREMENT BENEFITS SCHEMES

The Group strictly complies with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) in making mandatory provident fund contributions for its Hong Kong employees.

USE OF PROCEEDS FROM THE LISTING OF THE COMPANY ON GEM AND THE PLACING OF NEW SHARES IN MARCH 2015

The proceeds from the Listing and the 2015 Placing had been fully utilised during the year, details of which are set out in Management Discussion and Analysis on pages 10 and 11 of this annual report.

PROPOSED PLACING OF SHARES

Reference is made to the announcement issued by the Company on 14 June 2016 in relation to the placing of new shares under general mandate ("Proposed Placing").

On 14 June 2016, the Company entered into a placing agreement with a placing agent to place up to 33,000,000 new shares (the "Shares") of the Company at the placing price of HK\$2.45 per Share to not less than six placees. The closing price per Share on that date was HK\$3.00.

Upon completion of the Proposed Placing, the net proceeds are estimated to be HK\$78.5 million (equivalent to HK\$2.38 per Share). The net proceed of the Proposed Placing of approximately HK\$78.5 million will be used for the Group's general working capital and/or other potential business development opportunities as considered appropriate.

As disclosed in the section headed "Outlook" on pages 7 to 8 of this annual report, the Group expects that a money lender license will be granted in the next few months, it is expected that at least HK\$30 million of the net proceed will be applied in commencement of the money lending business.

退休福利計劃

本集團嚴格遵守香港法例第485章強制性公積金計劃條例，為其香港僱員作出強制性公積金供款。

本公司於創業板上市及二零一五年配售事項所得款項用途

上市和二零一五年配售事項所得款項已悉數運用，相關詳情載於本年報第10頁至第11頁之管理層討論及分析。

股份配售建議

謹此提述本公司於二零一六年六月十四日刊發之公佈，內容有關配售根據一般授權認購新股份（「建議配售」）。

於二零一六年六月十四日，本公司與配售代理訂立配售協議，配售最多33,000,000股本公司新股份（「股份」）予不少六名獨立承配人，配售價為每股股份2.45港元。股份於當天收市價為每股3.00港元。

於建議配售完成，估計所得款項淨額約為78,500,000港元（相當於每股2.38港元），所得款項淨額擬用作本集團一般營運資金及／或其他認為適宜之潛在業務發展機會。

誠如載於本年報第7頁至第8頁之「展望」一節所披露，本集團預期在未來數月內獲授予放債人牌照，預期所得款項淨額中將投放不少於30,000,000港元以開展放債業務。

REPORT OF THE DIRECTORS

董事會報告

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OF ANY ASSOCIATED CORPORATION

As at 31 March 2016, the interests and short positions of the Directors and chief executive of the Company (the "Chief Executive") in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuer as referred to in rule 5.46 of the GEM Listing Rules (the "Required Standard of Dealings") were as follows:

Long position in ordinary shares of the Company

Name of Director	Capacity/Nature of interests in capital	Number of Shares held	Approximate percentage of the issued Shares
董事姓名	身份／權益資本性質	所持股份數目	佔已發行股份之概約百分比
Mr. Liu Rongsheng 劉榮生先生	Beneficial owner 實益擁有人	5,000,000	1.52%
Mr. Chan Tat Wah (resigned on 17 November 2015) 陳達華先生 (於二零一五年十一月十七日辭任)	Interest of a controlled corporation 於受控制法團之權益	20,000,000 (Note) (附註)	6.06%

Note: 20,000,000 Shares are registered in the name of Genius Idea Holdings Limited, which is wholly-owned by Mr. Chan Tat Wah, a former Director and the former chairman during the year. Accordingly, Mr. Chan Tat Wah is deemed to be interested in the relevant Shares under the SFO.

Save as disclosed above, as at 31 March 2016, none of the Directors or the Chief Executive had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Required Standard of Dealings.

董事及本公司主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中之權益及淡倉

於二零一六年三月三十一日，董事(包括期內前董事)及本公司主要行政人員(「主要行政人員」)於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之本公司股份(「股份」)、相關股份及債權證中擁有記錄於根據證券及期貨條例第352條須存置之登記冊內之權益及淡倉，或根據創業板上市規則第5.46條所述上市發行人董事進行交易之必守標準(「交易必守標準」)知會本公司及聯交所之權益及淡倉如下：

於本公司普通股之好倉

Number of Shares held	Approximate percentage of the issued Shares
所持股份數目	佔已發行股份之概約百分比
5,000,000	1.52%
20,000,000 (Note) (附註)	6.06%

附註：20,000,000股股份乃登記於Genius Idea Holdings Limited名下，該公司由年內前董事兼前主席陳達華先生全資擁有。據此，陳達華先生根據證券及期貨條例被視為於相關股份擁有權益。

除上文所披露者外，於二零一六年三月三十一日，概無董事或主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有任何記錄於根據證券及期貨條例第352條須存置之登記冊內之權益或淡倉，或根據交易必守標準知會本公司及聯交所之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the year ended 31 March 2016 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Save as disclosed above, at no time during the year ended 31 March 2016 had the Directors and the Chief Executive (including their spouses and children under 18 years of age) any interest in, or been granted, or exercised any rights to subscribe for the shares (or warrants or debentures, is applicable) of the Company and its associated corporations (within the meaning of the SFO).

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY IN THE SHARES AND UNDERLYING SHARES

As at 31 March 2016, so far as the Directors and the Chief Executive are aware and based on the public records filed on the website of the Stock Exchange and records kept by the Company, the interest and short positions of the persons or corporations (other than the Directors and the Chief Executive) in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO were as follows:

Long position in ordinary shares of the Company

Name of Shareholder	Capacity/Nature of interests in capital	Number of Shares held	Approximate percentage of the issued Shares
股東姓名	身份／權益資本性質	所持股份數目	佔已發行股份之概約百分比
Time Vanguard Holdings Limited	Beneficial owner 實益擁有人	50,000,000	15.15%
Huarong (HK) International Holdings Limited (Note 1) 華融(香港)國際控股有限公司(附註1)	Interest of a Controlled Corporation 於受控制法團之權益	50,000,000	15.15%
Huarong Real Estate Co., Ltd. (Note 1) 華融置業有限責任公司(附註1)	Interest of a Controlled Corporation 於受控制法團之權益	50,000,000	15.15%
China Huarong Asset Management Co., Ltd. (Note 1) 中國華融資產管理股份有限公司(附註1)	Interest of a Controlled Corporation 於受控制法團之權益	50,000,000	15.15%

董事購入股份之權利

除上文所披露者外，於截至二零一六年三月三十一日止年度內，本公司或其任何附屬公司概無訂立任何安排，使董事可藉收購本公司或任何其他法團之股份獲利。

除上文所披露者外，於截至二零一六年三月三十一日止年度內，董事及主要行政人員(包括彼等之配偶或未滿18歲之子女)概無於本公司及其相聯法團(定義見證券及期貨條例)之股份(或認股權證或債權證(如適用))中擁有任何權益或獲授或行使任何可認購該等股份(或認股權證或債權證(如適用))之權利。

本公司主要股東於股份及相關股份之權益及淡倉

於二零一六年三月三十一日，就董事(包括期內前董事)及主要行政人員所知，及根據聯交所網站備存之公開記錄及本公司保存之記錄，下列人士或法團(董事及主要行政人員除外)於股份或相關股份中擁有記錄於根據證券及期貨條例第336條須存置之登記冊內之權益及淡倉如下：

於本公司普通股之好倉

REPORT OF THE DIRECTORS

董事會報告

Name of Shareholder	Capacity/Nature of interests in capital	Number of Shares held	Approximate percentage of the issued Shares
股東姓名	身份／權益資本性質	所持股份數目	佔已發行股份之概約百分比
Good Virtue Capital Limited	Beneficial owner 實益擁有人	45,000,000	13.64%
Ms. Zheng Juhua (Note 2) 鄭菊花女士(附註2)	Interest of a Controlled Corporation 於受控制法團之權益	45,000,000	13.64%
Genius Idea Holdings Limited	Beneficial owner 實益擁有人	20,000,000	6.06%
Mr. Chan Tat Wah (Note 3) 陳達華先生(附註3)	Interest of a controlled corporation 於受控制法團之權益	20,000,000	6.06%
Ms. Lee Yuk Pui Kawina (Note 3) 李玉佩女士(附註3)	Family interest 家族權益	20,000,000	6.06%

Notes:

1. 50,000,000 Shares are registered in the name of Time Vanguard Holdings Limited, which is wholly-owned by Huarong (HK) International Holdings Limited.

Huarong (HK) International Holdings Limited is jointly-owned as to 11.9% by Huarong Zhiyuan Investment & Management Co., Ltd. and 88.1% by Huarong Real Estate Co., Ltd.

Each of Huarong Zhiyuan Investment & Management Co., Ltd. and Huarong Real Estate Co. Ltd. is wholly-owned by China Huarong Asset Management Co., Ltd.

Accordingly, each of Huarong (HK) International Holdings Limited, Huarong Real Estate Co., Ltd. and China Huarong Asset Management Co., Ltd. is deemed to be interested in the relevant Shares under the SFO.

2. 45,000,000 Shares are registered in the name of Good Virtue Holdings Limited, which is owned as to 70% by Ms. Zheng Juhua. Accordingly, Ms. Zheng Juhua is deemed to be interested in the relevant Shares under the SFO.

3. 20,000,000 Shares are registered in the name of Genius Idea Holdings Limited, which is wholly-owned by Mr. Chan Tat Wah, a former Director during the year. Ms. Lee Yuk Pui Kawina is the spouse of Mr. Chan Tat Wah. Accordingly, each of Mr. Chan Tat Wah and Ms. Lee Yuk Pui Kawina is deemed to be interested in the relevant Shares under the SFO.

附註：

1. 50,000,000 股股份乃登記於 Time Vanguard Holdings Limited 名下，該公司由華融(香港)國際控股有限公司全資擁有。

華融(香港)國際控股有限公司由華融致遠投資管理有限責任公司佔11.9%及華融置業有限責任公司佔88.1%共同持有。

華融致遠投資管理有限責任公司及華融置業有限責任公司各自由中國華融資產管理股份有限公司全資擁有。

據此，華融(香港)國際控股有限公司、華融置業有限責任公司及中國華融資產管理股份有限公司根據證券及期貨條例被視為於相關股份擁有權益。

2. 45,000,000 股股份乃登記於 Good Virtue Capital Limited 名下，該公司由鄭菊花女士佔70%。據此，鄭菊花女士根據證券及期貨條例被視為於相關股份擁有權益。

3. 20,000,000 股股份乃登記於 Genius Idea Holdings Limited 名下，該公司由期內前董事陳達華先生全資擁有。李玉佩女士為陳達華先生之配偶。據此，陳達華先生及李玉佩女士各人根據證券及期貨條例被視為於相關股份擁有權益。

Save as disclosed above, as at 31 March 2016, there was no person or corporation (other than the Directors and the Chief Executive) who had any interest or short position in the Shares or underlying Shares as recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 March 2016, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group or existed during the year ended 31 March 2016.

SHARE OPTION SCHEME

A share option scheme enables the Company to grant options to any Participant as incentives or rewards for their contributions to the Group. The Company conditionally adopted a share option scheme (the "Share Option Scheme") on 30 June 2014 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Share Option Scheme, to grant options to subscribe for the shares of the Company to the Eligible Participant. The Share Option Scheme will be valid and effective for a period of ten years commencing from the date of adoption of the Share Option Scheme.

As at 31 March 2016, the total number of shares (the "Shares") of the Company available for issue under the Scheme is 30,000,000 Shares, representing 10% of the issued Shares (the "Scheme Mandate Limit") of the aggregate number of Shares in issue immediately upon completion of the listing of the Shares in July 2014.

Upon acceptance of an option to subscribe for shares granted pursuant to the Share Option Scheme (the "Option"), the Eligible Participant shall pay HK\$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 21 days from the date on which the Option is granted. The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each participant and shall be the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which trading of Shares take place on the Stock Exchange (the "Trading Day"); and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Trading Days immediately preceding the date of grant of the Options.

除上文所披露者外，於二零一六年三月三十一日，概無其他人士或法團(董事及主要行政人員除外)於股份或相關股份中擁有任何記錄於根據證券及期貨條例第336條本公司須存置之登記冊內之權益或淡倉。

購買、出售或贖回股份

於截至二零一六年三月三十一日止年度內，本公司及其任何附屬公司均無購買、出售或贖回本公司任何證券。

股票掛鈎協議

於截至二零一六年三月三十一日止年度內，本集團並無訂立或存續任何股票掛鈎協議。

購股權計劃

購股權計劃使本公司可向任何參與者授出購股權，作為他們對本集團所作貢獻之獎勵或回報。本公司於二零一四年六月三十日有條件地採納購股權計劃，據此，董事會獲授權按他們之絕對酌情決定權，依照購股權計劃之條款向合資格參與者授出可認購股份之購股權。購股權計劃將於其獲採納當日起計十年期間一直有效及生效。

於二零一六年三月三十一日，根據該計劃可供發行之股份(「股份」)總數為30,000,000股，佔於二零一四年七月股份上市完成時之已發行股份總額之10%(「計劃授權限額」)。

於接納根據購股權計劃所授出可認購股份之購股權(「購股權」)時，合資格參與者須向本公司支付1.00港元，作為獲授購股權之代價。購股權之接納期為授出購股權當日起計21日期間。購股權之股份認購價將由董事會釐定，並知會各參與者，價格須為下列各項之最高者：(i)於授出購股權當日(必須為股份於聯交所買賣之日(「交易日」))聯交所每日報價表所載之股份收市價；及(ii)於緊接授出購股權當日前五個交易日聯交所每日報價表所載之股份平均收市價。

REPORT OF THE DIRECTORS

董事會報告

The Company shall be entitled to issue options, provided that the total number of Shares which may issue upon exercise of all options to be granted under the Share Option Scheme does not exceed the Scheme Mandate Limit. The Company may at any time refresh such limit, subject to the shareholders' approval and the issue of a circular in compliance with the GEM Listing Rules, provided that the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the Shares in issued at the time. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

Since the adoption of the Share Option Scheme, no share option has been granted by the Company.

SUFFICIENCY OF PUBLIC FLOAT

From information publicly available to the Company and within the knowledge of the Directors, during the year ended 31 March 2016, the Company has maintained the public float required by the GEM Listing Rules.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors a confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers all the independent non-executive Directors were independent during the period from their respective appointments and up to 31 March 2016.

CONNECTED TRANSACTIONS

Save as disclosed in notes 30 and 33 to the consolidated financial statements, there were no other significant connected transactions and related party transactions entered into by the Group for the year ended 31 March 2016.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association.

本公司獲賦予權利發行購股權，惟根據購股權計劃將予授出之所有購股權獲行使後可予發行之股份總數，不得超過上市日期已發行股份之10%。待股東批准及根據創業板上市規則發出通函後，本公司可隨時更新此上限，惟於根據本公司全部購股權計劃所授出而有待行使之所有未行使購股權獲行使後可予發行之股份總數，不得超過當時已發行股份之30%。購股權可按該計劃條款於董事會釐定之期間內隨時行使，該期間不得超出授出購股權日期起計十年，惟須受提早終止條文所規限。

自購股權計劃獲採納以來，本公司概無授出購股權。

足夠公眾持股量

根據本公司公開取得之資料及據董事所知，於截至二零一六年三月三十一日止年度，本公司一直維持創業板上市規則規定的公眾持股量。

獨立性確認

本公司已接獲各獨立非執行董事根據創業板上市規則第5.09條發出的獨立性確認書，並認為所有獨立非執行董事於獨立非執行董事各自獲委任起至二零一六年三月三十一日止期間內均為獨立。

關連交易

除於綜合財務報表附註30及33披露外，本集團於截至二零一六年三月三十一日止年度內並無訂立重大關聯交易及關連方交易。

優先購買權

本公司的組織章程細則並無載有優先購買權條文。

PERMITTED INDEMNITY PROVISION

The Company's articles of association provide that the Directors are entitled to be indemnified out of the assets and profits of the Company against all action, charges, losses, damages and expenses which they may incur or sustain in the execution of the duties of their office.

During the year, the Company has put in place as appropriate insurance cover in respect of Directors' liabilities.

COMPLIANCE ADVISER'S INTERESTS

As at 31 March 2016, neither Altus Capital Limited, the compliance adviser of the Company, nor any of its directors, employees or associates had any interests in the securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities) pursuant to Rule 6A.32 of GEM Listing Rules.

CORPORATE GOVERNANCE

The Company maintains a high standard of corporate governance practices. Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 19 to 34. The Directors believe the long term financial performance as opposed to short term rewards is a corporate governance objective. The Board would not take undue risks to make short term gains at the expense of the long term objectives.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group is committed to observe the relevant laws and regulations. The Group has appointed a compliance officer and an external compliance adviser to oversee compliance with all relevant regulations.

The Group has complied with all relevant laws and regulations that have a significant impact on the Group throughout the year.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Details of the Group's event after the reporting period are set out in note 38 to the consolidated financial statements.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group is set out in the five years financial summary on page 128 of this annual report.

獲准許之彌償條文

本公司組織章程細則提述董事有權就他們履行職責時所產生之法律行動、成本、費用及損失從本公司資產及利潤中獲得賠償。

本年內，本公司已就董事潛在責任提供合適保險保障。

合規顧問之權益

根據創業板上市規則第6A.32條，於二零一六年三月三十一日，本公司之合規顧問為浩德融資有限公司、其任何董事、僱員或聯繫人概無於本公司或本集團任何其他成員公司之證券中擁有任何權益(包括可認購有關證券之購股權或權利)。

企業管治

本公司一直維持高水準的企業管治常規。本公司採納的企業管治常規之詳情載於第19頁至第34頁的企業管治報告。董事相信，企業管治之宗旨著眼於長期財務表現而非局限於短期回報。董事會不會承擔不必要之風險以獲取短期收益而犧牲長期目標。

遵守相關法律法規

本集團致力遵守相關法律法規。本集團已任命一名監察主任及外聘合規顧問，以監察符合所有相關法規。

本年內，本集團已遵守對本集團有重大影響的所有相關法律法規。

報告期後事項

本集團之報告期後事項詳情載於綜合財務報表附註38。

財務概要

本集團之業績及資產及負債概要載於本年報第128頁五年財務概要一節。

REPORT OF THE DIRECTORS

董事會報告

AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management and the Company's external auditor the accounting principles and practices adopted by the Group, and discussed the auditing, internal control and financial reporting process including the review of financial statements for the year ended 31 March 2016.

AUDITOR

The financial statements for the year ended 31 March 2016 have been audited by SHINEWING (HK) CPA Limited who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of SHINEWING (HK) CPA Limited as the auditor of the Company is to be proposed at the forthcoming annual general meeting of the Company.

By Order of the Board
Chan Chi Yuen
Chairman
Hong Kong, 27 June 2016

審核委員會

審核委員會已與管理層以及本公司核數師審閱本集團所採納之會計原則及慣例及討論審核，內部監控及財務匯報程序包括審閱截至二零一六年三月三十一日止年度之財務報表。

核數師

本集團截至二零一六年三月三十一日止年度之財務報表已由信永中和(香港)會計師事務所有限公司(「信永中和」)審核。信永中和將退任且願意並符合資格膺選連任。重新委任信永中和為本公司核數師的決議案將於本公司應屆股東週年大會上提呈。

承董事會命
主席
陳志遠
香港，二零一六年六月二十七日



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE SHAREHOLDERS OF KATE CHINA HOLDINGS LIMITED
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Kate China Holdings Limited (the "Company") and its subsidiaries set out on pages 49 to 127 which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致中持基業控股有限公司列位股東
(於香港註冊成立之有限公司)

我們已審核中持基業控股有限公司(「貴公司」)及其附屬公司載於第49至127頁的綜合財務報表，此綜合財務報表包括於二零一六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、綜合權益變動報表及綜合現金流量表，以及重大會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港公司條例，編製真實而公平地反映情況的綜合財務報表，並負責執行董事認為必要的內部監控，以使編製之綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師的責任

我們的責任是根據審核對該等綜合財務報表作出意見，並僅根據香港公司條例第405條向全體股東報告，除此之外，本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負責或承擔任何責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiaries as at 31 March 2016, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong
27 June 2016

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製真實而公平地反映情況的綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對該公司的內部控制的效能發表意見。審核亦包括評價 貴公司董事所採用的會計政策是否合適及所作出的會計估計是否合理，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為吾等之審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及其附屬公司於二零一六年三月三十一日的財務狀況及其截至該日止年度的財務表現及現金流量，並已按照香港公司條例妥為編製。

信永中和(香港)會計師事務所有限公司

執業會計師

黃漢基

執業證書編號：P05591

香港
二零一六年六月二十七日

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 2016 截至二零一六年三月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	7	101,048	142,556
Cost of sales	銷售成本		(86,352)	(110,961)
Gross profit	毛利		14,696	31,595
Other income	其他收入	9	790	287
Decrease in fair value of an investment property	投資物業公平值減少	18	(2,144)	–
Administrative expenses	行政開支		(20,713)	(23,950)
Finance costs	融資成本	10	(158)	(117)
Share of results of a joint venture	分佔合資企業之業績		(390)	–
(Loss) profit before tax	除稅前(虧損)溢利		(7,919)	7,815
Income tax expense	所得稅開支	11	(1,451)	(2,364)
(Loss) profit for the year attributable to owners of the Company	本公司擁有人應佔年度(虧損)溢利	12	(9,370)	5,451
Other comprehensive income (expense) for the year	本年度其他全面收益(開支)			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額		45	(428)
Total comprehensive (expenses) income for the year attributable to owners of the Company	本公司擁有人應佔年度全面(開支)收益總額		(9,325)	5,023
(Loss) earnings per share	每股(虧損)盈利	16		
Basic and diluted (HK cents)	基本及攤薄(港仙)		(2.84)	1.95

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2016 於二零一六年三月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產			
Plant and equipment	廠房及設備	17	2,310	1,068
Investment property	投資物業	18	22,380	–
Investment in a joint venture	合資企業投資	19	–	–
			24,690	1,068
Current assets	流動資產			
Trade and other receivables	貿易及其他應收款項	20	43,214	37,183
Amounts due from customers for contract work	應收客戶合約工程款項	21	48,538	78,770
Amount due from ultimate holding company	應收最終控股公司款項	22	–	5
Amount due from a substantial shareholder	應收一名主要股東款項	22	5	–
Amount due from a joint venture	應收合資企業款項	22	–	–
Amounts due from related parties	應收關連方款項	22	–	61
Tax recoverable	可退回稅項		625	74
Bank balances and cash	銀行結餘及現金	23	25,268	50,004
			117,650	166,097
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	24	32,534	58,361
Amounts due to customers for contract work	應付客戶合約工程款項	21	6,128	2,270
Income tax payable	應付所得稅		929	1,727
Obligation under a finance lease	融資租賃承擔	25	85	82
Secured bank borrowing	銀行借貸	26	7,256	–
			46,932	62,440
Net current assets	淨流動資產		70,718	103,657
			95,408	104,725

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2016 於二零一六年三月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	28	76,113	76,113
Reserves	儲備		18,893	28,218
Total equity	總股本		95,006	104,331
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	27	225	132
Obligation under a finance lease	融資租賃承擔	25	177	262
			402	394
			95,408	104,725

The consolidated financial statements on pages 49 to 127 were approved and authorised for issue by the board of directors on 27 June 2016 and are signed on its behalf by:

載列於第49頁至第127頁之綜合財務報表已於二零一六年六月二十七日經董事會批准及授權刊發並經下列董事代表簽署：

Chan Chi Yuen
陳志遠
Director
董事

Tsang Kei Cheong
曾紀昌
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

		Share capital 股本 HK\$'000 千港元 (Note 28) (附註28)	Retained profits 保留溢利 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2014	於二零一四年四月一日	-	23,012	183	23,195
Profit for the year	本年度溢利	-	5,451	-	5,451
Other comprehensive expenses for the year	本年度其他全面開支	-	-	(428)	(428)
Total comprehensive income for the year	本年度全面收益總額	-	5,451	(428)	5,023
Issue of new shares	發行新股份	81,000	-	-	81,000
Transaction costs attributable to issue of shares	發行股份應佔交易成本	(4,887)	-	-	(4,887)
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日 及二零一五年四月一日	76,113	28,463	(245)	104,331
Loss for the year	本年度虧損	-	(9,370)	-	(9,370)
Other comprehensive income for the year	本年度其他全面收益	-	-	45	45
Total comprehensive expenses for the year	本年度全面支出總額	-	(9,370)	45	(9,325)
At 31 March 2016	於二零一六年三月三十一日	76,113	19,093	(200)	95,006

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
(Loss) Profit before tax	除稅前(虧損)溢利	(7,919)	7,815
Adjustments for:	調整：		
Decrease in fair value of an investment property	投資物業公平值減少	2,144	-
Impairment loss on trade receivables	應收貿易款項減值虧損	2,020	204
Depreciation of plant and equipment	廠房及設備折舊	449	464
Share of results of a joint venture	分佔合資企業業績	390	-
Impairment loss recognised on amount due from a joint venture	就應收合資企業款項 確認的減值虧損	271	-
Finance costs	融資成本	158	117
Gain on disposal of plant and equipment	出售廠房及設備之收益	-	(1)
Bank interest income	銀行利息收入	(6)	(18)
Reversal of impairment loss recognised on trade and other receivables	就貿易及其他應收款項 確認之減值虧損撥回	(4)	(218)
Operating cash flows before movements in working capital	營運資金變動前之經營現金 流量	(2,497)	8,363
(Increase) decrease in trade and other receivables	貿易及其他應收款項(增加) 減少	(7,986)	7,825
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少) 增加	(25,827)	52,600
Decrease (increase) in amounts due from customers for contract work	應收客戶合約工程款項 減少(增加)	30,232	(71,081)
Increase (decrease) in amounts due to customers for contract work	應付客戶合約工程款項 增加(減少)	3,858	(22,538)
Cash used in operations	經營所用之現金	(2,220)	(24,831)
Hong Kong Profits Tax paid, net	已付香港利得稅，淨額	(2,707)	(149)
Singapore Corporate Tax paid	已付新加坡公司稅	-	(128)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用之淨現金	(4,927)	(25,108)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchase of an investment property	購置投資物業	(24,524)	–
Purchases of plant and equipment	購置廠房及設備	(1,691)	(385)
Acquisition of assets through acquisition of a subsidiary	透過收購附屬公司 收購資產	(390)	–
Advance to a joint venture	墊款予合資企業	(271)	–
Bank interest received	已收銀行利息	6	18
Advance to related parties	墊款予關連方	–	(61)
Advance to ultimate holding company	墊款予最終控股公司	–	(5)
Proceeds on disposal of plant and equipment	出售廠房及設備所得款項	–	8
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用之淨現金	(26,870)	(425)
FINANCING ACTIVITIES	融資活動		
New bank borrowing raised	已籌集之新銀行貸款	7,400	–
Repayment of secured bank borrowing	償還有抵押銀行借貸	(144)	–
Interest paid	已付利息	(158)	(117)
Repayment of obligation under a finance lease	償還融資租賃承擔	(82)	(78)
Proceeds from issuing of new ordinary shares	發行新普通股所得款項	–	81,000
Transaction costs attributable to issue of new ordinary shares	發行新普通股應佔交易 成本	–	(4,887)
Repayment of unsecured bank borrowing	償還無抵押銀行借貸	–	(284)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得之淨現金	7,016	75,634
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物淨(減少) 增加	(24,781)	50,101
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及現金等價物	50,004	122
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	45	(219)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	年終之現金及現金等 價物，指 銀行結餘及現金	25,268	50,004

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

1. GENERAL INFORMATION

Kate China Holdings Limited (the "Company") was incorporated in Hong Kong as a company with limited liability and its shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") are provision of design and fitting-out service and provision of design and procurement of furnishings and decorative materials services.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company and its Hong Kong subsidiaries. Other than those Hong Kong subsidiaries, the functional currency of a subsidiary established in Singapore is denominated in Singapore dollars ("SGD").

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") AND COMPANIES ORDINANCE

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards ("HKAS(s)"), amendments and interpretations ("Int(s)"), issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2010-2012 Cycle</i>
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2011-2013 Cycle</i>
Amendments to HKAS 19	<i>Defined Benefit Plans: Employee Contributions</i>

The application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. 一般資料

中持基業控股有限公司(「本公司」)於香港註冊為有限責任公司，其股份在香港聯合交易所有限公司創業板上市。本公司之註冊辦事處及主要營業地點披露於本年報之公司資料一節。

本公司為一間投資控股公司。本公司及其附屬公司(以下統稱為「本集團」)之主要業務為提供設計及裝修服務，以及提供設計及採購室內陳設及裝飾材料服務。

綜合財務報表乃以港元(「港元」)呈列，除於新加坡成立之附屬公司之功能貨幣為新加坡元(「新加坡元」)外，港元為本公司及其香港附屬公司之功能貨幣。

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例

本年度，本集團已採納下列由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂香港財務報告準則(包括香港財務報告準則、香港會計準則(「香港會計準則」)以及修訂及詮釋(「詮釋」))。

香港財務報告準則(修訂本)	香港財務報告準則二零一零年至二零一二年週期之年度改進
香港財務報告準則(修訂本)	香港財務報告準則二零一一年至二零一三年週期之年度改進
香港會計準則第19號 (修訂本)	界定福利計劃：僱員供款

於本年度應用新訂及經修訂香港財務報告準則對本集團本年度及過往年度的財務表現及狀況及／或本綜合財務報表所載之披露事項並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective

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

HKFRS 9 (2014)	<i>Financial Instruments</i> ²
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
HKFRS 15	<i>Clarification to HKFRS 15</i> ³
HKFRS 16	<i>Leases</i> ⁴
Amendments to HKFRSs	<i>Annual Improvements HKFRSs 2012-2014 Cycle</i> ¹
Amendments to HKAS 1	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ¹
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i> ¹
Amendments to HKAS 27	<i>Equity Method in Separate Financial Statements</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁵
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	<i>Investment Entities: Applying the Consolidation Exception</i> ¹
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2016

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

³ Effective for annual periods beginning on or after 1 January 2018 with earlier application permitted

⁴ Effective for annual periods beginning on or after 1 January 2019

⁵ Effective date not yet been determined

The directors of the Company anticipate that, except as described below, the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈惟尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號 (二零一四年)	<i>金融工具</i> ²
香港財務報告準則第15號	<i>客戶合約收入</i> ²
香港財務報告準則第15號	<i>澄清香港財務報告準則第15號</i>
香港財務報告準則第16號	<i>租賃</i> ⁴
香港財務報告準則(修訂本)	<i>香港財務報告準則二零一二年至二零一四年週期之年度改進</i> ¹
香港會計準則第1號(修訂本)	<i>披露計劃</i> ¹
香港會計準則第16號及香港會計準則第38號(修訂本)	<i>澄清折舊及攤銷之可接受方法</i> ¹
香港會計準則第16號及香港會計準則第41號(修訂本)	<i>農業：生產性植物</i> ¹
香港會計準則第27號(修訂本)	<i>獨立財務報表之權益法</i> ¹
香港財務報告準則第10號及香港會計準則第28號(修訂本)	<i>投資者與其聯營公司或合營公司之間的資產出售或投入</i> ⁵
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(修訂本)	<i>投資實體：應用綜合入賬之例外情況</i>
香港財務報告準則第11號(修訂本)	<i>收購聯合經營權益之會計法</i> ¹

¹ 於二零一六年一月一日或之後開始之年度期間生效

² 於二零一八年一月一日或之後開始之年度期間生效

³ 於二零一八年一月一日或之後開始之年度期間生效，可提早應用

⁴ 於二零一九年一月一日或之後開始之年度期間生效

⁵ 生效日期尚未確定

本公司董事預期，除下文所述者外，應用新訂及經修訂香港財務報告準則不會對本集團之業績及財務狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an “expected credit loss” model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年)「金融工具」

於二零零九年頒佈之香港財務報告準則第9號引入金融資產分類及計量之新規定。於二零一零年修訂之香港財務報告準則第9號包括金融負債之分類及計量以及終止確認之規定。於二零一三年，香港財務報告準則第9號獲進一步修訂，以落實對沖會計法之實質性修訂，從而將使實體於財務報表中更能反映風險管理活動。香港財務報告準則第9號之終定本於二零一四年頒佈，收納於過往年度頒佈之所有香港財務報告準則第9號規定，並為若干金融資產引入「經其他全面收益按公平值入賬」計量類別，對分類及計量作出有限修訂。香港財務報告準則第9號之終定本亦就減值評估引入「預期信貸虧損」模型。

香港財務報告準則第9號(二零一四年)之主要規定載述如下：

- 所有屬香港會計準則第39號「金融工具：確認及計量」範圍內之已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，目的是收取合約現金流量之業務模式內持有之債務投資，及合約現金流量僅為償還本金及尚未償還本金利息之債務投資，一般於其後會計期間結算日按攤銷成本計量。目的皆以收集合約現金流量及銷售金融資產而達成且按其業務模式內持有的債務工具，及金融資產在合約條款中於指定日期而產生的現金流僅為支付尚未償還之本金和利息，其計量乃按經其他全面收益按公平值入賬。所有其他債務投資及權益投資均於其後報告期末按公平值計量。此外，根據香港財務報告準則第9號(二零一四年)，實體可作出不可撤回之選擇，以於其他全面收益呈列權益投資(並非持作買賣者)公平值之其後變動，只有股息收入一般於損益賬確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 9 (2014) Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年)「金融工具」(續)

- 就指定為透過損益賬按公平值處理之金融負債之計量而言，香港財務報告準則第9號(二零一四年)規定該金融負債之信貸風險變動以致該負債公平值變動之金額於其他全面收益內呈列，除非於其他全面收益中確認該負債之信貸風險變動影響會導致或擴大損益上之會計錯配。金融負債之信貸風險引致之金融負債公平值變動其後不會重新分類至損益賬。根據香港會計準則第39號，指定為透過損益賬按公平值處理之金融負債之整筆公平值變動金額於損益賬呈列。
- 減值測試方面，已加入關於實體對其金融資產及提供延伸信貸承擔之預期信貸虧損的會計減值規定。此等要求消除香港會計準則第39號內確認信貸虧損之閾值。根據香港財務報告準則第9號(二零一四年)之減值方法，毋須先發生信貸事件，方可確認信貸減值。反之，預期信貸虧損及該等預期信貸虧損之變動必須一直入賬。預期信貸虧損之金額於每報告日期更新，以反映自初始確認以來的信貸風險，並提供更適時的預期信貸虧損資料。

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綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS") AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 9 (2014) Financial Instruments (Continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities.

Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號(二零一四年)「金融工具」(續)

- 香港財務報告準則第9號(二零一四年)引入更接近公司為對沖其金融及非金融風險時所作之風險管理活動所使用之對沖會計的新模型。香港財務報告準則第9號(二零一四年)以原則作基準，視乎能否確認及計量一項風險因素，並不區分金融項目與非金融項目。此新模型同時容許一個實體將用於風險管理的內部提供資料作為對沖會計之基礎。根據香港會計準則第39號，應用僅為會計目的而設計之計量標準證明符合及遵守香港會計準則第39號之規定乃屬必要。新模型亦包括合資格標準，惟該等標準以對沖關係強度進行之經濟評估為依據，可利用風險管理數據釐定。相對香港會計準則第39號之對沖會計處理，此舉降低了僅為會計處理所需進行之分析量，應可降低實行成本。

香港財務報告準則第9號(二零一四年)將於二零一八年一月一日或之後開始之年度期間生效，可提早採納。

本公司董事預計，採納香港財務報告準則第9號(二零一四年)日後可能會對就本集團金融資產及金融負債所呈報之數額構成重大影響。

就本集團之金融資產而言，在詳細檢討完成前對該影響作出合理估計並不可行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS") AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 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 or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

- i) Identify the contract with the customer;
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations; and
- v) Recognise revenue when (or as) the entity satisfies a performance obligation.

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

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

HKFRS 15 will become effective for annual periods beginning on or after 1 January 2018 with early application permitted. The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「客戶合約收入」

香港財務報告準則第15號的核心原則乃一個實體應確認收入以體現向客戶轉讓承諾貨品或服務的數額，並反映實體預期交換該等貨品或服務而應得的對價。因此，香港財務報告準則第15號引入應用於客戶合約之模型，當中訂明以合約為基礎之五步交易分析，以釐定是否須要確認收入以及確認收入之金額及時間。該五個步驟載列如下：

- i) 確定與一個客戶的合約；
- ii) 確定合約內的履約義務；
- iii) 釐定交易價格；
- iv) 將交易價格分攤至合約內的履約義務；及
- v) 當實體符合履約義務時確認收入。

香港財務報告準則第15號對質與量亦要求較廣泛的披露，以使財務報表之使用者能理解來自客戶合約的收益與現金流的性質、數額、時間及不確定性。

香港財務報告準則第15號生效後將取代現時沿用的收入確認指引包括香港會計準則第18號「收入」，香港會計準則第11號「建築合約」及相關的詮釋。

香港財務報告準則第15號將於二零一八年一月一日或之後開始之年度期間生效，可提早採納。本公司董事預計，將來採納香港財務報告準則第15號可能會對本集團綜合財務報表呈報及披露數額構成重大影響。但是，在本集團詳細檢討完成前對該影響作出合理估計並不可行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees. In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value. At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

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.

HKFRS 16 will supersede the current lease standards including HKAS 17 Leases and the related Interpretations when it becomes effective.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及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號為租賃安排的識別及其在出租人及承租人財務報表中的處理提供了一個綜合模型。就承租人之會計處理而言，該準則引入單一承租人會計處理模式，規定承租人就租期超過12個月之所有租賃確認資產及負債，除非相關資產有低價值資產。於租賃開始日期，承租人須按成本確認使用權資產，包括租賃負債初步計量金額加於開始日期或之前向出租人支付之任何租賃款項減已收取之任何租賃獎勵、修復費用之估算金額以及承租人產生之任何初步直接開支。租賃負債初步按於該日尚未支付之租賃款項之現值確認。

隨後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就租賃負債之任何重新計量進行調整。租賃負債隨後通過增加賬面值反映租賃負債之利息，減去賬面值反映已付租賃款項，重新計量賬面值反映任何重新評估或租賃修訂或反映經修訂實際固定租賃付款進行計量。使用權資產之折舊及減值開支(如有)將根據香港會計準則第16號「物業、廠房及設備」計入損益，而租賃負債之應計利息將計入損益。

就出租人之會計處理而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同的會計處理。

香港財務報告準則第16號生效後將取代現時沿用的租賃準則，包括香港會計準則第17號「租賃」及其相關詮釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

HKFRS 16 will be effective for annual periods beginning on or after 1 January 2019 with early application permitted provided that the entity has applied HKFRS 15 Revenue from Contracts with Customers at or before the date of initial application of HKFRS 16. The directors of the Company are in the process of assessing their impact on the consolidated financial statements of these requirements. However, it is not practicable to provide a reasonable estimate of the effect until the Group performs a detailed review.

Amendments to HKAS 1 Disclosure Initiative

The amendments clarify that companies should use professional judgement in determining what information as well as where and in what order information is presented in the financial statements. Specifically, an entity should decide, taking into consideration all relevant facts and circumstances, how it aggregates information in the financial statements, which include the notes. An entity does not require to provide a specific disclosure required by a HKFRS if the information resulting from that disclosure is not material. This is the case even if the HKFRS contain a list of specific requirements or describe them as minimum requirements.

Besides, the amendments provide some additional requirements for presenting additional line items, headings and subtotals when their presentation is relevant to an understanding of the entity's financial position and financial performance respectively. Entities, in which they have investments in associates or joint ventures, are required to present the share of other comprehensive income of associates and joint ventures accounted for using the equity method, separated into the share of items that (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及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」(續)

倘實體已於初次應用香港財務報告準則第16號日期或之前應用香港財務報告準則第15號來自合約客戶之收益，香港財務報告準則第16號將於二零一九年一月一日或之後開始之年度期間生效，惟可提前採用。本公司董事正在評估該等規定之綜合財務報表的影響。然而，在本集團詳細檢討完成前對該影響作出合理估計並不可行。

香港會計準則第1號(修訂本)「披露計劃」

該等修訂澄清，公司應使用專業判斷，釐定財務報表中所呈列資料之內容、位置及次序。具體而言，實體經考慮所有相關事實及情況後，應決定於其財務報表(包括附註)中如何將資料彙集。倘所披露之資料並不重大，實體並不需要根據香港財務報告準則作出特別披露。即使香港財務報告準則載有一系列特定要求或將其描述為最低要求，亦可如此行事。

此外，該等修訂就呈報額外報表項目、標題及小計(倘呈報該等資料與理解該實體分別之財務狀況及財務表現)提供額外規定。倘實體對聯營公司或合營企業有投資，則須呈報所佔聯營公司或合營企業之其他全面收益，並使用權益法入賬，分為以下項目分類：(i)其後將不會重新分類入損益；及(ii)於達成特定條件後將重新分類入損益。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS”) AND COMPANIES ORDINANCE (Continued)

New and revised HKFRSs issued but not yet effective (Continued)

Amendments to HKAS 1 Disclosure Initiative (Continued)

Furthermore, the amendments clarify that:

- (i) an entity should consider the effect on the understandability and comparability of its financial statements when determining the order of the notes; and
- (ii) significant accounting policies are not required to be disclosed in one note, but instead can be included with related information in other notes.

The directors of the Company anticipate that the application of Amendments to HKAS 1 in the future may have a material impact on the disclosures made in the Group’s consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment property that is measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The principal accounting policies are set out below.

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)及公司條例(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港會計準則第1號(修訂本)「披露計劃」(續)

此外，該等修訂澄清：

- (i) 一個實體於決定附註之次序時，應考慮對其財務報表之可理解性及可比性之影響；及
- (ii) 重大會計政策毋須於一個附註中披露，惟可納入其他附註之相關資料中。

本公司董事預期，日後應用香港會計準則第1號(修訂本)可能對本集團綜合財務報表作出之披露有重大影響。

3. 重大會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司創業板證券上市規則以及香港公司條例之適用披露事項。

綜合財務報表按歷史成本基準編製(以公平值計量之投資物業除外)。

歷史成本一般以就交換貨品及服務而給予之代價公平值為基準。

公平值為市場參與者在現時市況下於計量日期在一個主要(或最有利的)市場按有序交易出售資產所收取的價格或轉讓負債所支付的價格(即平倉價格)，不論該價格是否可直接觀察或使用另一項估值技術作出估計)。公平值計量按以下會計政策解釋。

主要會計政策載列如下。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns. When the Group has less than a majority of the voting rights of an investee, power over the investee may be obtained through: (i) a contractual arrangement with other vote holders; (ii) rights arising from other contractual arrangements; (iii) the Group's voting rights and potential voting rights; or (iv) a combination of the above, based on all relevant facts and circumstances.

The Company reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

3. 重大會計政策(續)

綜合帳目基準

綜合財務報表包括本公司及本公司所控制之實體(其附屬公司)之財務報表。倘若附屬公司，對類似情況下的相同交易和事項，採用了不同於綜合財務報表所採用的會計政策，其財務報表在用於編製綜合財務報表時，應作適當的調整，以保證與集團的會計政策保持一致。

倘若本集團出現以下情況，即擁有控制權：(i)對被投資方擁有控制權；(ii)承擔或具有從參與被投資方營運所得可變回報之風險或權利；及(iii)有能力利用其權力控制被投資方從而影響其回報。當本集團擁有被投資者之投票權不足大多數，則可透過：(i)與其他投票權持有人訂立合約安排；(ii)產生自其他合約安排的權利；(iii)本集團之投票權及潛在投票權；或(iv)根據所有相關事實及情況，結合上述方法，以取得對被投資者之控制權。

倘有事實及情況顯示上述控制因素之一項或多項出現變化，本集團將重新評估其是否控制被投資方。

附屬公司於本集團取得附屬公司之控制權時開始綜合入帳，並於本集團失去附屬公司之控制權時終止。

附屬公司之收入及開支，以及其他綜合收入會由本集團取得控制權當日直至本集團終止控制附屬公司當日計入綜合損益及其他全面收益表。

附屬公司之收益或損失和其他全面收益的各部分均歸屬於本公司的所有者和非控制性權益。附屬公司的全面收益總額歸屬於本公司的所有者和非控制性權益，即使這將導致非控制性權益產生赤字差額。

所有集團內之資產及負債、股本、收入、開支以及與集團實體之間的交易相關的現金流動乃於綜合帳目時全數撇銷。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment in a joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in joint venture is accounted for in the consolidated financial statements using the equity method. Under the equity method, investment in joint ventures is initially recognised at cost. The Group's share of the profit or loss and changes in the other comprehensive income of the joint venture are recognised in profit or loss and other comprehensive income respectively after the date of acquisition. If the Group's share of losses of a joint venture equals or exceeds its interest in the joint venture, which determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

If a joint venture uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the joint venture's accounting policies conform to those of the Group when the joint venture's financial statements are used by the Group in applying the equity method.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the joint venture is recognised as goodwill and is included in the carrying amount of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised in profit or loss in the period in which the investment is acquired.

3. 重大會計政策(續)

於合營企業之投資

合資企業指一項聯合安排，對安排擁有共同控制權之訂約方據此對聯合安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

本集團於合資企業的投資於簡明綜合財務報表內採用權益法入賬。根據權益法，於合資企業的投資初始按成本確認。本集團分佔合資企業的損益及其他全面收益變動於收購日期後分別在損益及其他全面收益內確認。倘本集團分佔合資企業的虧損等於或超過本集團其於該合資企業的權益(使用權益法釐定連同實質屬於本集團於合資企業的投資淨值的任何長期權益)時，本集團不再確認其分佔的進一步虧損。僅在本集團已招致法定或推定責任或代表合資企業支付款項的情況下計提額外虧損撥備及確認負債。

倘合資企業所用會計政策並非本集團於同類情況下就類似交易及事件所採用者，本集團為應用權益法使用合資企業之財務報表時會作出調整，以使該合資企業之會計政策與本集團所採用者一致。

於被投資方成為一間合資企業當日，於合資企業的投資採用權益法入賬。於收購投資時，收購成本超過本集團應佔合資企業可識別資產及負債之公平淨值之部份確認為商譽，並計入投資賬面值。

本集團應佔可識別資產及負債之公平淨額超過收購成本之部份，經重新評估後於收購投資期間在損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment in a joint venture (Continued)

After application of the equity method, including recognising the joint venture's losses (if any), the Group determines whether it is necessary to recognise any additional impairment loss with respect to its investment in the joint venture. Goodwill that forms part of the carrying amount of an investment in a joint venture is not separately recognised. The entire carrying amount of the investment is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment in the joint venture. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods sold and services rendered in the normal course of business, net of discounts and sales related taxes.

The Group's policy for recognition of service income from provision of design and fitting-out service and design and procurement of furnishings and decorative materials service from construction contracts is set out in the accounting policy headed "Construction contracts" below.

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 重大會計政策(續)

於合資企業之投資(續)

應用權益法後並且確認合資企業之虧損(如有)，本集團需決定是否需要就其於合資企業之投資確認任何額外減值虧損。形成於合資企業投資之賬面值之一部份的商譽不單獨確認。該項投資(包括商譽)之全部賬面值作為單一資產，透過將其可收回金額使用價值(與公平值減出售成本之較高者)與賬面值比較進行減值測試。任何已確認減值虧損構會成於合資企業之投資賬面值之一部分。有關減值虧損之任何撥回於該項投資可收回金額其後增加時確認。

收益確認

收益乃按已收或應收代價之公平值計量，指於正常業務過程中就已售貨品及已提供服務應收之款項，扣除折扣及銷售相關稅項。

本集團確認來自建築合約之提供設計及裝修服務以及設計及採購室內陳設及裝飾材料服務之服務收入之政策載於下文「建築合約」之會計政策。

銷售貨品之收益於貨品交付及所有權轉移，並滿足下列所有條件時予以確認：

- 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- 本集團對已售貨品不再具有一般與擁有權相關之持續管理參與權，亦無實際控制權；
- 可對收益金額作出可靠計量；
- 與交易相關之經濟利益可能流入本集團；及
- 可對交易產生或將產生之成本作出可靠計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income 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.

Construction contracts

Where the outcome of a construction contract in relation to provision of design and fitting-out services and design and procurement of furnishings and decorative materials can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

3. 重大會計政策(續)

收益確認(續)

金融資產之利息收入於經濟利益可能流入本集團，且收入金額能可靠地計量時確認。利息收入參考未償還本金以適用實際利率(乃於金融資產之預計年期將估計未來現金收入準確貼現至初步確認時資產帳面淨值之利率)按時間基準累計。

建築合約

倘可對有關提供設計及裝修服務，以及設計及採購室內陳設及裝飾材料之建築合約之成果作出可靠估計，則收益及成本根據於報告期末合約活動之完成階段予以確認，並按至今進行工程所產生之合約成本佔估計總合約成本之比例計量，惟該計量不能代表完成階段者除外。金額能夠可靠地計量及被認為可能收款之合約工程、索償及獎勵付款之變動包括在內。

倘無法對建築合約之成果作出可靠估計，則合約收益於可能可收回已產生之合約成本之情況下予以確認。合約成本乃於其產生期間確認為開支。

倘總合約成本可能超過總合約收益，則預期虧損立即確認為開支。

倘至今產生之合約成本加已確認溢利減已確認虧損超逾按進度開具發票之數額，則該盈餘列為應收客戶合約工程款項。倘按進度開具發票之數額超逾至今產生之合約成本加已確認溢利減已確認虧損，則該盈餘列為應付客戶合約工程款項。於進行有關工程前已收取之款項乃計入綜合財務狀況表作為負債，並列作預收款項。倘已進行工程並開具發票但客戶尚未付款，有關金額則計入綜合財務狀況表中之貿易及其他應收款項。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 重大會計政策(續)

租賃

凡租賃條款將擁有權之絕大部分風險及回報轉讓予承租人之租賃，均分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團為出租人

經營租賃之租金收入乃於綜合損益中按有關租賃年期以直線法確認。

本集團作為承租人

根據融資租賃持有之資產按租賃開始時之公平值或(倘較低)按最低租賃付款之現值確認為本集團之資產。出租人之相應負債於綜合財務狀況表入賬列作融資租賃承擔。

租賃付款於融資費用及租賃承擔扣減之間作出分配，從而使負債餘額之息率固定。融資費用立即於損益中確認。或有租金於其產生期間確認為開支。

經營租賃付款按租期以直線法確認為開支，惟倘另一系統化基準更能代表自租賃資產耗用經濟利益之時間模式則除外。

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外之貨幣(外幣)進行之交易乃按於交易日期之現行匯率以相關功能貨幣(即該實體經營所在之主要經濟環境之貨幣)記賬。於報告期末，以外幣計值之貨幣項目乃按該日之現行匯率重新換算。按公平值列賬並以外幣計值之非貨幣項目乃按於釐定公平值當日之現行匯率重新換算。以歷史成本計量並以外幣計值之非貨幣項目不予重新換算。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefits costs and termination benefits

Payments to the Mandatory Provident Fund Scheme and Central Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3. 重大會計政策(續)

外幣(續)

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額乃在其產生期間於損益中確認。

重新換算非貨幣項目所產生之匯兌差額乃按公平值計入本期間損益，惟重新換算有關盈虧直接於其他全面收益中確認之非貨幣項目所產生之匯兌差額則除外，在該情況下，匯兌差額亦直接於其他全面收益中確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按於各報告期末之現行匯率換算為本集團之呈列貨幣(即港元)，而其收入及開支項目乃按本年度之平均匯率換算。所產生之匯兌差額(如有)乃於其他全面收益中確認，並於外幣儲備項下在權益中累計。

借貸成本

借貸成本乃於其產生期間於損益中確認。

退休福利成本及終止僱傭福利

向強制性公積金計劃及中央公積金計劃作出之供款乃於僱員已提供服務而有權享有供款時確認為開支。

短期及其他長期僱員福利

僱員在提供相關服務期間所取得的工資、薪金、年假及病假等福利確認為負債，按預期應支付以用於交換該等服務的福利的未貼現數額計算。

就短期僱員福利確認的負債按預期應支付以用於交換相關服務的福利的未貼現數額計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

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 profit before tax 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 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 temporary differences between the carrying amounts of assets and liabilities in the consolidated 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. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

3. 重大會計政策(續)

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按本年度應課稅溢利計算。由於應課稅溢利並無計入其他年度應課稅或可扣減之收入或開支項目，亦無計入毋須課稅或不可扣減之項目，故有別於綜合損益及其他全面收益表所呈報之除稅前溢利。本集團之即期稅項負債乃採用於報告期末已頒佈或實質上已頒佈之稅率計算。

遞延稅項按綜合財務報表內資產與負債賬面值與計算應課稅溢利時採用之相應稅基之間之暫時差額予以確認。所有應課稅暫時差額一般確認為遞延稅項負債。倘可能出現動用該等可扣減暫時差額之應課稅溢利，則所有可扣減暫時差額一般會確認為遞延稅項資產。倘該暫時差額乃源自商譽或一項交易(業務合併除外)中初步確認其他資產及負債，而該差額並無影響應課稅溢利或會計溢利，則不會確認該等資產及負債。

與投資於附屬公司及聯營公司以及合資企業權益相關之應課稅暫時差額乃確認為遞延稅項負債，惟本集團可控制暫時差額之撥回，以及有關暫時差額可能不會於可見將來撥回則除外。與該等投資及權益有關之可扣減暫時差額所產生之遞延稅項資產，僅於可能有充足應課稅溢利而須動用暫時性差額之利益及預期會於可見將來撥回時方予以確認。

遞延稅項資產之賬面值於各報告期末審閱，並於不再可能有足夠應課稅溢利以收回全部或部分資產時減少。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Plant and equipment

Plant and equipment held for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the diminishing balance method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

3. 重大會計政策(續)

稅項(續)

遞延稅項資產及負債乃根據預期清償負債或變現資產期間應用之稅率計量，而該稅率乃根據於各報告期末已頒佈或實質上已頒佈之稅率(及稅法)釐定。

遞延稅項負債及資產之計量反映本集團於報告期末預期可收回或清償其資產及負債之賬面值之方式將遵循之稅務後果。

即期及遞延稅項於損益中確認，惟與其他全面收益中或直接於權益中確認之項目有關者除外，在該情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。當即期及遞延稅項產生自業務合併的初始會計，稅項影響計入業務合併會計中。

廠房及設備

持作行政用途之廠房及設備乃按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

折舊乃採用餘額遞減法按廠房及設備項目之估計可使用年期，並計及其估計剩餘價值後撇銷其成本予以確認。估計可使用年期及折舊方法於各報告期末檢討，並按預先基準將任何估計變動之影響入賬。

根據融資租賃持有之資產乃於其預計可使用年期按與自置資產相同之基準計算折舊。但如果無法合理確定租期屆滿時取得擁有權，應當在租期或可使用年內(以較短者為準)計提折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Plant and equipment (Continued)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment property

Investment property is property held to earn rentals and/or for capital appreciation.

Investment property is initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at its fair values. Gains or losses arising from changes in the fair value of investment property is included in profit or loss for the period in which they arise.

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts.

3. 重大會計政策(續)

廠房及設備(續)

廠房及設備項目於出售或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢廠房及設備項目產生之任何盈虧按出售所得款項淨額與該資產賬面值之差額計算，並在損益中確認。

投資物業

投資物業指為賺取租金及／或資本增值而持有之物業。

投資物業初步按成本計量，當中包括任何直接應佔開支。於初步確認後，投資物業按公平值計量。投資物業公平值變動產生之收益或虧損於產生期間計入損益。

現金和現金等價物

綜合財務狀況表中之銀行結餘及現金包括銀行及手頭現金以及三個月或三個月內到期的短期存款。

就綜合現金流量表而言，現金及現金等價物包括現金及上文所界定之短期存款，除卻未償還銀行透支淨值。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments.

3. 重大會計政策(續)

金融工具

金融資產及金融負債乃於集團實體成為工具合約條文之訂約方時確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(不包括按公平值透過損益列賬的金融資產或金融負債)直接應佔之交易成本乃於初步確認時加入或扣自金融資產或金融負債之公平值(按適用情況)。收購按公平值透過損益列賬之金融資產或金融負債直接應佔之交易成本立即於損益中確認。

金融資產

本集團之金融資產分類為貸款及應收款項。分類乃視乎金融資產之性質及目的而作出，並於初步確認時釐定。所有金融資產之正常買賣乃按交易日基準確認及終止確認。正常買賣乃按照市場規定或慣例須在一段期限內交付資產之金融資產買賣。

實際利率法

實際利率法乃計算債務工具之攤銷成本及於有關期間分配利息收入之方法。實際利率乃按金融資產之預計年期或(如適用)較短期間，將估計未來現金收入(包括構成實際利率一部分之所有已付或已收費用、交易成本及其他溢價或折價)準確貼現至初步確認時之賬面淨值之利率。

債務工具之利息收入乃按實際利率基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, bank balances and cash, amount due from ultimate holding company, amount due from a substantial shareholder and amounts due from related parties) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment loss on financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

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

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

3. 重大會計政策(續)

金融資產(續)

貸款及應收款項

貸款及應收款項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。於初步確認後，貸款及應收款項(包括貿易及其他應收款項、銀行結餘及現金以及應收最終控股公司款項、應收主要股東款項及應收關連方款項)乃採用實際利率法按攤銷成本扣除任何已識別減值虧損列賬(見下文有關金融資產減值虧損之會計政策)。

金融資產之減值虧損

本集團會於各報告期末評估金融資產是否存在減值跡象。如有客觀證據顯示因於初步確認金融資產後發生之一宗或多宗事件對金融資產之估計未來現金流量造成影響，則該等金融資產被視為減值。

客觀減值證據可包括：

- 發行人或交易對手出現嚴重財政困難；或
- 違約，如逾期或拖欠利息或本金還款；或
- 借款人有可能破產或進行財務重組；或
- 因財政困難導致該金融資產之活躍市場消失。

就若干類別的金融資產(如貿易應收賬款)而言，不會單獨進行減值評估的資產。應收款項組合之客觀減值證據可包括本集團之過往收款經驗、組合內已超逾平均信貸期延遲還款次數增加、與拖欠應收款項有關之全國或地方經濟狀況出現可觀察變動等。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

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

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent 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.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Other financial liabilities

Other financial liabilities including trade and other payables, secured bank borrowing, obligations under a finance lease are subsequently measured at amortised cost, using the effective interest method.

3. 重大會計政策(續)

金融資產(續)

金融資產之減值虧損(續)

就按攤銷成本列賬之金融資產而言，減值虧損將於有客觀證據證明資產出現減值時在損益賬確認，已確認減值虧損之金額為資產賬面值與以金融資產之原實際利率貼現之估計未來現金流量現值之差額。

所有金融資產之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易應收款項、其他應收款項以及存款則除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動乃於損益中確認。當貿易應收款項、其他應收款項或存款被視為不可收回時，乃於撥備賬內撇銷。其後收回之過往撇銷款項計入損益。

就按攤銷成本計量之金融資產而言，倘於往後期間減值虧損金額減少，而該減少可以客觀地與確認減值虧損後發生之事件有關，則先前已確認之減值虧損乃透過損益撥回，惟該資產於減值撥回當日之賬面值不得超過倘減值不予確認時之攤銷成本。

金融負債及股本工具

由集團實體發行之債務及股本工具按所訂立合約安排之內容，以及金融負債及股本工具之定義分類為金融負債或權益。

其他金融負債

其他金融負債包括貿易及其他應付款項、有抵押銀行借貸、融資租賃承擔其後採用實際利率法按攤銷成本計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial liabilities and equity instruments

(Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition

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

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

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

3. 重大會計政策(續)

金融負債及股本工具(續)

實際利率法

實際利率法乃計算金融負債之攤銷成本及於有關期間分配利息開支之方法。實際利率乃按金融負債之預計年期或(如適用)較短期間，將估計未來現金付款(包括構成實際利率一部分之所有已付或已收費用、交易成本及其他溢價或折價)準確貼現至初步確認時之賬面淨值之利率。

利息開支乃按實際利率基準確認。

股本工具

股本工具為證明某一實體資產具有剩餘權益(經扣除其所有負債)之任何合約。本公司發行之股本工具乃按已收所得款項扣除直接發行成本確認。

終止確認

本集團僅在自資產收取現金流量之合約權利屆滿或其向另一實體轉讓金融資產及資產擁有權之絕大部分風險及回報時終止確認該金融資產。倘本集團既沒有轉讓也沒有保留絕大部分風險及回報，並繼續控制已轉讓資產，本集團會繼續確認資產，惟以其繼續涉及之程度為限，並確認相關負債。倘本集團保留已轉讓金融資產擁有權之絕大部分風險及回報，本集團會繼續確認金融資產，亦就已收所得款項確認已抵押借貸。

於全面終止確認金融資產時，資產賬面值與已收及應收代價及已於其他全面收益確認並於權益累計之累計盈虧之總和間之差額會在損益中確認。

僅當本集團之責任獲解除、取消或屆滿時，本集團會終止確認該金融負債。已終止確認金融負債之賬面值與已付及應付代價之差額會於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Derecognition (Continued)

A financial liability is derecognised when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Fair value measurement

When measuring fair value for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

3. 重大會計政策(續)

終止確認(續)

僅當本集團之責任獲解除、取消或屆滿時，本集團會終止確認該金融負債。已終止確認金融負債之賬面值與已付及應付代價之差額會於損益中確認。

公平值計量

就減值評估而言，倘市場參與者於計量日期對資產或負債定價時考慮其特徵，則本集團在計量公平值時亦會考慮該等特徵。

非金融資產之公平值計量計及市場參與者透過使用其資產之最高及最佳用途或透過將資產出售予將使用其最高及最佳用途之另一名市場參與者而能夠產生經濟利益之能力。

本集團使用在不同情況下適當之估值技術，為計量公平值獲取充足之數據，最大化使用相關可觀察輸入數據，最小化使用不可觀察輸入數據。具體而言，本集團根據輸入數據之特徵將公平值計量分為以下三級：

- 第一級 — 同類資產或負債於活躍市場之報價(未經調整)。
- 第二級 — 估值技術(對公平值計量而言屬重要之最低層級輸入數據可直接或間接觀察)。
- 第三級 — 估值技術(對公平值計量而言屬重要之最低層級輸入數據不可觀察)。

於報告期末，本集團釐定資產及負債之公平值層級是否已發生轉移，公平值層級乃通過審閱其各自之公平值計量按經常性基準以計量公平值。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

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

Construction contracts revenue recognition

The Group recognises contract revenue and profit of a construction contract in relation to provision of design and fitting-out services and design and procurement of furnishings and decorative materials according to the management's estimation of the total outcome of the contract as well as the percentage of completion of construction works. Notwithstanding that the management reviews and revises the estimates of both contract revenue and costs for the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

Classification of joint arrangements

The directors of the Company considered PGS Group Pte. Ltd ("PGS Group"), in which the Group has 34% equity interests, is a joint venture of the Group. PGS Group is under the unanimous control by the shareholders. Any contract, commitment or investment decision made by PGS Group should be approved in advance by all shareholders in writing pursuant to a framework agreement entered by all shareholders of PGS Group.

4. 重大會計判斷及估計不確定性之主要來源

於應用附註3所述本集團之會計政策時，本公司董事須作出有關難以從其他來源獲得之資產及負債賬面值之判斷、估計及假設。

該等估計及相關假設及基於過往經驗及其他視為相關的因素。實際結果可能有別於該等估計。估計及相關假設按持續基準檢討。倘會計估計之修訂僅影響估計修訂之期間，則有關修訂於該期間確認，或倘該項修訂影響現時及未來期間，則有關修訂於修訂期間及未來期間確認。

於應用實體會計政策時作出之關鍵判斷

除本公司董事於應用本集團會計政策之過程中涉及估計之關鍵判斷(見下文)以外，以下為對在綜合財務報表確認之金額有最重大影響之關鍵判斷。

建築合約收入確認

本集團根據管理層對合約總結果之估計，以及建築工程之完工百分比確認有關提供設計及裝修服務，以及設計及採購室內陳設及裝飾材料之建築合約之合約收益及溢利。儘管管理層因應合約進度檢討及修訂建築合約之合約收益及成本之估計，惟就總收益及成本而言，合約之實際結果可能高於或低於該等估計，這會影響已確認收益及溢利。

合營企業之分類

本公司董事認為PGS Group Pte. Ltd (「PGS Group」，本集團擁有34%股權)為本集團之合營企業。PGS Group受股東一致控制。PGS Group所作的任何合約、承諾或投資決定均須由全體股東根據PGS Group全體股東訂立之框架協議提前以書面形式批准。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying the entity's accounting policies (Continued)

Deferred taxation on investment property

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from an investment property that is measured using the fair value model, the directors of the Company have reviewed the Group's investment property and concluded that the Group's investment property is held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has considered the deferred taxes impact arising from changes in fair value of investment property.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income tax

As at 31 March 2016, no deferred tax asset has been recognised on the tax losses of approximately HK\$16,486,000 (2015: HK\$10,450,000) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal takes place.

4. 重大會計判斷及估計不確定性之主要來源(續)

於應用實體會計政策時作出之關鍵判斷(續)

投資物業之遞延稅項

就計量使用公平值模式計量的投資物業產生之遞延稅項負債或遞延稅項資產而言，本公司董事已檢討本集團之投資物業，認為本集團之投資物業乃按旨在享用於持有該等投資物業期間所產生之顯著經濟利益之業務模式持有。因此，於計量本集團投資物業遞延稅項時，本公司董事確定，假設使用公平值模式計量之投資物業之賬面值透過出售全數收回屬悖論。因此，本集團已考慮投資物業公平值變動產生之遞延稅項影響。

估計不確定性之主要來源

以下為於報告期末很大機會導致須對下一財政年度之資產及負債賬面值作出重大調整之有關未來之主要假設及其他估計不確定性之主要來源。

所得稅

截至二零一六年三月三十一日，由於未來溢利流難以預測，故就稅項虧損約16,486,000港元(二零一五年：10,450,000港元)而言，並無確認遞延稅項資產。遞延稅項資產的可變現情況主要取決於日後是否有足夠的溢利或應課稅暫時差額以供動用。倘若未來產生的實際溢利低於預期，則可能產生重大遞延稅項資產撥回，而該項撥回將於出現撥回的期間內在損益內確認。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued) Impairment of trade and other receivable

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2016, the carrying amount of trade and other receivables was approximately HK\$43,214,000 (2015: HK\$37,183,000), net of allowance for doubtful debts of approximately HK\$1,834,000 (2015: HK\$541,000). During the year ended 31 March 2016, impairment loss in respect of trade and other receivables of approximately HK\$2,020,000 (2015: HK\$204,000) was recognised in profit or loss.

Estimated useful lives of plant and equipment

The Group's management determines the estimated useful lives, and related depreciation charges for its plant and equipment. The estimates are based on the historical experience of the actual useful lives of those assets of similar nature and functions. Management will increase the depreciation where useful lives are less than previously estimated lives. It will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore affect the depreciation charges in future periods.

Valuation of investment property

Investment property is carried in the consolidated statement of financial position at 31 March 2016 at its fair value of approximately HK\$22,380,000 (2015: Nil). The fair value was based on a valuation on this property conducted by an independent firm of professional valuers using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment property and corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss.

4. 重大會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

貿易及其他應收款項之減值

本集團會以估計未來現金流量來評估是否有客觀證據顯示出現減值虧損。減值虧損之金額為資產賬面值與以金融資產之原實際利率(即在初步確認中計算的實際利率)貼現之估計未來現金流量(不包括尚未發生的未來信用損失)現值之差額。倘若實際未來現金流量低於預期，則可能會出現重大減值損失。截至二零一六年三月三十一日，貿易及其他應收款項的賬面值約為43,214,000港元(二零一五年：37,183,000港元)，已扣除呆賬撥備約1,834,000港元(二零一五年：541,000港元)。截至二零一六年三月三十一日止年度，貿易及其他應收款項相關減值虧損約2,020,000港元(二零一五年：204,000港元)於損益確認。

廠房及設備之可使用年期

本集團管理層就本集團的廠房及設備釐定預計可使用年期，以及相關的折舊費用。該估計以具有類似性質及功能之資產的實際可使用年期的歷史經驗為基礎。當可使用年期小於先前估計時，管理層將增加折舊。其將沖銷或沖減已被放棄或出售的技術陳舊或者非戰略性資產。實際經濟壽命可能不同於預計可使用年期。定期審查可能會導致折舊年限的變化，從而影響未來期間的折舊費用。

投資物業之估值

於二零一六年三月三十一日的綜合財務狀況表內，投資物業按公平值列賬，公平值約為22,380,000港元(二零一五年：無)。公平值乃基於專業估值師之獨立公司利用物業估值法就該等物業進行之估值(當中涉及若干有關市況之假設)計算。該等假設之有利或不利變動將會導致本集團之投資物業之公平值出現變動及對在綜合損益表內呈報的盈虧款項作出相應調整。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategies remain unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the obligation under a finance lease and secured bank borrowing as disclosed in notes 25 and 26 respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. Based on the directors' recommendation, the Group will balance its overall capital structure through payment of dividend, issuance of new shares as well as the raising of new debts or the repayment of existing debts.

6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金 及現金等價物)	66,924	87,053
Financial liabilities	金融負債		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	39,790	58,648

5. 資本風險管理

本集團管理其資本，以確保本集團實體將能夠繼續持續經營，同時透過優化債務及權益結餘，為股東帶來最高回報。本集團之整體策略與去年維持不變。

本集團之資本架構包括債務淨額，當中包括分別於附註25及26披露之融資租賃承擔及有抵押銀行借貸，並扣除現金及現金等價物，以及本公司擁有人應佔權益(包括已發行股本及儲備)。

本公司董事考慮資本成本及與資本相關之風險，持續檢討資本架構。根據董事之建議，本集團將透過派付股息、發行新股份及籌借新債務或償還現有債務，平衡其整體資本架構。

6. 金融工具

(a) 金融工具類別

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances and cash, amount due from ultimate holding company/a substantial shareholder/a joint venture/related parties, trade and other payables, obligations under a finance lease and secured bank borrowing. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group has certain portion of bank balances and cash, trade and other receivables and trade and other payables denominated in currencies other than the functional currency of the entity to which they relate. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

At 31 March 2016 and 2015, the carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		2016 二零一六年			2015 二零一五年		
		Monetary assets	Monetary liabilities	Net Exposure	Monetary assets	Monetary liabilities	Net Exposure
		貨幣資產	貨幣負債	淨風險	貨幣資產	貨幣負債	淨風險
		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
Renminbi ("RMB")	人民幣(「人民幣」)	241	2,152	(1,911)	342	2,699	(2,357)

The Group is mainly exposed to RMB.

6. 金融工具(續)

(b) 財務風險管理目標及政策

本集團之主要金融工具包括貿易及其他應收款項、銀行結餘及現金、應收最終控股公司／主要股東／合資企業／關連方款項、貿易及其他應付款項、融資租賃承擔及有抵押銀行借貸。該等金融工具之詳情已於相關附註披露。與該等金融工具有關之風險包括市場風險(外幣風險及利率風險)、信貸風險及流動資金風險。如何降低該等風險之政策載列於下文。管理層管理及監察該等風險，以確保及時有效地執行適當措施。

市場風險

貨幣風險

本集團若干部分之銀行結餘及現金、貿易及其他應收款項以及貿易及其他應付款項乃以實體功能貨幣以外、與其相關之貨幣列值。本集團現時並無外幣對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外幣風險。

於二零一六年及二零一五年三月三十一日報告期末，本集團之貨幣資產及貨幣負債之外幣賬面價值如下：

本集團主要承受人民幣風險。

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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

The following table details the Group's sensitivity to a 5% (2015: 5%) increase and decrease in HK\$ against the relevant foreign currencies. 5% (2015: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% (2015: 5%) change in foreign currency rates.

A positive number below indicates an increase in post-tax profit and a negative number below indicates a decrease in post-tax profit where HK\$ strengthen 5% (2015: 5%) against the relevant currency. For a 5% (2015: 5%) weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

Effect on post-tax loss/profit:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB 人民幣	(80)	(98)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate interest bearing obligation under a finance lease (see note 25). The Group currently does not have any interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and secured bank borrowing at prevailing market rates.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

下表詳列本集團港元兌有關外幣升值或貶值5% (二零一五年: 5%) 的敏感度。5% (二零一五年: 5%) 為向主要管理人員在內部報告外匯風險所使用的敏感度，指管理層評估外幣匯率變動的可能合理變動。敏感度分析僅包括以外幣計值之未平倉貨幣項目，並於報告期末就5% (二零一五年: 5%) 之匯率變動對其換算作出調整。

假若港元兌有關外幣升值5% (二零一五年: 5%)，下列正數指除稅後溢利增加，負數指當除稅後溢利減少。倘港元兌有關外幣貶值5% (二零一五年: 5%)，將對溢利產生同等但相反之影響，而下文其他股本及結餘將為負數。

對除稅後虧損/溢利之影響：

利率風險

本集團面對有關定息計息融資租賃承擔(詳情見附註25)之公平值利率風險。本集團現時並無任何利率對沖政策。然而，管理層監察利率風險，並將於預期出現重大利率風險時考慮採取其他必要行動。

本集團亦面對有關按現行市場利率計息之浮息銀行結餘及有抵押銀行借貸之現金流量利率風險。

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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the related bank's Hong Kong Dollars Prime Rate ("P") arising from the Group's HK\$ denominated borrowing.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2015: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2015: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss would increase/decrease by approximately HK\$96,000 (2015: post-tax profit would increase/decrease by approximately HK\$208,000).

Credit risk

As at 31 March 2016, the Group's and the Company's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties the Group and the Company is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group and the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group and the Company review the recoverability of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

本集團面對之金融負債利率風險於本附註流動資金風險管理一節詳述。本集團之現金流量利率風險主要集中於本集團以港元計值之借貸產生之相關銀行港元最優惠利率(「最優惠利率」)波動。

以下敏感度分析乃根據於報告期末非衍生工具之利率風險而釐定。分析乃假設於報告期末尚未行使之金融工具於整個年度內尚未行使而編製。向主要管理人員內部報告利率風險時，乃採用會升跌50個基點為基準(二零一五年：50個基點)，即管理層對利率合理可能變動之評估。

倘利率增加／減少50個基點(二零一五年：50個基點)，而所有其他可變因素維持不變，則本集團之除稅後虧損將增加／減少約96,000港元(二零一五年：除稅後溢利將增加／減少約208,000港元)。

信貸風險

於二零一六年三月三十一日，因交易對手未能履行責任而對本集團造成財務損失之本集團及本公司最高信貸風險，乃來自綜合財務狀況表所述之已確認金融資產各自之賬面值。

為將信貸風險減至最低，本集團及本公司管理層已委派專責小組負責釐定信貸限額、批准信貸，以及採取其他監管程式以確保會就收回逾期債務採取跟進行動。此外，本集團及本公司於各報告期末檢討各項獨立交易債務之可收回性，以確保已就未能收回之金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by authorised credit — rating agency.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 86% (2015: 76%) of the total trade receivable as at 31 March 2016.

As at 31 March 2016, the Group has concentration of credit risk as approximately Nil (2015: 18%) and 42% (2015: 82%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and other source of funding and considers the risk is minimal.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, secured bank borrowing with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險(續)

由於交易對手均為獲認可信貸評級機構評為高信貸評級之銀行，故流動資金之信貸風險有限。

本集團按地區劃分之信貸風險主要集中於香港，於二零一六年三月三十一日佔貿易應收款項總額之86% (二零一五年：76%)。

於二零一六年三月三十一日，由於貿易應收款項總額之約無(二零一五年：18%)及42%(二零一五年：82%)應收自本集團之最大客戶及其五大客戶，故本集團面對信貸風險集中之情況。

流動資金風險

管理流動資金風險時，本集團監察及維持管理層認為足以撥付本集團營運及減低現金流量波動影響之現金及現金等價物水準。管理層監察銀行借貸之動用情況及其他資金來源，並認為風險有限。

下表詳列根據已協議之還款條款，本集團非衍生金融負債餘下之合約到期情況。該表乃根據本集團須付款之最早日期按金融負債之未貼現現金流量而編製。特別是，附帶按要求償還條款之有抵押銀行借貸均計入最早時間範圍，而不論銀行選擇行使其權利之可能性。其他非衍生金融負債之到期日乃根據已協議之還款日期而定。

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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of each reporting period.

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

該表包括利息及本金現金流量。於各報告期末，倘利息流量為浮動利率，則未貼現金額乃根據利率曲線計算。

		On demand or within one year 按要求 或在一年內 HK\$'000 千港元	More than one year but not exceeding two years 超過一年但 不超過兩年 HK\$'000 千港元	More than two years but not exceeding five years 超過兩年但 不超過五年 HK\$'000 千港元	Total undiscounted cash flows 總計未貼現 現金流量 HK\$'000 千港元	Carrying amount 賬面金額 HK\$'000 千港元
As at 31 March 2016	於二零一六年 三月三十一日					
Trade and other payables	貿易及其他應付款項	32,272	-	-	32,272	32,272
Secured bank borrowing	有抵押銀行借貸	7,256	-	-	7,256	7,256
Obligation under a finance lease	融資租賃承擔	92	92	91	275	262
		39,620	92	91	39,803	39,790
As at 31 March 2015	於二零一五年 三月三十一日					
Trade and other payables	貿易及其他應付款項	58,304	-	-	58,304	58,304
Obligation under a finance lease	融資租賃承擔	92	92	183	367	344
		58,396	92	183	58,671	58,648

Secured bank borrowing with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. As at 31 March 2016, the aggregate undiscounted principal amounts of this secured bank loan amounted to approximately HK\$7,256,000 (2015: nil). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank borrowing will be repaid nineteen years after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to approximately HK\$9,177,000.

附有按要求償還條款的有抵押銀行借貸計入在上述到期狀況分析「按要求或在一年內」時間段內。於二零一六年三月三十一日，該等有抵押銀行借貸之未貼現本金總額約為7,256,000港元(二零一五年：無)。考慮到本集團的財務狀況，本公司董事認為，銀行不大可能行使其酌情權要求即時償還。本公司董事相信，銀行借貸將依照貸款協議所載償還計劃於報告日後十九年內償還。此時，本金及利息現金流出總額將約為9,177,000港元。

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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Fair value measurements recognised in the consolidated statement of financial position

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of current financial assets and current financial liabilities recorded at amortised cost in the consolidated financial statement approximate their fair values due to their immediate or short-term maturities.

7. REVENUE

Revenue represents revenue arising from design and fitting-out service provided, sales and procurement of furnishings and decorative materials. An analysis of the Group's revenue for the year is as follows:

6. 金融工具(續)

(b) 財務風險管理目標及政策(續)

確認於綜合財務狀況表的公平值計量

金融資產及金融負債之公平值乃根據以貼現現金使用分析為基礎之公認定價模式釐定。

本公司董事認為，於綜合財務報表中按攤銷成本記賬之流動金融資產及流動金融負債因於即時或短期內到期，故其賬面值與其公平值相若。

7. 收益

收益即來自所提供之設計及裝修服務及銷售與採購室內陳設及裝飾材料之收益。本集團年內收益之分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Design & fitting-out service income	97,043	98,129
Design & procurement of furnishings and decorative materials service income	4,005	44,427
	101,048	142,556

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8. SEGMENT INFORMATION

Information reported to the Chief Executive Officer (the “CEO”), being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The directors of the Company have chosen to organise the Group around differences in services. No operating segments identified by the CEO has been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments are as follows:

- (a) Provision of design and fitting-out service (“Design & fitting-out”); and
- (b) Provision of design and procurement of furnishings and decorative materials service (“Design and procurement of furnishings and decorative materials service”).

Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable and operating segment:

For the year ended 31 March 2016

		Design & fitting-out 設計及裝修 HK\$'000 千港元	Design and procurement of furnishings and decorative materials service 設計及採購室內陳設及裝飾材料服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	97,043	4,005	101,048
Segment profit	分部溢利	11,551	3,501	15,052
Other income	其他收入			434
Central administration costs	中央行政成本			(20,713)
Decrease in fair value of an investment property	投資物業公平值減少			(2,144)
Share of results of a joint venture	分佔合資企業之業績			(390)
Finance costs	融資成本			(158)
Loss before tax	除稅前虧損			(7,919)

8. 分部資料

向行政總裁(「行政總裁」, 即主要經營決策者)呈報以分配資源及評估分部表現之資料集中於已付運或提供之貨品或服務種類。本公司董事已選擇按不同服務管理本集團。於達致本集團之可呈報分部時, 行政總裁並無將任何已識別之經營分部合併。

具體而言, 本集團可呈報及經營分部如下:

- (a) 提供設計及裝修服務(「設計及裝修」); 及
- (b) 提供設計及採購室內陳設及材料服務(「設計及採購室內陳設及裝飾材料服務」)。

分部收益及業績

以下為本集團收益及業績按可呈報及經營分部作出之分析:

截至二零一六年三月三十一日止年度

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8. SEGMENT INFORMATION (Continued) Segment revenue and results (Continued)

For the year ended 31 March 2015

8. 分部資料(續) 分部收益及業績(續)

截至二零一五年三月三十一日止年度

		Design & fitting-out 設計及裝修 HK\$'000 千港元	Design and procurement of furnishings and decorative materials service 設計及採購室內陳設及裝飾材料服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	98,129	44,427	142,556
Segment profit	分部溢利	24,946	6,663	31,609
Other income	其他收入			69
Central administration costs	中央行政成本			(23,746)
Finance costs	融資成本			(117)
Profit before tax	除稅前溢利			7,815

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit (loss) earned by each segment without allocation of other income, central administration costs (including directors' emoluments), decrease in fair value of an investment property, finance costs and shares of results of a joint venture. This is the measure reported to the CEO for the purposes of resource allocation and performance assessment.

經營分部之會計政策與附註3所述之本集團會計政策相同。分部溢利(虧損)指未分配其他收入、中央行政成本(包括董事酬金)、投資物業公平值減少、融資成本及分佔合資企業業績之各分部所賺取之溢利(虧損)。此乃向行政總裁呈報以分配資源及評估表現之衡量基準。

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8. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

8. 分部資料(續)

分部資產及負債

本集團按呈報及經營分部劃分之資產及負債分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Segment assets	分部資產		
Design & fitting-out	設計及裝修	56,759	71,496
Design and procurement of furnishings and decorative materials service	設計及採購室內陳設及裝飾材料服務	32,747	41,832
Total segment assets	總分部資產	89,506	113,328
Unallocated corporate assets	未分配企業資產	52,834	53,837
Total assets	總資產	142,340	167,165
Segment liabilities	分部負債		
Design & fitting-out	設計及裝修	19,299	30,091
Design and procurement of furnishings and decorative materials service	設計及採購室內陳設及裝飾材料服務	17,713	30,388
Total segment liabilities	分部負債總額	37,012	60,479
Unallocated corporate liabilities	未分配企業負債	10,322	2,355
Total liabilities	總負債	47,334	62,834

For the purpose of monitoring segment performance and allocating resources between segments:

就監察分部表現及分配各分部資源而言：

- all assets are allocated to reportable segments other than plant and equipment, investment property, investment in a joint venture, certain prepayments, deposits and other receivables, amount(s) due from ultimate holding company/a substantial shareholder/a joint venture/related parties, tax recoverable and bank balances and cash as these assets are managed on a group basis.
- all liabilities are allocated to reportable segments other than certain accrued expenses and other payables, obligation under a finance lease, income tax payable, secured bank borrowing, and deferred tax liabilities as these liabilities are managed on a group basis.
- 所有資產除廠房及設備、投資物業、於合資企業投資、若干預付款項、按金及其他應收款項、應收最終控股公司／主要股東／合資企業／關連方款項、可收回稅項及銀行結餘及現金以外乃按可呈報分部，因該等資產乃按集團基礎管理。
- 所有負債除若干應付開支及其他應付款項、融資租賃承擔、應付所得稅、有抵押銀行借貸、及遞延稅項負債以外乃按可呈報分部，因該等負債乃按集團基礎管理。

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8. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 March 2016

8. 分部資料(續)

其他分部資料

截至二零一六年三月三十一日止年度

	Design & fitting-out	Design and procurement of furnishings and decorative materials service	Unallocated	Total
	設計及裝修	設計及採購室內陳設及裝飾材料服務	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit or loss or segment assets:	包括於計量分部損益或分部資產的金額：			
Impairment loss on trade receivables		1,292	728	-
				2,020
Reversal of impairment loss of trade and other receivables	(4)	-	-	(4)
Amounts regularly provided to the CEO but not included in the measure of segment profit or loss or segment assets:	定期向行政總裁報告惟未有包括於分部損益或分部資產計量的金額：			
Decrease in fair value of an investment property	-	-	2,144	2,144
Impairment loss on amount due from a joint venture	-	-	271	271
Share of results of a joint venture	-	-	390	390
Depreciation of plant and equipment	-	-	449	449
Additions to plant and equipment	-	-	1,691	1,691
Addition to an investment property	-	-	24,524	24,524
Bank interest income	-	-	(6)	(6)
Finance costs	-	-	158	158

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8. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 March 2015

8. 分部資料(續)

其他分部資料(續)

截至二零一五年三月三十一日止年度

	Design & fitting-out	Design and procurement of furnishings and decorative materials service	Unallocated	Total
	設計及裝修	設計及採購室內陳設及裝飾材料服務	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit or loss or segment assets:				
Impairment loss on trade and other receivables	204	-	-	204
Reversal of impairment loss of trade receivables	(218)	-	-	(218)
Amounts regularly provided to the CEO but not included in the measure of segment profit or loss or segment assets:				
Additions to plant and equipment	-	-	807	807
Depreciation of plant and equipment	-	-	464	464
Bank interest income	-	-	(18)	(18)
Finance costs	-	-	117	117

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8. SEGMENT INFORMATION (Continued) Geographical information

The Group's operations are located in Hong Kong and Malaysia.

The Group's revenue from external customers is presented based on the location of the operations and information about its non-current assets is presented based on the geographical location of the assets as detailed below:

8. 分部資料(續) 地區資料

本集團之營運分別位於香港及馬來西亞。

本集團來自外部客戶之收入已基於營運地點呈列，而非流動資產之相關資料則基於該資產之地理位置呈列如下：

		Revenue from external customers 來自外部客戶之收入		Non-current assets 非流動資產	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 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
Hong Kong	香港	101,048	133,075	24,690	1,068
Malaysia	馬來西亞	-	9,481	-	-
		101,048	142,556	24,690	1,068

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

主要客戶之資料

貢獻本集團相關年度總銷售10%以上的客戶資料如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Customer A ¹	客戶A ¹	32,998	N/A 不適用 ³
Customer B ¹	客戶B ¹	23,629	N/A 不適用 ³
Customer C ¹	客戶C ¹	13,356	N/A 不適用 ³
Customer D ¹	客戶D ¹	11,107	N/A 不適用 ³
Customer E ^{1,2}	客戶E ^{1,2}	N/A 不適用 ³	44,205
Customer F ^{1,2}	客戶F ^{1,2}	N/A 不適用 ³	33,425
Customer G ¹	客戶G ¹	N/A 不適用 ³	18,598
Customer H ¹	客戶H ¹	N/A 不適用 ³	14,812

¹ Revenue from Design & fitting-out.

² Revenue from Design & procurement of furnishings and decorative materials service.

³ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

¹ 來自設計及裝修的收益。

² 來自設計及採購室內陳設及裝飾材料服務的收益。

³ 該相關收入並未貢獻本集團本年度總收益之10%以上。

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9. OTHER INCOME

9. 其他收入

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Bank interest income	銀行利息收入	6	18
Reversal of impairment loss in respect of trade and other receivables	貿易及其他應收款項減值虧損撥回	4	218
Exchange gain	匯兌收益	-	8
Gain on disposal of plant and equipment	出售廠房及設備收益	-	1
Rental income	租金收入	352	-
Sundry income	雜項收入	428	42
		790	287

An analysis of the Group's net rental income is as follows:

本集團租金收入淨額分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Gross rental income	租金收入總額	352	-
Less: outgoing (included in administrative expenses)	減：支出(計入行政開支)	(71)	-
		281	-

10. FINANCE COSTS

10. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interests on:	以下各項之利息：		
— bank borrowings	— 銀行借貸	148	104
— obligations under a finance lease	— 融資租賃承擔	10	13
		158	117

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11. INCOME TAX EXPENSE

11. 利得稅開支

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current tax:	本期稅項：		
Hong Kong	香港	1,127	2,270
Singapore Corporate Tax	新加坡企業稅	-	81
		1,127	2,351
Under (over) provision in prior years:	過往年度撥備不足 (超額撥備)：		
Hong Kong	香港	231	(53)
Deferred tax (note 27)	遞延稅項(附註27)		
Current year	本年度	93	66
Income tax expense for the year	本年度利得稅開支	1,451	2,364

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit for both years.

香港利得稅就上述兩個年度的估計應課稅溢利按稅率16.5%計提撥備。

Pursuant to the rules and regulations of the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the BVI.

根據英屬處女群島的規則和法例，本集團毋須繳納英屬處女群島的任何利得稅項。

Singapore Corporate Tax has been provided at the rate of 17% on the estimated assessable profits for both years.

新加坡企業稅就上述兩個年度的估計應課稅溢利按稅率17%計提撥備。

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11. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

11. 利得稅開支(續)

本年度稅項支出與綜合損益及其他全面收益報表所示除稅前(虧損)溢利之對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) profit before tax	除稅前(虧損)溢利	(7,919)	7,815
Tax expense at rates applicable to profits in the jurisdiction concerned	按相關司法權區適用稅率計算之稅項開支	(1,307)	1,297
Tax effect of income not taxable for tax purpose	免稅收入之稅務影響	(70)	(3)
Tax effect of expenses not deductible for tax purpose	不可扣稅項開支之稅務影響	1,046	913
Tax effect of deductible temporary differences not recognised	未確認可扣減暫時差額之稅務影響	601	47
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	1,109	397
Utilisation of tax losses not recognised	未確認稅項虧損之應用	(113)	-
Over provision in prior years	過往年度超額撥備	231	(53)
Effect of tax exemptions granted (note)	所獲之稅項減免之影響(附註)	(46)	(234)
Income tax expense for the year	年度利得稅開支	1,451	2,364

Details of deferred tax liabilities are set out in note 27.

遞延稅項負債之詳情已載列於附註27。

Note: Tax exemptions represented reduction of Hong Kong profits tax for the year of assessment 2015/2016 by 75% (2014/2015: 75%), subject to a ceiling of HK\$20,000 (2014/2015: HK\$20,000) per case and exemptions of Singapore income tax for the year of assessment 2014/2015 and 2015/2016 at regressive rate.

附註：稅項減免即二零一五/二零一六課稅年度香港利得稅扣減75% (二零一四/二零一五課稅年度：75%)，每個個案最高扣減額為20,000港元(二零一四/二零一五課稅年度：20,000港元)，而新加坡於二零一四/二零一五課稅年度及二零一五/二零一六課稅年度之稅項減免則按累退稅率。

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12. (LOSS) PROFIT FOR THE YEAR

The Group's (loss) profit for the year has been arrived at after charging:

12. 年度(虧損)溢利

本集團於本年度之(虧損)溢利已經扣除下列各項：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Directors' emoluments (note 13)	董事酬金(附註13)	4,065	3,806
Salaries, wages and other benefits (excluding directors' emoluments)	薪金、工資及其他 福利(不包括 董事酬金)	5,303	6,359
Contribution to defined contribution retirement benefits scheme (excluding directors)	界定供款退休福利 計劃供款 (不包括董事)	276	288
		9,644	10,453
Depreciation	折舊	449	464
Auditor's remuneration	核數師酬金	995	1,239
Impairment loss on trade and other receivables (included in administrative expenses) (note 20)	貿易及其他應收款項 之減值虧損(已包 括於行政開支中) (附註20)	2,020	204
Impairment loss on amount due from a joint venture (included in administrative expenses) (note 22)	就應收合資企業款項 減值虧損(已包括 於行政開支中)(附 註22)	271	-
Minimum lease payments under operating leases in respect of office premises	有關辦公室物業之經 營租賃最低租金	1,207	332
Initial public offering expenses (included in administrative expenses)	首次公開招股開支 (已包括於行政 開支中)	-	5,516

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the 12 (2015: 6) directors and the chief executive were as follows:

13. 董事及行政總裁酬金

已支付或應付予12(二零一五年: 6)位董事和行政總裁的酬金如下:

		2016 二零一六年			2015 二零一五年		
		Fees, salaries and other benefits 費用, 薪金和其他福利 HK\$'000 千港元	Contributions to retirement benefits schemes 退休福利計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Fees, salaries and other benefits 費用, 薪金和其他福利 HK\$'000 千港元	Contributions to retirement benefits schemes 退休福利計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Mr Lam Cheok Va (appointed on 28 April 2016)	Lam Cheok Va 先生 (於二零一六年四月二十八日委任)	-	-	-	-	-	-
Mr. Chan Chi Yuen (appointed on 27 October 2015)	陳志遠先生 (於二零一五年十月二十七日委任)	534	8	542	-	-	-
Mr. Fok Chun Kit Mr. Tsang Kei Cheong (resigned on 28 April 2016)	霍俊傑先生 曾紀昌先生 (於二零一六年四月二十八日辭任)	978	18	996	1,432	18	1,450
Mr. Liu Rongsheng (appointed on 27 October 2015)	劉榮生先生 (於二零一五年十月二十七日委任)	710	18	728	1,052	18	1,070
Mr. Chan Tat Wah (resigned on 17 November 2015)	陳達華先生 (於二零一五年十一月十七日辭任)	428	8	436	-	-	-
Mr. Yuan Guanghua (appointed on 27 October 2015 and resigned on 23 March 2016)	袁光華先生 (於二零一五年十月二十七日委任 及於二零一六年三月二十三日辭任)	934	12	946	1,099	11	1,110
Mr. Lam Yiu Kin (resigned on 17 September 2015)	林耀堅先生 (於二零一五年九月十七日辭任)	98	-	98	-	-	-
Mr. Lu Tak Ming (resigned on 28 April 2016)	盧德明先生 (於二零一六年四月二十八日辭任)	53	-	53	70	-	70
Mr. Chan Chiu Hung Alex (appointed on 17 September 2015)	陳釗洪先生 (於二零一五年九月十七日委任)	98	-	98	53	-	53
Mr. Wu Zhao (appointed on 17 November 2015)	吳兆先生 (於二零一五年十一月十七日委任)	70	-	70	-	-	-
Prof. Lai Kin Keung (resigned 17 November 2015)	黎建強教授 (於二零一五年十一月十七日辭任)	39	-	39	-	-	-
		59	-	59	53	-	53
Total	總計	4,001	64	4,065	3,759	47	3,806

Mr. Fok Chun Kit was also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.

Neither the chief executive nor any of the directors waived any emoluments in the year ended 31 March 2016 and 2015.

霍俊傑先生亦為本公司的行政總裁，上文披露的酬金包含其作為行政總裁提供的服務之酬金。

截至二零一六年及二零一五年三月三十一日止年度，行政總裁或任何董事均未放棄收取任何酬金。

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13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

No emoluments represent the payments to a management service company in respect of directors' services in connection with management of the affairs of the Group.

13. 董事及行政總裁酬金(續)

概無就董事管理本集團事務而支付管理服務公司的酬金。

14. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2015: three) were directors of the Group whose emoluments are included in the disclosures in note 13 above. The emoluments of the remaining two (2015: two) individuals were as follows:

14. 僱員酬金

在本集團酬金最高的前五人中，其中3(二零一五年：3)人是本集團董事，其酬金在上文附註13中披露。其餘2(二零一五年：2)人的酬金如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and other benefits	薪金和其他福利	1,979	2,190
Contributions to retirement benefits schemes	退休福利計劃供款	36	35
		2,015	2,225

Their emoluments were within the following bands:

酬金介乎如下範圍：

		2016 二零一六年 Number of individuals 人員數量	2015 二零一五年 Number of individuals 人員數量
Nil to HK\$1,000,000	0-1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元- 1,500,000港元	1	1

15. DIVIDEND

No dividend was paid or proposed during the years ended 31 March 2016 and 2015, nor has any dividend been proposed since the end of the reporting period.

15. 股息

於截至二零一六年及二零一五年三月三十一日止年度沒有派付或建議派發股息，自報告期末起，亦不建議派發任何股息。

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16. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the owners of the Company is based on the following data:

(Loss) Earnings

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share	(9,370)	5,451

Number of shares

	2016 二零一六年 '000 千股	2015 二零一五年 '000 千股
Weighted average number of ordinary shares for the purpose of basic and diluted (loss) earnings per share	330,000	279,699

Since there were no potential dilutive shares in issue during the years ended 31 March 2016 and 2015, basic and diluted (loss) earnings per share are the same for both years.

16. 每股(虧損)盈利

本公司擁有人應佔基本及攤薄之每股(虧損)盈利按下列數據計算：

(虧損)盈利

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share	(9,370)	5,451

股份數目

	2016 二零一六年 '000 千股	2015 二零一五年 '000 千股
Weighted average number of ordinary shares for the purpose of basic and diluted (loss) earnings per share	330,000	279,699

由於於截至二零一六年及二零一五年三月三十一日止年度內概無潛在攤薄已發行股份，因此基本及攤薄每股(虧損)盈利為相同。

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17. PLANT AND EQUIPMENT

17. 廠房及設備

		Leasehold improvements 租賃物業裝修 HK'000 千港元	Furniture and fixtures 傢俱和固定裝置 HK'000 千港元	Office equipment 辦公室設備 HK'000 千港元	Motor vehicles 汽車 HK'000 千港元	Total 總計 HK'000 千港元
COST OR VALUATION		成本或估價				
At 1 April 2014	於二零一四年四月一日	479	131	551	330	1,491
Additions	添置	-	33	352	422	807
Disposals	出售	-	-	-	(106)	(106)
At 31 March 2015 and 1 April 2015	於二零一五年三月 三十一日和 二零一五年四月一日	479	164	903	646	2,192
Additions	添置	1,202	399	90	-	1,691
At 31 March 2016	於二零一六年三月 三十一日	1,681	563	993	646	3,883
DEPRECIATION		折舊				
At 1 April 2014	於二零一四年四月一日	281	71	140	267	759
Charge for the year	本年度支出	59	29	229	147	464
Eliminated on disposals	出售時撇銷	-	-	-	(99)	(99)
At 31 March 2015 and 1 April 2015	於二零一五年三月 三十一日和 二零一五年四月一日	340	100	369	315	1,124
Charge for the year	本年度支出	141	35	174	99	449
At 31 March 2016	於二零一六年三月 三十一日	481	135	543	414	1,573
CARRYING VALUES		賬面值				
At 31 March 2016	於二零一六年三月 三十一日	1,200	428	450	232	2,310
At 31 March 2015	於二零一五年三月 三十一日	139	64	534	331	1,068

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17. PLANT AND EQUIPMENT (Continued)

Depreciation is recognised so as to write off the cost of plant and equipment less their residual value, if any, using the diminishing balance method over their estimated useful lives or depreciation rates as follows:

Leasehold improvements	Shorter of unexpired lease term or useful life of 3 years	
Furniture and fixtures		30%
Office equipment		30%
Motor vehicles		30%

The carrying value of motor vehicles of approximately HK\$232,000 (2015: HK\$331,000) includes an amount of approximately HK\$204,000 (2015: HK\$291,000) in respect of asset held under a finance lease.

17. 廠房及設備(續)

折舊乃採用遞減餘額法按廠房及設備之估計可使用年期或折舊率以撇銷廠房及設備之成本減其剩餘價值(如有)予以確認如下:

租賃物業裝修	尚餘租期或3年可使用年期之較短者	
傢俱和固定裝置		30%
辦公室設備		30%
汽車		30%

汽車的賬面值約為232,000港元(二零一五年: 331,000港元), 包括根據融資租賃持有約204,000港元(二零一五年: 291,000港元)的資產。

18. INVESTMENT PROPERTY

18. 投資物業

		Total 總計 HK\$'000 千港元
FAIR VALUE	公平值	
At 1 April 2014 and 2015	於二零一四年及二零一五年 四月一日	-
Additions	添置	24,524
Decrease in fair value recognised in profit or loss	於損益確認之公平值減少	(2,144)
At 31 March 2016	於二零一六年三月三十一日	22,380

The fair value of the Group's investment property at 31 March 2016 have been arrived at on the basis of a valuation carried out on that date by Roma Appraisals Limited ("Roma"), an independent qualified professional valuers not connected with the Group. Roma is a member of the Institute of Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the similar locations and conditions. Details of the valuation techniques and assumptions are discussed below.

In estimating the fair value of the property, the highest and best use of the properties is their current use.

本集團投資物業於二零一六年三月三十一日之公平值由與本集團並無關連之獨立合資格專業估值師羅馬國際評估有限公司(「羅馬國際評估」)於該日按估值基準釐定。羅馬國際評估為香港測量師學會會員。估值乃參考類似地區及條件下類似物業之成交價之市場證明後得出。估值技術及假設之詳情討論如下。

在估計該物業之公平值時, 該物業當前之用途為最高及最佳用途。

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18. INVESTMENT PROPERTY (Continued)

All of the Group's property interests held under operating leases to earn rentals purposes are measured using the fair value model and are classified and accounted for as investment property.

The Group's investment property has been pledged to secure banking facilities granted to the Group.

The investment property is measured subsequent to initial recognition at fair value of Level 2 based on the degree to which the inputs to fair value measurement are observable. There were no transfers between levels of fair value hierarchy during the year.

The following table gives information about how the fair values of the investment property as at 31 March 2016 is determined (in particular, the valuation techniques and inputs used):

18. 投資物業(續)

本集團所有根據經營租賃持有以賺取租金用途之投資物業，乃以公平值模式計算，並分類及列作投資物業。

本集團之投資物業已抵押以取得本集團銀行授信。

投資物業於初始確認後按以公平值計量之輸入數據的可觀察程度為基礎的第二級公平值計量。於本年度內，各公平值層級之間並無轉撥。

下表載列釐定於二零一六年三月三十一日之投資物業之公平值之資料(尤其是所使用之估值技術及數據):

	Fair value hierarchy	Fair value as at 31 March 2016 於二零一六年三月三十一日之公平值 HK\$'000 千港元	Valuation technique and key inputs
	公平值層級		估值技術及主要數據
Investment property	Level 2	22,380	Market Comparison Approach – by reference to recent sales price of comparable properties on a price per square feet basis using market data which is publicly available
投資物業	第二級		市場比較法 — 經參考可資比較物業之近期售價使用可公開查閱之市場數據按每平方英尺的單價計算釐定

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19. INVESTMENT IN A JOINT VENTURE

19. 於合資企業之投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Costs of investments in a joint venture	合資企業投資成本	390	—
Share of post-acquisition losses	分佔收購後虧損	(390)	—
		—	—

Name of entities 實體名稱	Form of business 業務形式	Principal place of operation and incorporation 經營及註冊成立 主要地點	Proportion of ownership interest or participating shares held by the Group 本集團持有之所有權權益 或參與股份比例		Proportion of voting rights held by the Group 本集團持有之投票權比例		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	
Directly held:							
直接持有： PGS Group	Incorporated 註冊成立	Singapore 新加坡	34%	N/A 不適用	33.33%	N/A 不適用	Investment holding 投資控股

PGS Group was acquired through acquisition of a subsidiary (note 30) during the year.

年內透過收購一間附屬公司收購PGS Group(附註30)。

The cost of the investment in a joint venture represented the acquisition cost of the Wealthy Pool International Holdings Limited ("Wealthy Pool") mentioned in note 30 to the consolidated financial statements.

投資於合資企業成本指於綜合財務報表附註30所述保發國際控股有限公司(「保發」)之收購成本。

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20. TRADE AND OTHER RECEIVABLES

20. 貿易及其他應收款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables	貿易應收款項	37,850	35,019
Less: allowance for impairment of trade receivables	減：貿易應收款項 減值撥備	(1,754)	(461)
Net trade receivables	貿易應收款項淨額	36,096	34,558
Retention money receivables	應收保留金額	80	80
Less: allowance for impairment of retention money receivables	減：應收保留金額 減值撥備	(80)	(80)
Net retention money receivables	應收保留金額淨額	-	-
Deposit, prepayment and advance to suppliers	按金、預付款項及 向供應商墊款	1,542	286
Other receivables	其他應收款項	5,576	2,339
Total trade and other receivables	貿易及其他應收款項 總額	43,214	37,183

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20. TRADE AND OTHER RECEIVABLES

(Continued)

The Group allows an average credit period ranging from 30 to 180 day to its trade customers. The following is an aged analysis of trade receivables net of allowance for impairment of trade receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within 30 days	30日內	18,428	15,444
More than 30 days but within 90 days	超過30日但於90日 以內	854	7,228
More than 90 days but within 180 days	超過90日但於180日 以內	8,637	7,489
More than 180 days but within 365 days	超過180日但於365日 以內	2,818	792
More than 365 days	超過365日	5,359	3,605
		36,096	34,558

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of approximately HK\$15,124,000 (2015: HK\$14,696,000) which are past due as at the end of the reporting period for which the Group has not provided for impairment loss because there has not been a significant change in credit quality and they are still considered as recoverable. The Group does not hold any collateral over these balances.

The aged analysis of trade receivables which are past due but not impaired is set out below:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within 30 days	30日內	200	2,655
More than 30 days but within 90 days	超過30日但於90日 以內	7,331	6,537
More than 90 days	超過90日	7,593	5,504
		15,124	14,696

20. 貿易及其他應收款項(續)

本集團向其貿易客戶提供平均為期30至180日不等之信貸期。以下為於報告期末按發票日期(與各自之收益確認日期相近)呈列之貿易應收款項已扣除貿易應收款項減值撥備之賬齡分析：

本集團之貿易應收款項中包括總賬面值為約15,124,000港元(二零一五年：14,696,000港元)之貿易應收款項於報告年度末已逾期，而本集團並無就此撥備減值虧損，此乃由於客戶信貸質素並未出現顯著改變，仍被視為可收回。本集團並未就此等結餘持有任何抵押品。

以下為已逾期惟未減值貿易應收款項之賬齡分析：

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20. TRADE AND OTHER RECEIVABLES

(Continued)

The movement in the allowance for impairment of trade and other receivables is set out below:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the financial year	財政年度初	541	555
Impairment losses recognised on trade and other receivables	確認貿易及其他應收款項減值虧損	2,020	204
Amount written off as uncollectible	不可收回款項撇銷	(723)	-
Impairment loss reversed	減值虧損撥回	(4)	(218)
At the end of the financial year	財政年度末	1,834	541

Included in the allowance for impairment of trade and other receivables are individually impaired trade and other receivables with an aggregate balance of approximately HK\$1,834,000 (2015: HK\$541,000) which had been long outstanding. The individually impaired trade and other receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions.

Included in trade and other receivables in the consolidated statements of financial position are mainly the following amounts denominated in currency other than the functional currency of the entity to which they relate:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	8	122

20. 貿易及其他應收款項(續)

貿易及其他應收款項減值撥備之變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the financial year	財政年度初	541	555
Impairment losses recognised on trade and other receivables	確認貿易及其他應收款項減值虧損	2,020	204
Amount written off as uncollectible	不可收回款項撇銷	(723)	-
Impairment loss reversed	減值虧損撥回	(4)	(218)
At the end of the financial year	財政年度末	1,834	541

貿易及其他應收款項減值撥備中包括已逾期多時的個別已減值貿易及其他應收款項，總數為約1,834,000港元(二零一五年：541,000港元)。此等個別已減值貿易及其他應收款項已按其客戶的信貸紀錄，例如財務困難或付款違約及現行市場情況作確認。

綜合財務狀況表所列的貿易及其他應收款項主要以相關實體功能貨幣以外的貨幣列值：

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21. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK 21. 應收(應付)客戶合約工程款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracts in progress at the end of the reporting period	於報告期末之進行中合約		
Contract costs incurred plus recognised profits less recognised losses	已產生合約成本加已確認溢利減已確認虧損	296,457	221,977
Less: progress billings	減：按進度開具發票	(254,047)	(145,477)
At the end of the financial year	於財政年度末	42,410	76,500
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Analysed for reporting purpose as:	就報告目的而分析為：		
Amounts due from customers for contract work	應收客戶合約工程款項	48,538	78,770
Amounts due to customers for contract work	應付客戶合約工程款項	(6,128)	(2,270)
		42,410	76,500

There are no retentions held by customers for contract works and advances received from customers for contract work at the end of 2016 and 2015.

於二零一五年及二零一六年年末，概無工程客戶保證金及預付款。

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22. AMOUNT(S) DUE FROM ULTIMATE HOLDING COMPANY/A SUBSTANTIAL SHAREHOLDER/A JOINT VENTURE/ RELATED PARTIES

22. 應收最終控股公司／主要股東／合資企業／關連方款項

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Amount due from ultimate holding company	應收最終控股公司款項			
Genius Idea Holdings Limited	Genius Idea Holdings Limited	(i)	-	5
Amount due from a substantial shareholder	應收主要股東款項			
Genius Idea Holdings Limited	Genius Idea Holdings Limited	(i)	5	-
Amounts due from a joint venture	應收合資企業款項			
PGS Group	PGS Group	(ii)	271	-
Less: impairment loss recognised	減：已確認減值虧損		(271)	-
			-	-
Amounts due from related parties	應收關連方款項			
Trinity Champ Limited	翔鴻有限公司	(iii)	-	1
Karlson Survey Consultants Limited ("Karlson")	嘉信測量顧問有限公司 (「嘉信」)	(iii)	-	60
			-	61

Notes:

- (i) The amounts were non-trading in nature which is considered as a quasi-loans entered into by the Company. The amounts are unsecured, interest-free and repayable on demand. Since Genius Idea Holdings Limited is no longer the ultimate holding company of the Group, therefore, the amount due from ultimate holding company becomes amount due from a substantial shareholder as at 31 March 2016.
- (ii) The amount due from a joint venture is unsecured, interest-free and repayable on demand.
- (iii) The director of the Company, Mr. Chan Tat Wah, who resigned on 17 November 2015 has interests and able to exercise control or significant influence over these companies. The amounts due from related companies were non-trading in nature which is considered as a quasi-loans entered into by the Company and are unsecured, interest-free and repayable on demand. The maximum outstanding amount due from related companies during the year was approximately HK\$61,000 (2015: HK\$61,000). Since Mr. Chan Tat Wah has resigned as executive director of the Company during the year, the amounts due from Trinity Champ Limited and Karlson becomes other receivables as at 31 March 2016.

附註：

- (i) 該等款項屬非貿易性質，視為本公司簽訂的准貸款。該等款項無抵押、免息及須按要求償還。由於Genius Idea Holdings Limited將不再為本集團的最終控股公司，因此，於二零一六年三月三十一日，應收最終控股公司款項已轉為應收主要股東款項。
- (ii) 應收合資企業款項為無抵押、免息及須按要求償還。
- (iii) 本公司董事陳達華先生（已於二零一五年十一月十七日辭任）有興趣且有能控制或對該等公司形成重大影響。應收有關公司款項屬非貿易性質，視為本公司簽訂的准貸款，且無抵押、免息及須按要求償還。本年度尚未償還應收有關公司款項最高約61,000港元（二零一五年：61,000港元）。由於陳達華先生已於本年度辭任本公司執行董事職務，於二零一六年三月三十一日，應收翔鴻有限公司及嘉信的款項已轉為其他應收款項。

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22. AMOUNT(S) DUE FROM ULTIMATE HOLDING COMPANY/A SUBSTANTIAL SHAREHOLDER/A JOINT VENTURE/ RELATED PARTIES (Continued)

Movements in the allowance for impairment of amounts due from a joint venture during the year are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the financial year	財政年度初	-	-
Impairment loss recognised	已確認減值虧損	271	-
At the end of the financial year	財政年度末	271	-

Included in the allowance for impairment of amount due from a joint venture is considered uncollectible with the amount of approximately HK\$271,000 (2015: N/A).

22. 應收最終控股公司／主要股東／合資企業／關連方款項 (續)

於本年度應收合資企業款項減值撥備變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the financial year	財政年度初	-	-
Impairment loss recognised	已確認減值虧損	271	-
At the end of the financial year	財政年度末	271	-

計入應收合資企業款項減值撥備約271,000港元(二零一五年：不適用)被視為不可收回。

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23. BANK BALANCES AND CASH

Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with maturity within three months from initial inception. Bank balances carried interest at market rates ranging from 0.01% to 0.1% (2015: 0.01% to 0.1%) per annum during the year ended 31 March 2016. The bank balances are deposited with creditworthy banks with no recent history of default.

The Group's bank balances and cash denominated in SGD amounted to approximately HK\$3,073,000 (2015: HK\$2,872,000) at 31 March 2016. Conversion of SGD into foreign currencies is subject to the SGD's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

Included in bank balances and cash in the consolidated statements of financial position are mainly the following amounts denominated in currency other than the functional currency of the entity to which they relate:

23. 銀行結餘及現金

銀行結餘及現金

銀行結餘及現金包括由本集團持有之現金及自最初開始計三個月內到期之短期銀行存款。銀行結餘乃於截至二零一六年三月三十一日止年度內按市場年利率介於0.01%至0.1% (二零一五年：0.01%至0.1%)計息。銀行結餘乃存放於有信譽且近期並無拖欠記錄之銀行。

於二零一六年三月三十一日，本集團以新加坡元計提之銀行結餘及現金約為3,073,000港元(二零一五年：2,872,000港元)。新加坡元和外幣的匯率須遵照新加坡外匯管制條例，及結匯、售匯和付匯管理規定。

綜合財務狀況表之銀行結餘及現金主要包括以下實體之功能貨幣以外、與其相關之貨幣計提之金額：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	233	220

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24. TRADE AND OTHER PAYABLES

24. 貿易及其他應付款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade payables	貿易應付款項	30,883	56,425
Receipt in advances	預收款項	235	57
Accrued expenses and other payables	應計開支及其他應付款項	1,416	1,879
		32,534	58,361

The following is an aged analysis of trade payable presented based on the invoice date at the end of the reporting period.

以下為於財政年度末按發票日期呈列，貿易應付款項之賬齡分析：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within 30 days	30日內	29,243	51,989
More than 30 days but within 90 days	超過30日但於90日 以內	379	1,950
More than 90 days	超過90日	1,261	2,486
		30,883	56,425

The average credit period on purchases of goods is 30 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購入貨品之平均信貸期為30日。本集團實行之金融風險管理政策為確保所有應付款項皆於信貸期限內清還。

Included in trade and other payables in the consolidated statements of financial position are mainly the following amounts denominated in currencies other than the functional currency of the entities to which they relate:

綜合財務狀況表所列的貿易及其他應付款項主要由與下列貨幣(而非本實體之功能貨幣)相關，並以該等貨幣呈列之金額組成：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	2,152	2,699

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25. OBLIGATION UNDER A FINANCE LEASE

25. 融資租賃承擔

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Analysed for reporting purposes as:	就報告目的而分析為:		
Current liabilities	流動負債	85	82
Non-current liabilities	非流動負債	177	262
		262	344

It is the Group's policy to lease its plant and equipment under finance leases. The average lease term is 5 years. Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 3.26% (2015: 3.26%) per annum.

本集團政策是按照融資租賃出租其廠房和設備。平均租期為五年。融資租賃承擔的利率在其各自合同日期固定，從年利率3.26%(二零一五：3.26%)起。

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25. OBLIGATION UNDER A FINANCE LEASE 25. 融資租賃承擔(續)

(Continued)

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款之現值	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 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
Amounts payable under a finance lease	融資租賃之應付款項				
Within one year	一年內	92	92	85	82
After one year but within two years	一年後但於兩年內	92	92	87	85
After two years but within five years	兩年後但於五年內	91	183	90	177
		275	367	262	344
Less: future finance charges	減：未來財務費用	(13)	(23)	N/A不適用	N/A不適用
Present value of obligation under a finance lease	融資租賃承擔之現值	262	344	262	344
Less: amount due for settlement with 12 months (shown under current liabilities)	減：於12個月內到期清償之金額(列於流動負債之下)			(85)	(82)
Amount due for settlement after 12 months	於12個月後到期清償之金額			177	262

The Group's obligation under a finance lease is secured by the lessor's charge over the leased asset and denominated in Hong Kong dollars.

本集團之融資租賃承擔乃以出租人對租賃資產設定之押記作抵押，以港元列值。

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

26. SECURED BANK BORROWING

26. 有抵押銀行借貸

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Secured bank borrowing	有抵押銀行借貸	7,256	—
Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):	應償還賬面值(基於貸款協議所載計劃還款日期):		
Within one year	一年內	293	—
After one year but within two years	一年後但於兩年內	300	—
After two years but within five years	兩年後但於五年內	946	—
After five years	五年後	5,717	—
		7,256	—
Carrying amount of bank loans that are not repayable on demand or within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	並非按要求或自報告期末起一年內償還但含有按要求償還條款之銀行貸款賬面值(列於流動負債下)	6,963	—
Carrying amount repayable on demand or within one year	按要求或一年內償還賬面值	293	—
		7,256	—

During the year ended 31 March 2016, secured bank borrowing bore average floating interest rates 2.5% per annum.

截至二零一六年三月三十一日止年度，有抵押銀行借貸按平均浮動年利率2.5%計息。

Secured bank borrowing of the Group was secured by the Group's investment property (note 18).

本集團之有抵押銀行借貸由本集團之投資物業擔保(附註18)。

As at the end of the reporting period, the Group has the following undrawn borrowing facilities:

於報告期末，本集團擁有以下未提取借貸：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Floating rate	浮動利率		
– expiring beyond one year	– 超過一年屆滿	8,000	—

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27. DEFERRED TAXATION

The following are the major deferred tax liability recognised and movements thereon during the current and prior years:

27. 遞延稅項

以下為在本年度和過往年度確認的主要遞延稅項負債及其變動：

		Accelerated tax depreciation 加速稅收折舊 HK\$'000 千港元
At 1 April 2014	二零一四年四月一日	66
Charged to profit or loss	計入損益	66
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日 和二零一五年四月一日	132
Charged to profit or loss	計入損益	93
At 31 March 2016	於二零一六年三月三十一日	225

At the end of the reporting period, the Group has unused tax losses of approximately HK\$16,486,000 (2015: HK\$10,450,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams. These tax losses may be carried forward indefinitely.

於報告期末，本集團可動用以抵銷未來溢利之未動用稅項虧損約為16,486,000港元(二零一五年：10,450,000港元)。由於未來溢利難以預測，並無就未動用稅項虧損確認遞延稅項資產。此等稅項虧損可無限期結轉。

At the end of the reporting period, the Group has deductible temporary differences of approximately HK\$5,798,000 (2015: HK\$586,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

於報告期末，本集團約有5,798,000港元(二零一五年：586,000港元)可扣減暫時差額。由於應課稅溢利可用以抵銷可扣減暫時差額的機會不大，故並無就該可扣減暫時差額確認遞延稅項資產。

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28. SHARE CAPITAL

		28. 股本		Share capital	
		Number of shares		股本	
		股份數目		股本	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
				HK\$'000	HK\$'000
				千港元	千港元
Issued and fully paid	發行並繳足				
At beginning of the financial year	於財政年度初	330,000,000	2	76,113	-
Bonus issue of shares (note i)	發行紅股(附註i)	-	224,999,998	-	-
Issue of new shares to the public, net of transaction costs (note ii)	公發發行新股，扣除交易成本(附註ii)	-	75,000,000	-	41,013
Issue of new shares upon placing, net of transaction costs (note iii)	配售新股，扣除淨交易成本(附註iii)	-	30,000,000	-	35,100
At the end of financial year	於財政年度末	330,000,000	330,000,000	76,113	76,113

Notes:

- (i) Pursuant to the resolutions in writing by the ultimate holding company of the Group, Genius Idea Holdings Limited (the "Genius Idea"), passed on 30 June 2014, a total of 224,999,998 ordinary shares credited as fully paid and without payment to Genius Idea. The shares were allotted and issued on 18 July 2014 pursuant to the resolution shall rank pari passu with other shares in issue in all respects.
- (ii) In connection with the IPO, 75,000,000 shares were issued on 17 July 2014 at a price of HK\$0.60 per share for a total cash consideration, before related issuance expenses, of HK\$45,000,000. The expenses in relation to issued of shares was amounted to approximately HK\$3,990,000. Dealings in these shares on the Stock Exchange commenced on 18 July 2014.
- (iii) On 9 March 2015, arrangements were made for a private placement to independent investors of 30,000,000 ordinary shares of HK\$1 each at the share placing price of HK\$1.20 per placing share representing a discount of 71.4% to the closing market price of the Company's shares on 9 March 2015. The proceeds were used as general working capital of the Group and for acquisition of a property in Hong Kong. These new shares were issued under the general mandate granted to the directors at a annual general meeting of the Company held on 29 September 2014.

附註：

- (i) 依照本集團最終控股公司Genius Idea Holdings Limited (「Genius Idea」)於二零一四年六月三十日通過的書面決議，共224,999,998份普通股被視為已全部支付，無需再向Genius Idea進行支付。上述股份於二零一四年七月十八日按照決議進行分配和發行，與其他已發行股份享有同等權利。
- (ii) 至於首次公開發行，於二零一四年七月十七日，75,000,000股股份以每股0.6港元的價格發行，在支付發行費用前，獲總現金代價45,000,000港元，發行股份支出約3,990,000港元。從二零一四年七月十八日起開始在聯交所交易上述股份。
- (iii) 二零一五年三月九日，安排向私人投資者以每股1港元的價格進行私人配售，共發行30,000,000股股份，每股配售價為1.20港元，以本公司在二零一五年三月九日收盤價的71.4%折扣計。收益被用作本集團一般營運資金及在香港收購資產。上述新股按照二零一四年九月二十九日本公司召開的股東週年大會上授予董事的一般授權執行。

All the ordinary shares issued during the year ended 31 March 2016 rank pari passu with the then existing shares in all respects.

截至二零一六年三月三十一日止年度內發行的所有普通股於其他當時現存的股份享有同等權益。

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29. SHARE OPTION SCHEME

A share option scheme enables the Company to grant options to any Participant as incentives or rewards for their contributions to the Group. The Company conditionally adopted a share option scheme (the "Share Option Scheme") on 30 June 2014 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Share Option Scheme, to grant options to subscribe for the shares of the Company to the Eligible Participant. The Share Option Scheme will be valid and effective for a period of ten years commencing from the date of adoption of the Share Option Scheme.

As at 31 March 2016, the total number of shares (the "Shares") of the Company available for issue under the Scheme is 30,000,000 Shares, representing 10% of the issued Shares (the "Scheme Mandate Limit") of the aggregate number of Shares in issue immediately upon completion of the listing of the Shares in July 2014.

Upon acceptance of an option to subscribe for shares granted pursuant to the Share Option Scheme (the "Option"), the Eligible Participant shall pay HK\$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 21 days from the date on which the Option is granted. The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each participant and shall be the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which trading of Shares take place on the Stock Exchange (the "Trading Day"); and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Trading Days immediately preceding the date of grant of the Options.

29. 購股權計劃

購股權計劃使本公司可向任何參與者授出購股權，作為他們對本集團所作貢獻之獎勵或回報。本公司於二零一四年六月三十日有條件地採納購股權計劃（「購股權計劃」），據此，董事會獲授權按他們之絕對酌情決定權，依照購股權計劃之條款向合資格參與者授出認購本公司股份之購股權。購股權計劃將於其獲採納當日起計十年期間一直有效及生效。

於二零一六年三月三十一日，根據該計劃可供發行之股份（「股份」）總數為30,000,000股，佔於二零一四年七月股份上市完成時之已發行股份總額之10%（「計劃授權限額」）。

於接納根據購股權計劃所授出可認購股份之購股權（「購股權」）時，合資格參與者須向本公司支付1.00港元，作為獲授購股權之代價。購股權之接納期為授出購股權當日起計21日期間。購股權之股份認購價將由董事會釐定，並知會各參與者，價格須為下列各項之最高者：(i) 於授出購股權當日（必須為股份於聯交所買賣之日（「交易日」））聯交所每日報價表所載之股份收市價；及(ii) 於緊接授出購股權當日前五個交易日聯交所每日報價表所載之股份平均收市價。

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29. SHARE OPTION SCHEME (Continued)

The Company shall be entitled to issue options, provided that the total number of Shares which may issue upon exercise of all options to be granted under the Share Option Scheme does not exceed the Scheme Mandate Limit. The Company may at any time refresh such limit, subject to the shareholders' approval and the issue of a circular in compliance with the GEM Listing Rules, provided that the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the Shares in issued at the time. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

Since the adoption of the Share Option Scheme, no share option has been granted by the Company.

30. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 17 November 2015, the Group completed the acquisition of 100% of the issued share capital of Wealthy Pool for a consideration of US\$50,000 (equivalent to approximately HK\$390,000) from a substantial shareholder of the Group. The directors of the Company is of the opinion that the acquisition of Wealthy Pool is in substance an acquisition of assets instead of an acquisition of business as the principal asset included in Wealthy Pool is the investment in a joint venture.

The fair value of assets at the date of acquisition amounted to approximately HK\$390,000.

Cash outflow arising on acquisition

Cash consideration paid

29. 購股權計劃(續)

本公司獲賦予權利發行購股權，惟根據購股權計劃將予授出之所有購股權獲行使後可予發行之股份總數，不得超過計劃授權限額。待股東批准及根據創業板上市規則發出通函後，本公司可隨時更新此上限，惟於根據本公司全部購股權計劃所授出而有待行使之所有未行使購股權獲行使後可予發行之股份總數，不得超過當時已發行股份之30%。購股權可按該計劃條款於董事會釐定之期間內隨時行使，該期間不得超出授出購股權日期起計十年，惟須受提早終止條文所規限。

自購股權計劃獲採納以來，本公司概無授出購股權。

30. 透過收購附屬公司收購資產

於二零一五年十一月十七日，本集團完成自本集團一位主要股東收購保發全部已發行股本，代價為50,000美元(相當於約390,000港元)。本公司董事認為收購保發實際上是一項資產收購而非業務收購，因為計入保發的主要資產乃於合資企業之投資。

於收購日資產之公平值約為390,000港元。

收購產生之現金流出

HK\$'000
千港元

已付現金代價

390

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31. OPERATING LEASE COMMITMENTS

The Group as lessee

31. 經營租賃承擔

本集團作為承租人

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the year	年內經營租賃的最低租賃付款：		
Premises	房屋	1,207	332

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

於報告期末，本集團承諾將來按照不可撤銷的租賃協議於將來承擔支付最低租賃付款，到期情況如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	3,561	348
In the second to fifth years inclusive	在第二至第五年 (首尾兩年包括在內)	5,471	464
		9,032	812

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated and rentals are fixed for an average of three years in both years.

經營租賃款項是本集團就其若干寫字樓的應付租金。兩年內，租約均按三年期協商、租金按三年期平均值固定。

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31 OPERATING LEASE COMMITMENTS

(Continued)

The Group as lessor

Property rental income earned during the year was approximately HK\$352,000 (2015: Nil). The property held for rental purposes is expected to generate rental yields of 1.52% on an ongoing basis. The property held has committed tenants for the next two years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	297	—
In the second to fifth year inclusive	第二年至第五年 (首尾兩年包括在內)	3	—
		300	—

32. RETIREMENT BENEFITS PLANS

Defined contribution plans

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs, capped at HK\$1,500 (HK\$1,250 prior to June 2014) per month, to the MPF Scheme, in which the contribution is matched by employees.

Under the laws of Singapore, certain subsidiaries of the Company make contributions to the state pension scheme, the Central Provident Fund ("CPF"). The subsidiary of the Company in Singapore are required to contribute certain percentages varies from 5% to 20% of the monthly salaries of their current employees to the CPF for the years ended 31 March 2016 and 2015.

The total cost charged to profit or loss of approximately HK\$340,000 (2015: HK\$335,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

31. 經營租賃承擔(續)

本集團為出租人

本年度掙得的物業出租收入約為352,000港元(二零一五年：零)。持作出租用途的物業預期出租回報率將保持於1.52%的水平。且持有之物業於接下來兩年已有固定承租人。

於本報告期末，本集團已與承租人就以下未來最低租金付款訂立合約：

32. 退休福利計劃

界定供款計劃

本集團為所有香港僱員經營一項強制性公積金計劃(「強積金計劃」)。該計劃資產於本集團資產分開保存，保存在受託人控制的資產中。本集團按有關薪資成本之5%向強積金供款，最高每月1,500港元(二零一四年六月前：1,250港元)，僱員依相同金額作出相應供款。

依據新加坡法律，本公司若干附屬公司向國家退休金計劃中央公積金(「中央公積金」)作出供款。截至二零一六年及二零一五年三月三十一日止年度內，本公司在新加坡的附屬公司須按其現有僱員的月薪在5%至20%之間若干百分比向中央公積金作出供款。

計入損益的約340,000港元(二零一五年：335,000港元)的總成本是本集團在當前會計年度對該計劃的應付款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

33. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and bonus paid to the spouse of a director of the Company	向本公司董事的配偶支付的薪金和花紅	643	1,415

Compensation of key management personnel

The remuneration of key management personnel of the Company during the year was as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	6,345	6,235
Contributions to retirement benefits scheme	退休福利計劃供款	123	98
		6,468	6,333

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

33. 關連方交易

本年度內，本集團與關連方進行了如下交易：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and bonus paid to the spouse of a director of the Company	向本公司董事的配偶支付的薪金和花紅	643	1,415

主要管理人員的酬金

各年度內本公司主要管理人員的酬金如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	6,345	6,235
Contributions to retirement benefits scheme	退休福利計劃供款	123	98
		6,468	6,333

本公司董事及主要行政人員酬金乃由薪酬委員會參考個人表現及市場趨勢釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

34. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY 34. 公司財務狀況表資料

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產			
Plant and equipment	廠房及設備		1,542	–
Investments in subsidiaries	於附屬公司之投資		21,454	21,063
			22,996	21,063
Current assets	流動資產			
Other receivables	其他應收款項		1,421	194
Amounts due from subsidiaries	應收附屬公司款項	a	50,376	26,065
Bank balances and cash	銀行結餘及現金		4,372	37,770
			56,169	64,029
Current liabilities	流動負債			
Other payables	其他應付款項		1,046	572
Amount due to a subsidiary	應付附屬公司款項	a	466	466
			1,512	1,038
Net current assets (liabilities)	淨流動資產(負債)		54,657	62,991
Total assets less current liabilities	總資產減流動負債		77,653	84,054
Capital and reserves	資本及儲備			
Share capital	股本	28	76,113	76,113
Reserves	儲備		1,540	7,941
Total equity	權益總額	b	77,653	84,054

The financial statement of the Company were approved and authorised for issue by the board of directors on 27 June 2016 and signed on its behalf by:

本公司之財務報表已於二零一六年六月二十七日經下列董事代表董事會簽署以批准及授權刊發：

Chan Chi Yuen
陳志遠

Tsang Kei Cheong
曾紀昌

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

34. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note a

The amounts are unsecured, interest-free and repayable on demand.

Note b

		Share capital 股本 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Other Reserve 其他儲備 HK\$'000 千港元 (Note) (附註)	Total 總計 HK\$'000 千港元
At 1 April 2014	於二零一四年四月一日	-	(5,426)	21,063	15,637
Loss for the year and total comprehensive expenses for the year	本年度虧損和本年度全面開支總額	-	(7,696)	-	(7,696)
Issue of new shares	新股發行	81,000	-	-	81,000
Transaction costs attributable to issue of shares	發行股份的交易費用	(4,887)	-	-	(4,887)
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日和二零一五年四月一日	76,113	(13,122)	21,063	84,054
Loss for the year and total comprehensive expenses for the year	本年度虧損和本年度全面開支總額	-	(6,401)	-	(6,401)
At 31 March 2016	於二零一六年三月三十一日	76,113	(19,523)	21,063	77,653

Note: Other reserve represents the difference between the nominal value of the shares issued for acquisition of a subsidiary and the consolidated net asset value of that subsidiary and its subsidiaries at the date of acquisition.

附註a

該款項為無抵押、免息及按要求償還。

附註b

附註：其他儲備指，在收購日，因收購附屬公司而發行的股份的票面值與該附屬公司及其附屬公司的全部資產淨值間的差額。

35. MAJOR NON-CASH TRANSACTION

During the year ended 31 March 2015, the Group entered into finance lease arrangements in respect of a motor vehicle with a capital value at the inception of the leases of approximately HK\$422,000.

35. 主要非現金交易

於截至二零一五年三月三十一日止年度，本集團簽署了一項有關汽車的在租賃協議開始日價值約422,000的融資租賃安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

36. CONTINGENT LIABILITY

On 9 December 2015, a supplier has filed a statement of claim of approximately HK\$1,000,000 against a subsidiary of the Group. As at date of the report, no proceeding has been occurred. Based on the legal advice, the directors of the Company are of the opinion that the Group has meritorious defenses against the supplier. Therefore, no provision for this claim has been made in the consolidation financial statements for the year ended 31 March 2016.

37. PARTICULAR OF SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries at 31 March 2016 and 2015 are as follows:

36. 或然負債

於二零一五年十二月九日，一名供應商對本集團一間附屬公司發出一份金額約為1,000,000港元的索賠清單。於報告日並未產生任何訴訟。根據法律意見，本公司董事認為本集團已對供應商作出有力抗辯。因此，並未於截至二零一六年三月三十一日止年度之綜合財務報表中就本申索作出任何撥備。

37. 本公司之附屬公司詳情

本公司之附屬公司於二零一六年及二零一五年三月三十一日詳情如下：

Name of subsidiary 附屬公司名稱	Place/Country of incorporation or registration/ operations 成立或註冊/ 經營地點/國家	Class of shares held 所持股份類別	Paid up issued/ registered ordinary share capital 發行並繳足股本/註冊普通股	Proportion of ownership and voting power interest held by the Company 本公司持有的所有權及投票權比例				Principal activities 主要活動
				Directly 直接		Indirectly 間接		
				2016 % 二零一六年 %	2015 % 二零一五年 %	2016 % 二零一六年 %	2015 % 二零一五年 %	
China Sourcing & Creative Construction Limited	BVI	Ordinary	United State dollar 1	100	100	-	-	Sourcing furniture and marble and the provision of interior design and decoration service
中國新意工程及建材有限公司	英屬處女群島	普通	1美元	100	100	-	-	採購傢俱及雕刻品以及提供室內設計及裝飾服務
Hotel Sourcing International Limited	Hong Kong	Ordinary	HK\$100	-	-	100	100	Provision of interior design and decoration services
Hotel Sourcing International Limited	香港	普通	100港元	-	-	100	100	提供室內設計及裝飾服務
Karlson C & C Limited	Hong Kong	Ordinary	HK\$1	-	-	100	100	Provision of interior design and decoration services
Karlson C & C Limited	香港	普通	1港元	-	-	100	100	提供室內設計及裝飾服務
Wealth Trinity Development Limited	Hong Kong	Ordinary	HK\$1	-	-	100	100	Provision of interior design and decoration services
富添發展有限公司	香港	普通	1港元	-	-	100	100	提供室內設計及裝飾服務
Well Creation Holdings Limited	Hong Kong	Ordinary	HK\$1	-	-	100	100	Provision of interior design and decoration services
益創集團有限公司	香港	普通	1港元	-	-	100	100	提供室內設計及裝飾服務
Joy Excel Consultants Limited	Hong Kong	Ordinary	HK\$1	-	-	100	100	Provision of interior design and decoration services
卓悅顧問有限公司	香港	普通	1港元	-	-	100	100	提供室內設計及裝飾服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

37. PARTICULAR OF SUBSIDIARIES OF THE COMPANY (Continued)

37. 本公司之附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation or registration/ operations 成立或註冊/ 經營地點/國家	Class of shares held 所持股份類別	Paid up issued/ registered ordinary share capital 發行並繳足股本/註冊 普通股	Proportion of ownership and voting power interest held by the Company 本公司持有的所有權及投票權比例				Principal activities 主要活動
				Directly 直接		Indirectly 間接		
				2016 % 二零一六年 %	2015 % 二零一五年 %	2016 % 二零一六年 %	2015 % 二零一五年 %	
Forever Smart (China) Limited 永傑(中國)有限公司	Hong Kong 香港	Ordinary 普通	HK\$1 1港元	-	-	100	100	Provision of interior design and decoration services 提供室內設計及裝飾服務
Hotel Sourcing Singapore Pte. Ltd. Hotel Sourcing Singapore Pte. Ltd.	Singapore 新加坡	Ordinary 普通	SGD1 1新加坡元	-	-	100	100	Sourcing furniture and marbles and provision of interior design and decoration services 採購傢俱及雕刻品以及提供室內設計及裝飾服務
Kate China Property Consultants Limited 中持基業物業顧問有限公司	Hong Kong 香港	Ordinary 普通	HK\$1 1港元	-	-	100	100	Property investment 物業投資
Huarong Financial Holdings Limited (Note) 華融金質控股有限公司(附註)	BVI 英屬處女群島	Ordinary 普通	US\$100 100美元	100	-	-	-	Investing holding 投資控股
Huarong Financial Investment Group Limited (Note) 華融金質投資集團有限公司(附註)	BVI 英屬處女群島	Ordinary 普通	US\$100 100美元	-	-	100	100	Investing holding 投資控股
Huarong Financial Group Limited (Note) 華融金質集團有限公司(附註)	Hong Kong 香港	Ordinary 普通	HK\$1 1港元	-	-	100	100	Inactive 暫無營業

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For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

37. PARTICULAR OF SUBSIDIARIES OF THE COMPANY (Continued)

37. 本公司之附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation or registration/ operations 成立或註冊/ 經營地點/國家	Class of shares held 所持股份類別	Paid up issued/ registered ordinary share capital 發行並繳足股本/註冊普通股本	Proportion of ownership and voting power interest held by the Company 本公司持有的所有權及投票權比例				Principal activities 主要活動
				Directly 直接		Indirectly 間接		
				2016 % 二零一六年 %	2015 % 二零一五年 %	2016 % 二零一六年 %	2015 % 二零一五年 %	
Huarong Business Group Limited (Note) 華融商貿集團有限公司(附註)	BVI 英屬處女群島	Ordinary 普通	US\$100 100美元	-	-	100	-	Investing holding 投資控股
Huarong Business Group Limited (Note) 華融商貿集團有限公司(附註)	Hong Kong 香港	Ordinary 普通	HK\$1 1港元	-	-	100	-	Inactive 暫無營業
Wealthy Pool I (Note 30) 保發(附註 30)	BVI 英屬處女群島	Ordinary 普通	US\$50,000 50,000美元	100 100	-	-	-	Investing holding 投資控股

Note: Those subsidiaries are newly incorporated during the year ended 31 March 2016.

附註：該等附屬公司為於截至二零一六年三月三十一日止年度新註冊成立。

38. SUBSEQUENT EVENT

On 14 June 2016, the Group and a placing agent entered into the placing agreement, pursuant to which the Group has appointed the placing agent to procure altogether not less than six placees for subscribing up to an aggregate of 33,000,000 placing shares at a placing price HK\$2.45 per placing share. Upon the completion of the placing (and assuming all the 33,000,000 placing shares are subscribed for), the gross proceeds and net proceeds arising from the placing are estimated to be approximately HK\$80,850,000 and approximately HK\$78,540,000, respectively. The Company intends to use the net proceeds for the Group's general working capital and/or other potential business development opportunities including but not limited to money lending business as considered appropriate. Details of which are set out in the Company's announcement dated on 14 June 2016. The transaction has yet been completed up to date of the report.

38. 期後事項

於二零一六年六月十四日，本集團與配售代理訂立配售協議，據此，本集團已委聘配售代理促使合共不少於六名承配人按每股配售股份2.45港元配售價格認購合共最多33,000,000股配售股份。於配售事項完成後(假設所有33,000,000股配售股份獲認購)，配售事項之所得款項總額及所得款項淨額估計分別為約80,850,000港元及約78,540,000港元。本公司擬將所得款項淨額用作本集團一般營運資金及/或其他潛在業務發展商機，包括但不限於放債人業務。詳情載於本公司日期為二零一六年六月十四日的公告。截至報告日期，有關交易尚未完成。

FINANCIAL SUMMARY

財務概要

		For the year ended 31 March 截至三月三十一日止年度				
		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	2012 二零一二年 HK\$'000 千港元
Revenue	收益	101,048	142,556	95,887	73,310	56,978
(Loss) profit before taxation	除稅前(虧損)溢利	(7,919)	7,815	11,948	21,938	4,598
(Loss) profit for the year	年度(虧損)溢利	(9,370)	5,451	9,645	18,371	3,643
Total comprehensive (expenses) income for the year	年度總全面(開支)收入	(9,325)	5,023	9,799	18,400	3,643

		As at 31 March 於三月三十一日				
		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	2012 二零一二年 HK\$'000 千港元
Assets and Liabilities	資產及負債					
Total assets	總資產	142,340	167,165	49,160	24,866	21,599
Total liabilities	總負債	47,334	62,834	25,965	11,470	20,428
Total equity	總股權	95,006	104,331	23,195	13,396	1,171

Note:

The summary of the consolidated results of the Group for the years ended 31 March 2014, 2013 and 2012, and of the assets and liabilities as at 31 March 2014, 2013 and 2012 have been extracted from the Prospectus.

The consolidated results of the Group for the year ended 31 March 2016 and 2015 and the consolidated assets and liabilities of the Group as at 31 March 2016 and 2015 are those set out on pages 47 to 48 of this report.

附註：

本集團於截至二零一四年、二零一三年及二零一二年三月三十一日止年度之綜合業績概要，以及於二零一四年、二零一三年及二零一二年三月三十一日之資產及負債，乃摘錄自上市章程。

本集團於截至二零一六年及二零一五年三月三十一日止年度之綜合業績，以及於二零一六年及二零一五年三月三十一日之綜合資產及負債已載列於本報告第47頁至48頁。



中持基業控股有限公司
Kate China Holdings Limited



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