

Annual Report 年報 2012/2013

Walker
GROUP



Walker Group Holdings Limited
盈進集團控股有限公司*

Incorporated in the Cayman Islands with limited liability

於開曼群島註冊成立之有限公司

Stock Code 股份代號 :1386

*For identification purpose only
僅供識別

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BOARD OF DIRECTORS

Executive Directors

Ms CHAN Mei Sheung (*Chairman*)
Mr. KIU Wai Ming

Independent Non-executive Directors

Mr. SZE Tsai Ping, Michael
Dr. FAN Yiu Kwan, *JP*
Mr. LEE Kwan Hung

BOARD COMMITTEES

Audit Committee

Mr. SZE Tsai Ping, Michael (*Chairman*)
Dr. FAN Yiu Kwan, *JP*
Mr. LEE Kwan Hung

Nomination Committee

Mr. SZE Tsai Ping, Michael (*Chairman*)
Dr. FAN Yiu Kwan, *JP*
Mr. LEE Kwan Hung

Remuneration Committee

Dr. FAN Yiu Kwan, *JP* (*Chairman*)
Ms CHAN Mei Sheung
Mr. SZE Tsai Ping, Michael
Mr. LEE Kwan Hung

AUTHORISED REPRESENTATIVES

Ms CHAN Mei Sheung
Mr. KIU Wai Ming

COMPANY SECRETARY

Mr. LI Tung Wing

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking
Corporation Limited

董事會

執行董事

陳美雙女士(*主席*)
喬維明先生

獨立非執行董事

史習平先生
范耀鈞博士太平紳士
李均雄先生

董事委員會

審核委員會

史習平先生(*主席*)
范耀鈞博士太平紳士
李均雄先生

提名委員會

史習平先生(*主席*)
范耀鈞博士太平紳士
李均雄先生

薪酬委員會

范耀鈞博士太平紳士(*主席*)
陳美雙女士
史習平先生
李均雄先生

授權代表

陳美雙女士
喬維明先生

公司秘書

李東榮先生

主要往來銀行

星展銀行(香港)有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司

AUDITORS

PricewaterhouseCoopers

LEGAL ADVISOR (AS TO HONG KONG LAWS)

Baker & McKenzie

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

7th Floor
Hope Sea Industrial Centre
26 Lam Hing Street
Kowloon Bay, Kowloon
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Trustee (Cayman) Limited
P.O. Box 484, HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

COMPANY'S WEBSITE

www.walkershop.com.hk

STOCK CODE

1386

核數師

羅兵咸永道會計師事務所

法律顧問(香港法律)

貝克•麥堅時律師事務所

註冊辦事處

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

總辦事處及主要營業地點

香港
九龍九龍灣
臨興街26號
富洋工業中心
7樓

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

股份過戶登記總處

HSBC Trustee (Cayman) Limited
P.O. Box 484, HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

公司網址

www.walkershop.com.hk

股份代號

1386

Financial and Operational Highlights

財務及經營摘要

| | | For the year ended 31 March 截至3月31日止年度 | | |
|--|------------------|---|--------|---|
| | | 2013 | 2012 | % change increase/ (decrease) 增加/(減少) %變動 |
| Revenue (HK\$'million) | 收益(百萬港元) | 1,375 | 1,451 | (5.3%) |
| Gross profit (HK\$'million) | 毛利(百萬港元) | 819 | 851 | (3.7%) |
| Operating loss (HK\$'million) | 經營虧損(百萬港元) | (92) | (7) | 1,236% |
| Per share | 每股 | | | |
| Basic loss per share (HK cents) | 每股基本虧損 (港仙) | (14.89) | (1.56) | 855% |
| Diluted loss per share (HK cents) | 每股攤薄虧損 (港仙) | (14.89) | (1.56) | 855% |
| Net asset value per share (HK\$) | 每股資產淨值(港元) | 1.09 | 1.22 | (10.6%) |
| Share price | 股價 | | | |
| — Highest (HK\$) | — 最高(港元) | 0.49 | 1.61 | (69.6%) |
| — Lowest (HK\$) | — 最低(港元) | 0.29 | 0.38 | (23.7%) |
| Financial ratios | 財務比率 | | | |
| Gross profit margin (%) | 毛利率(%) | 59.6% | 58.6% | 1% |
| Average inventory turnover (days) | 平均存貨週轉期(日) | 301 | 267 | 12.7% |
| Average trade receivables turnover (days) | 平均應收賬款週轉期 (日) | 40 | 35 | 14.3% |
| Average trade payables turnover (days) | 平均應付賬款週轉期 (日) | 104 | 96 | 8.3% |
| Gearing ratio (%) | 資產負債比率(%) | | | |
| — Borrowing to total assets | — 借貸對總資產 | 0.6% | 0.6% | — |
| — Borrowing to net asset value | — 借貸對資產淨值 | 0.8% | 0.8% | — |
| Return on total assets (%) | 總資產回報(%) | (10%) | (1%) | (9%) |
| Return on shareholders' fund (%) | 股東資金回報(%) | (13.6%) | (1.3%) | (12.3%) |

| | | As at 31 March 於3月31日 | | |
|----------------------------------|-------------|--------------------------|-----------|---|
| | | 2013 | 2012 | % change increase/ (decrease) 增加/(減少) %變動 |
| Shareholders' funds (HK\$'000) | 股東資金(千港元) | 682,236 | 763,270 | (10.6%) |
| Total Assets (HK\$'000) | 總資產(千港元) | 929,305 | 1,002,777 | (7.3%) |
| Number of shares in issue ('000) | 已發行股份數目(千股) | 623,560 | 623,560 | — |

Management Discussion and Analysis

管理層討論及分析

The board of directors (“Board” and “Director” respectively) of Walker Group Holdings Limited (“Company”) presents the audited consolidated results of the Company and its subsidiaries (collectively, “Group”) for the year ended 31 March 2013 (“Year”).

GROUP'S BUSINESS OVERVIEW

The Group is principally engaged in the development and retailing of footwear products of its own brands, namely, ACUPUNCTURE, ARTEMIS, COUBER.G, FORLERIA, OXXOX, TRU-NARI and WALACI, through its self-managed retail shops (“Self-managed Shops”), concession points in department stores (“Concession Points”) and franchised stores (“Franchised Stores”). As a multi-brand operator, the Group possesses an extensive sales network across the regions of the People’s Republic of China (“PRC”), Hong Kong and Taiwan.

As at 31 March 2013, the Group operated a total of 47 Self-managed Shops (4 in the PRC and 43 in Hong Kong), 835 Concession Points (810 in the PRC, 4 in Hong Kong and 21 in Taiwan) and 147 Franchised Stores in the PRC. During the Year, the Group had a net addition of 16 Franchised Stores and a net diminution of 9 Self-managed Shops and 37 Concession Points. The following table summarizes the number and distribution of Self-managed Shops, Concession Points and Franchised Stores (Collectively, “Retail Points”) in terms of geographical regions as at 31 March 2013 as compared to last year.

As at 31 March
於3月31日

| Region | 地區 | 2013 | | | | 2012 | | | |
|------------------|-----------|---------------------------|----------------------------|-----------------------------|--------------|---------------------------|----------------------------|-----------------------------|--------------|
| | | Self-managed Shops 自營店 | Concession Points 特許銷售點 | Franchised Stores 特許經營店舖 | Total 總計 | Self-managed Shops 自營店 | Concession Points 特許銷售點 | Franchised Stores 特許經營店舖 | Total 總計 |
| PRC | 中國 | | | | | | | | |
| Beijing | 北京 | 3 | 151 | — | 154 | 3 | 154 | — | 157 |
| Eastern China | 華東 | — | 156 | 13 | 169 | 2 | 166 | 11 | 179 |
| Southern China | 華南 | 1 | 91 | 1 | 93 | 2 | 82 | 1 | 85 |
| Western China | 華西 | — | 128 | 10 | 138 | — | 132 | 9 | 141 |
| Central China | 華中 | — | 132 | 75 | 207 | — | 146 | 60 | 206 |
| Northern China | 華北 | — | 152 | 48 | 200 | 1 | 159 | 50 | 210 |
| Sub-total | 小計 | 4 | 810 | 147 | 961 | 8 | 839 | 131 | 978 |
| Hong Kong | 香港 | 43 | 4 | — | 47 | 48 | 6 | — | 54 |
| Taiwan | 台灣 | — | 21 | — | 21 | — | 27 | — | 27 |
| Total | 總計 | 47 | 835 | 147 | 1,029 | 56 | 872 | 131 | 1,059 |

盈進集團控股有限公司(「本公司」)董事會(分別為「董事會」及「董事」)謹此提呈本公司及其附屬公司(統稱「本集團」)截至2013年3月31日止年度(「本年度」)之經審核綜合業績。

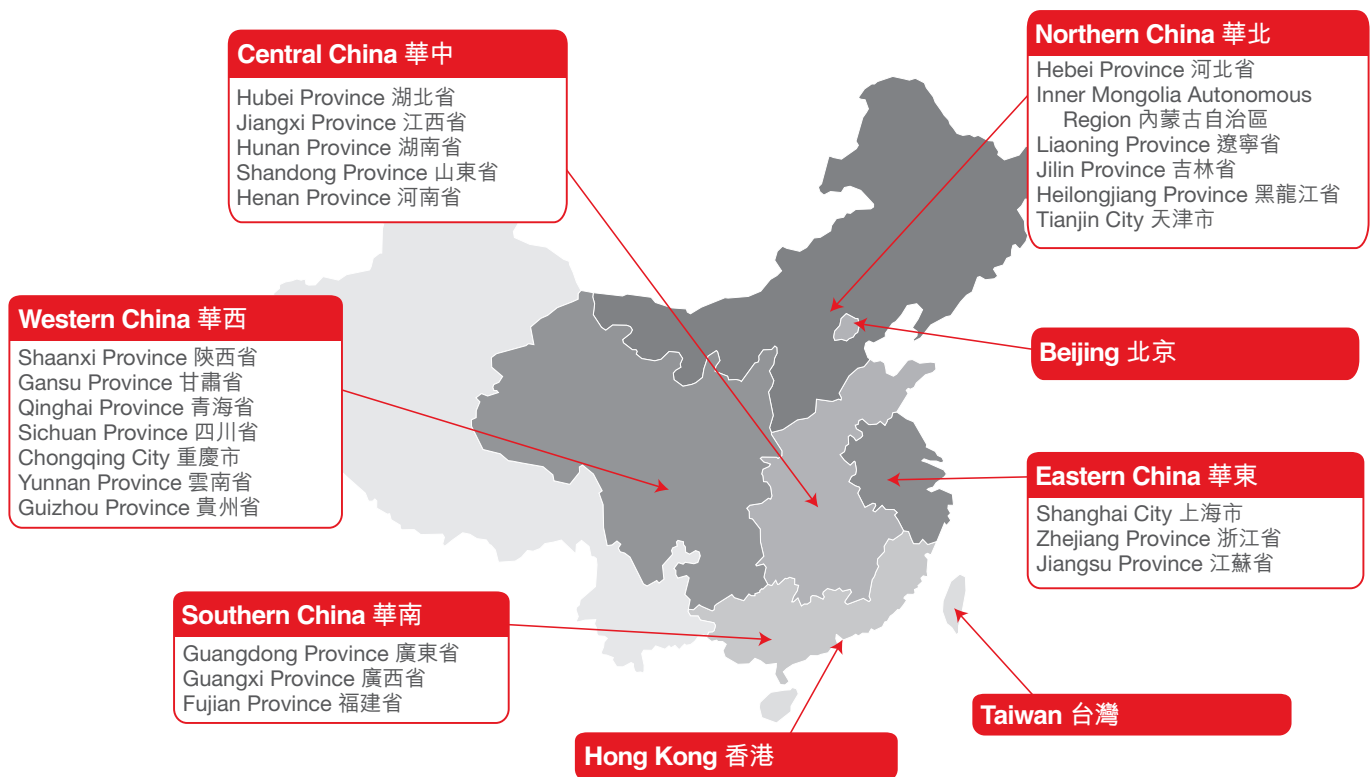
集團業務回顧

本集團主要業務為透過其自營零售店(「自營店」)、百貨公司特許銷售點(「特許銷售點」)及特許經營店舖(「特許經營店舖」)發展及零售自家品牌ACUPUNCTURE、ARTEMIS、COUBER.G、FORLERIA、OXXOX、TRU-NARI及WALACI之鞋類產品。作為多品牌經營者，本集團銷售網絡覆蓋廣泛，遍佈中華人民共和國(「中國」)、香港及台灣地區。

於2013年3月31日，本集團經營合共47間自營店(4間位於中國及43間位於香港)、835間特許銷售點(810間位於中國、4間位於香港及21間位於台灣)及147間位於中國之特許經營店舖。於本年度，本集團之特許經營店舖淨增16間，自營店及特許銷售點分別淨減9間及37間。下文之列表概述，於2013年3月31日按地區劃分之自營店、特許銷售點及特許經營店舖(統稱「零售點」)之數目及分佈與去年之比較。

Management Discussion and Analysis

管理層討論及分析



MARKET REVIEW

Amidst the stagnating US economy and the unresolved euro zone debt crisis, the global economic environment over the Year remained subdued. The consumer sentiment in the retail sector, of which demand is largely responsive to economic conditions, was impacted. International and local industry players were fiercely competing in terms of comparative advantage, the development of sales platforms, brand building, cost efficiency, quality improvement and ability to cater to rapidly-changing consumer tastes. This competitive environment was even worsened with more and more players, notably international footwear retailers, expanding and entering the industry. Along with challenges posed by rising operating costs especially in staff and rental costs, 2012/2013 was a difficult year for the Group to operate.

市場回顧

美國經濟停滯不前，歐元區債務危機陰霾未散，本年度全球經濟環境仍然低迷。由於零售業需求極大程度上取決於經濟狀況，因此消費意欲備受打擊。國際及本地從業者展開激烈競爭，力求擁有相對優勢，發展銷售平台，打造品牌，提高成本效益，提升品質及迎合消費者品味的快速變化。隨著越來越多從業者，尤其知名國際鞋類零售商擴張並進軍本行業，競爭環境日趨嚴峻。此外，營運成本(尤其是員工及租金成本)持續上升，亦令本集團於2012/2013年度之營運面臨逆境。

BUSINESS REVIEW

For the Year, the Group recorded a decrease of 5.3% in its consolidated revenue to approximately HK\$1,375 million (2012: HK\$1,451 million). Revenue from the PRC, Hong Kong and Taiwan markets decreased by 3.1%, 12.8% and 9.9% respectively. The overall same store sales of the Group dropped by approximately 3.9%, while the overall gross profit margin of the Group increased slightly by 1 percentage points to 59.6% despite significant cost increase and strong price driven by competition. The Group's overall operating expenses as a percentage of turnover increased by 6.6%. Loss attributable to the equity holders was approximately HK\$92.8 million (2012: HK\$9.7 million). Loss per share amounted to approximately 14.9 HK cents per share. The Board has recommended not to declare dividends for the Year (2012: Nil).

The three geographical market segments, namely the PRC, Hong Kong and Taiwan respectively accounted for 79%, 19% and 2% of the Group's total revenue (2012: 77%, 21% and 2%).

The PRC

During the Year, the Group opened 183 and closed 200 Retail Points in the PRC, resulting in a net decrease of 4 Self-managed Shops and 29 Concession Points and a net addition of 16 Franchised Stores in the region. Total revenue generated in the PRC was approximately HK\$1,089.9 million (2012: HK\$1,125.1 million), representing a slight decrease of 3.1% as compared to the previous year. Operating profit in the PRC decreased by HK\$42 million, representing a 44.6% decrease as compared to last year. Same store sales dropped by approximately 5.9% and operating margin decreased by 3.6 percentage points as compared to last year.

Hong Kong

During the Year, the Group opened 5 and closed 12 Retail Points in Hong Kong, resulting in a net decrease of 5 Self-managed Shops and 2 Concession Points in the region. Total revenue generated in Hong Kong was approximately HK\$260.3 million (2012: HK\$298.5 million), representing a decrease of 12.8% as compared to the previous year. Operating profit in Hong Kong decreased by HK\$14 million, representing a 335.7% decrease as compared to last year. Same store sales growth was approximately 0.7% while operating margin decreased by 5.2 percentage points as compared to last year.

業務回顧

於本年度，本集團之綜合收益錄得5.3%之減幅，約為1,375百萬港元(2012年：1,451百萬港元)。來自中國、香港及台灣市場之收益分別下降3.1%、12.8%及9.9%。本集團之整體同店銷售下跌約3.9%，而儘管成本大幅上升，價格亦因競爭激烈而備受壓力，本集團之整體毛利率仍輕微上升1個百分點至59.6%。本集團之整體經營費用佔營業額的百分比上升6.6%。權益持有人應佔之虧損約為92.8百萬港元(2012年：9.7百萬港元)。每股虧損約為每股14.9港仙。董事會建議不宣派本年度之股息(2012年：無)。

中國、香港及台灣三個地區市場分部分別佔本集團總收益約79%、19%及2%(2012年：77%、21%及2%)。

中國

於本年度，本集團於中國分別開設及關閉183間及200間零售點，令該地區的自營店及特許銷售點分別淨減4間及29間，而特許經營店舖則淨增16間。來自中國之總收益約為1,089.9百萬港元(2012年：1,125.1百萬港元)，較去年輕微下降3.1%。中國之經營溢利下降42百萬港元，較去年下降44.6%。與去年比較，同店銷售下跌約5.9%，而經營溢利率則下降3.6個百分點。

香港

於本年度，本集團於香港分別開設及關閉5間及12間零售點，令該地區的自營店及特許銷售點分別淨減5間及2間。來自香港之總收益約為260.3百萬港元(2012年：298.5百萬港元)，較去年下降12.8%。香港之經營溢利下降14百萬港元，較去年下降335.7%。與去年比較，同店銷售增長約0.7%，而經營溢利率則下降5.2個百分點。

Taiwan

During the Year, the Group opened 5 and closed 11 Retail Points in Taiwan resulting in a net decrease of 6 Concession Points in the region. Total revenue generated in Taiwan was approximately HK\$25.0 million (2012: HK\$27.8 million), representing a decrease of 9.9% as compared to the previous year. Operating loss in Taiwan increased by HK\$1.5 million, representing a 94.4% increase as compared to last year. Same store sales dropped by approximately 17.4% and operating deficit to revenue ratio increased by 6.5 percentage points to 12.1% as compared to last year.

FINANCIAL REVIEW

Financial Position

The Group maintained a stable financial position throughout the Year. It financed its operations with internal funding and bank borrowings. During the Year, the Group disposed of certain investment in securities and preference shares listed in Hong Kong and New York respectively and realized an investment gain of approximately HK\$1.5 million.

As at 31 March 2013, the Group had cash and cash equivalents amounting to HK\$104.2 million (2012: HK\$95.6 million) and the Group had outstanding bank borrowings bearing fixed interest rate of HK\$5.4 million with a maturity of less than one year (2012: HK\$6.1 million), which led to a net cash position of HK\$98.8 million. During the Year, the Group borrowed new short-term bank loans of HK\$77.3 million for financing its working capital and repaid bank loans of HK\$78 million. The bank loans were in Renminbi, Hong Kong dollars and New Taiwan dollars respectively. As at 31 March 2013, the current ratio stood at 3.1 times (2012: 3.4 times) and the gearing ratio stood at 0.6% (2012: 0.6%).

As at 31 March 2013, the Group had aggregate banking facilities of approximately HK\$228 million for overdrafts, bank loans for trade financing and bank guarantees for rental deposit (2012: HK\$123 million) of which HK\$15 million was used for trade financing and bank guarantees for rental deposit as at 31 March 2013 (31 March 2012: HK\$16 million). As at 31 March 2013, the Group had charge on its assets to secure its banking facilities.

During the Year, inventory turnover days increased to approximately 301 days (2012: 267 days). As at 31 March 2013, inventory amounted to approximately HK\$445 million (2012: HK\$471 million).

Impairment

During the Year, an impairment charge of approximately HK\$16 million (2012: Nil) relating to the Group's trademark of Acupuncture was recorded. The impairment was the result of the Group's revised projection of the revenue to be generated by the trademark.

台灣

於本年度，本集團於台灣分別開設及關閉5間及11間零售點，令該地區的特許銷售點淨減6間。來自台灣之總收益約為25.0百萬港元(2012年：27.8百萬港元)，較去年下降9.9%。台灣之經營虧損增加1.5百萬港元，較去年上升94.4%。與去年比較，同店銷售下跌約17.4%，而經營虧損與收益之比率較去年上升6.5個百分點至12.1%。

財務回顧

財務狀況

於本年度，本集團之財務狀況保持穩健，並透過內部資金及銀行借貸，為業務營運提供資金。於本年度，本集團出售分別於香港及紐約上市之若干證券投資及優先股股份，變現投資收益約1.5百萬港元。

於2013年3月31日，本集團之現金及現金等值項目為104.2百萬港元(2012年：95.6百萬港元)，而本集團將於一年內到期之未償還定息銀行借貸為5.4百萬港元(2012年：6.1百萬港元)，因此產生淨現金98.8百萬港元。於本年度，本集團借取新增短期銀行貸款77.3百萬港元撥作營運資金，並已償還78百萬港元之銀行貸款。銀行貸款分別以人民幣、港元及新台幣計值。於2013年3月31日，流動比率為3.1倍(2012年：3.4倍)，而資產負債比率則仍為0.6%(2012年：0.6%)。

於2013年3月31日，本集團之銀行融資總額約為228百萬港元，包括透支、貿易融資銀行貸款及租金按金之銀行擔保(2012年：123百萬港元)，其中15百萬港元於2013年3月31日已用作貿易融資及租金按金之銀行擔保(2012年3月31日：16百萬港元)。於2013年3月31日，本集團有抵押其資產以取得其銀行融資。

於本年度，存貨周轉日數增加至約301日(2012年：267日)。於2013年3月31日，存貨約達445百萬港元(2012年：471百萬港元)。

減值

於本年度，本集團就旗下商標Acupuncture錄得減值開支約16百萬港元(2012年：無)。有關減值乃由於本集團修訂該商標之預測收益所致。

Capital Expenditure

During the Year, the Group's capital expenditure amounted to HK\$31 million (2012: HK\$42 million), comprising principally purchase of leasehold improvements, computer equipment and computer software.

The Group believes that its current cash holding, cash flow from operations and available banking facilities will be sufficient to fund its working capital requirements and its financial position remains sound for continuous expansion.

Foreign Exchange Management

The Group operates principally in the PRC and Hong Kong and its transactions are mainly denominated in Renminbi or Hong Kong dollars. The Group does not expect significant foreign currency risk and did not enter into any forward contract to hedge its foreign exchange risk during the Year.

Significant Acquisitions and Disposals

The Group had no significant investment or acquisition or disposal of subsidiaries or associated companies during the Year.

Pledge of Assets

As at 31 March 2013, the Group pledged some of its land and building and investment property to secure banking facilities granted to the Group with an aggregate carrying value of approximately HK\$28 million (2012: Nil).

Contingent Liabilities

As at 31 March 2013, the Group had no material contingent liabilities or off-balance sheet obligations (31 March 2012: Nil).

Group Structure

During the Year, there was no material change in the corporate structure of the Group.

Human Resources

As at 31 March 2013, the Group had a total of 3,845 employees (2012: 4,298 employees) and the total staff cost for the Year was HK\$265 million (2012: HK\$252 million), representing 19.3% of the Group's total revenue. The Group offers competitive remuneration packages to its employees, including mandatory retirement funds, insurance, medical coverage and purchase discounts. In addition, incentive share options and performance-based discretionary bonus on an annual basis may be granted to employees subject to the Group's and individual performance. The Group also provides regular trainings and workshops to its frontline and back office staff on sales techniques, product knowledge and team building.

資本開支

於本年度，本集團之資本開支為31百萬港元（2012年：42百萬港元），主要包括租賃裝修、電腦設備及電腦軟件之採購開支。

本集團相信其目前所持現金、來自業務之現金流量及可動用之銀行融資，將足夠撥付本集團之營運資金需要，且本集團之財務狀況維持穩健，足以滿足持續擴展之所需。

外匯管理

本集團主要於中國及香港營運，交易主要以人民幣或港元結算。於本年度，本集團並無重大外幣風險，亦無訂立任何遠期合約以對沖其外匯風險。

重大收購及出售事項

本集團於本年度概無進行任何重大投資、收購或出售附屬公司或關聯公司。

抵押資產

於2013年3月31日，本集團抵押其若干土地及樓宇及投資物業，為本集團獲授賬面總值約為28百萬港元（2012年：無）之銀行融資作抵押。

或然負債

於2013年3月31日，本集團並無重大或然負債或資產負債表外責任（2012年3月31日：無）。

集團結構

於本年度，本集團之企業架構並無重大變動。

人力資源

於2013年3月31日，本集團合共有3,845名僱員（2012年：4,298名），而於本年度，員工成本總額為265百萬港元（2012年：252百萬港元），佔本集團總收益之19.3%。本集團向員工提供具競爭力之薪酬待遇，包括強制性退休基金、保險、醫療保障及購物折扣。此外，本集團會視乎本集團業績及個別員工之表現，可能向僱員授出獎勵購股權及酌情發放年度花紅。本集團亦會定期為前線及後勤員工提供銷售技巧、產品知識及團隊建設方面之培訓及研習班。

OUTLOOK

Looking ahead, we expect the global economy to remain volatile and the operating environment is subject to inflation risks as well as intensified competition among peers. We will exercise extra caution on our operational management and prudently adopt the following strategies to help alleviate these negative impacts to a manageable extent and to preserve our sustainable long-term value.

In light of the inflationary pressure on our business, we will focus on short-term cost control initiatives, including streamlining our operational process and logistics chain for better efficiency, adjusting the number of retail points and retiring underperforming stores for higher profitability. Meanwhile, we remain disciplined in network expansion.

To reduce inventory to a relatively healthy level, we will step up efforts in establishing more clearance channels, including factory outlets. In addition, we will make replenishment orders more frequently to respond to the market in a timely manner and prevent excessive inventory. We will also adopt clearing initiatives as well as incentive programs to boost the efficiency of our sales channels and to improve the turnaround of our off-season items so as to minimize the risks of obsolete inventory and increase cash flow at the same time.

Furthermore, we will offer better value for money products under our own brands, diversify product designs and develop premium quality items to drive sales growth. The addition of dynamic and modern elements is part of our plan to strengthen the brand image.

Exploring sales potential and opportunities is another focus of our strategies. We will do so by leveraging on the potential of fast-growing online sales in the PRC and other regions and allocating more resources to information technology. We are seeking to cultivate the skill set necessary for online sales to mitigate the impact of potential changes in channel format and customer behavior. Moreover, increased efforts will be put in the franchise business.

We are closely monitoring the implementation of the above-mentioned initiatives to boost our revenue, keep the costs under control and hence reduce our operating loss. By adhering to these well-adjusted strategies, we believe we will be able to overcome the difficulties and restore our profitability to create better value for shareholders in the long run.

展望

展望未來，本集團預期全球經濟將持續反覆，而經營環境將受通脹風險及同業間之激烈競爭影響。本集團將格外審慎施行本集團之經營管理，並審慎採取以下策略，以助將該等負面影響減低至可管理之水平，以及維持本集團之長遠價值。

鑒於本集團業務面臨通脹壓力，本集團將專注於短期成本控制措施，包括精簡營運流程及物流鏈以提高效率，調整零售點數目及關閉收益欠佳之店舖以改善盈利能力。與此同時，本集團仍將以嚴謹之方式擴充銷售網絡。

為將庫存減至較為健康之水平，本集團將作出努力，設立特賣店等更多清貨渠道。此外，本集團將更頻密地補貨，以及時應對市況及防止庫存過量。本集團亦將採取多項清貨措施及獎勵計劃，以提升本集團銷售渠道之效力，並改善換季貨品之周轉率，以盡可能減低過時庫存之風險，同時增加現金流量。

此外，本集團將力求使旗下品牌產品更加物超所值，產品設計更豐富多樣，並發展優質貨品以推動銷售額之增長。本集團亦計劃引入活力與時尚元素，以加強品牌形象。

本集團之策略重點亦包括發掘銷售潛力及機遇。為此，本集團將利用中國及其他地區快速發展的網上購物潛力，並投入更多資源發展資訊科技領域。本集團現正積極培養網上銷售所需之技能，以減低因渠道模式及消費習慣之可能變動而引致之衝擊。此外，本集團亦將加強發展加盟業務。

本集團正在密切監察上述措施之執行，以提高本集團之收益，控制成本，從而減少經營虧損。本集團相信，透過堅守此等適切調整之策略，本集團將會克服困難，轉虧為盈，為股東創造更高的長遠價值。

APPRECIATION

Last but not least, on behalf of the Board, I would like to take this opportunity to express my gratitude to our shareholders, customers and suppliers for their long-standing support and my appreciation to the Group's management team and staff for their endeavors and contributions during the Year.

On behalf of the Board

CHAN Mei Sheung
Chairman

Hong Kong, 21 June 2013

致謝

最後，本人謹代表董事會，藉此機會衷心感謝本集團股東、客戶及供應商長期以來的鼎力支持，以及本集團管理團隊及員工於本年度作出之努力及貢獻。

承董事會命

主席
陳美雙

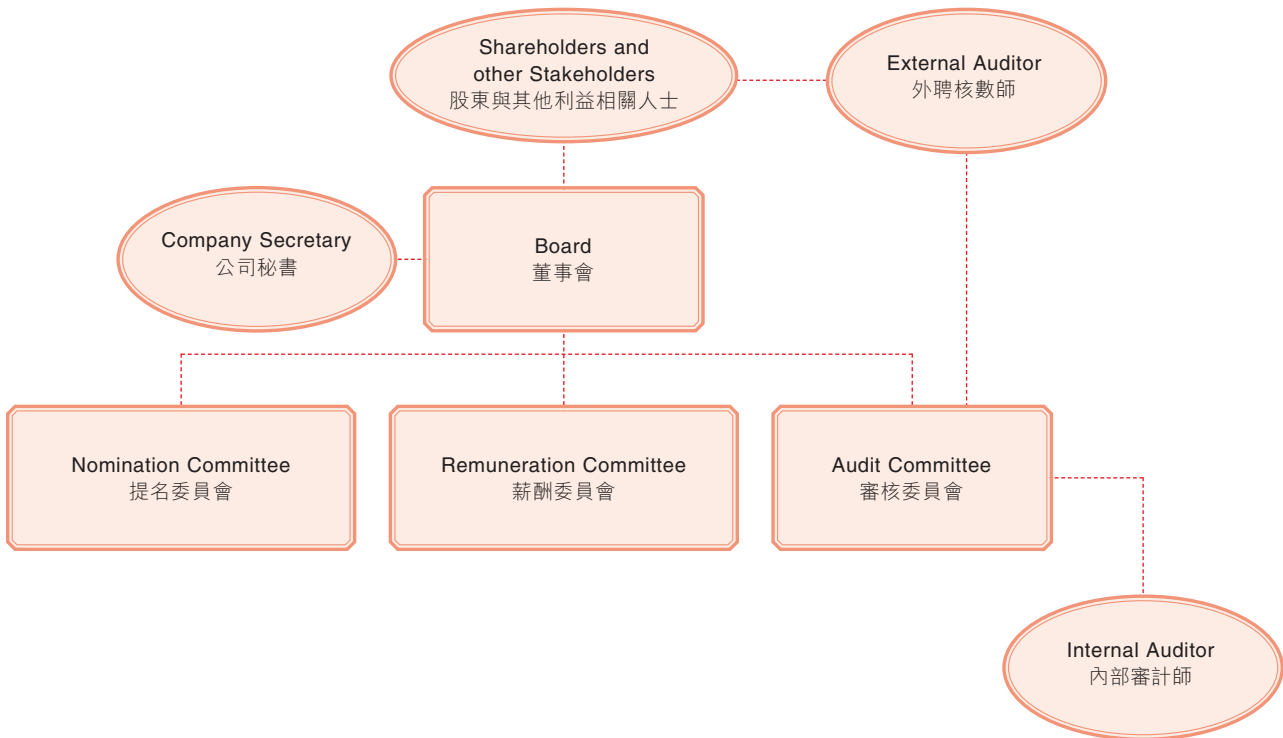
香港，2013年6月21日

CORPORATE GOVERNANCE PRACTICE

The Board is committed to establishing and maintaining good corporate governance practices within the Group to have better transparency and protection of shareholders' interest in general. We believe that a well-balanced corporate governance structure will definitely enable better management of its business risks and thereby ensure the Group is operated in the best interests of its shareholders and other stakeholders. The diagram below depicts the overall corporate governance structure of the Group.

Corporate Governance Structure Diagram

企業管治架構圖



The Board as a whole is responsible for performing the corporate governance functions developing and reviewing the Company's policies and practices on corporate governance; and reviewing the Company's compliance with sound corporate governance standards and disclosures in the Corporate Governance Report.

Currently, there are three board committees under the Board, namely Audit Committee, Nomination Committee and Remuneration Committee. All these committees perform their distinct roles in accordance with their respective terms of reference which have been posted on the websites of the Company and the Stock Exchange. These committees report directly to the Board on their works and make recommendations on matter where appropriate.

企業管治常規

董事會致力制定及於本集團內維持良好企業管治常規，以提高透明度，並保障股東之整體利益。本公司相信企業管治架構之平衡肯定能更有效管理其業務風險，從而確保本集團在符合其股東及其他利益相關人士之最佳利益下經營。下圖概述本集團之整體企業管治架構。

全體董事會負責履行企業管治職能。該等職責包括制定及檢討本公司之企業管治政策及常規，以及檢討本公司維持高度企業管治水平之情況及在企業管治報告內作出披露。

現時，董事會轄下有三個董事委員會，即審核委員會、提名委員會及薪酬委員會。全部該等委員會已根據其各自之職權範圍(已登載於本公司及聯交所之網站)履行其獨有角色。該等委員會直接向董事會匯報其工作，並就適當事宜提出建議。

Throughout the Year, the Company had applied principles of and had complied with the code provisions set out in the Code on Corporate Governance Code (“**Code Provisions**”) contained in Appendix 14 to the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) except for those deviations set out in this Report and where there are deviations from the Code Provisions, details and appropriate explanations are provided.

THE BOARD

The Board is responsible for setting the Group’s directions, strategies and policies, approval of annual budgets and business plans, overseeing internal controls, formulating the corporate governance policy and supervising a management team comprising executive Directors, general managers and department heads of the Group. The Board reserves the right to decide all policy matters and material transactions of the Group.

Currently, the Board comprises a total of five Directors, two executive Directors, namely Ms Chan Mei Sheung (Chairman) and Mr. Kiu Wai Ming (Chief Executive Officer) and three independent non-executive Directors (“**INED**”), namely Mr. Sze Tsai Ping, Michael, Dr. Fan Yiu Kwan and Mr. Lee Kwan Hung. There was no relationship between members of the Board including financial, business, family or other material/relevant relationship. The Board believes that the balance between executive Directors and INEDs is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of shareholders and the Group. The INEDs provide the Group with diversified expertise and experience. Their views and participation bring independent judgment and advice on issues relating to the Group’s strategies, performance, conflicts of interests of all shareholders are taken into account. The number of INEDs has been no less than one-third of the number of the Board members and at least one of whom possesses the appropriate professional accounting qualification and related financial management expertise as required under the Listing Rules.

於本年度，本公司已應用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之企業管治守則之守則條文(「守則條文」)之原則，並已遵守該等守則條文，惟本報告所載之該等偏離情況除外，而倘偏離守則條文，則會提供詳情及適當解釋。

董事會

董事會負責制定本集團之方向、策略及政策、批准年度預算及業務計劃、監察內部監控、制定企業管治政策，以及監督包括本集團執行董事、總經理及部門主管之管理團隊。董事會保留決定本集團所有政策事宜及重大交易之權利。

現時，董事會由合共五名董事組成，當中包括兩名執行董事陳美雙女士(主席)及喬維明先生(行政總裁)，以及三名獨立非執行董事(「獨立非執行董事」)史習平先生、范耀鈞博士及李均雄先生。董事會成員間概無關係，包括財務、業務、家族或其他重大／相關關係。董事會相信執行董事與獨立非執行董事之間存在合理之平衡，並足以提供充足相互制衡，以保障股東及本集團之利益。獨立非執行董事為本集團提供多元化之專業知識及經驗，本公司亦已考慮彼等之意見及參與為本集團之策略、表現及全體股東之利益衝突事宜帶來之獨立判斷及建議。獨立非執行董事之數目不少於董事會成員數目之三分之一，當中最少一位董事擁有上市規則規定之適當專業會計資格及相關財務管理專長。

In accordance with the Company's Article of Association (“**Articles of Association**”), the Board shall have the power from time to time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the members of the Company (“**AGM**”) after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election. At each AGM, one-third of the Directors for the time being shall retire from office by rotation and all Directors are subject to retirement at least once every three years.

The roles of the Chairman and the Chief Executive Officer (“**CEO**”) were separate and exercised by Ms Chan Mei Sheung and Mr. Kiu Wai Ming respectively. The Chairman is responsible for providing leadership and ensuring effective running of the Board. The CEO is responsible for the Group's day-to-day operations and implementation of the Group's strategies and is assisted by a management team, comprising executive Directors, general managers and department heads of the Group, with authority and responsibility for developing and exercising both operational and non-operational duties.

All INEDs are appointed for a specific term and are subject to retirement by rotation. No INED has served the Company for more than 9 years. Each of the INEDs has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considered that all INEDs are independent.

The Company Secretary reports to the Chairman and the CEO. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable laws are followed.

根據本公司之組織章程細則(「**組織章程細則**」)，董事會有權不時委任任何人士出任董事，以填補董事會之臨時空缺，或作為現有董事會之新增成員。任何獲董事會委任以填補臨時空缺之董事將任職至其獲委任後之首屆股東周年大會(「**股東周年大會**」)為止，並須於該大會上膺選連任。任何獲董事會委任作為現有董事會之新增成員之董事將僅任職至下屆股東周年大會為止，並於屆時合資格膺選連任。於每屆股東周年大會上，當時三分之一之董事須輪值退任，而全體董事均須最少每三年退任一次。

主席及行政總裁(「**行政總裁**」)之角色已有區分，分別由陳美雙女士及喬維明先生出任。主席負責領導及確保董事會有效運作。行政總裁負責本集團之日常營運及實行本集團之策略，且獲得包括本集團執行董事、總經理及部門主管之管理團隊輔助，並獲授權及須負責發展及執行營運及非營運職務。

全體獨立非執行董事均獲委任特定任期，並須輪值退任。並無獨立非執行董事服務本公司超過9年。每位獨立非執行董事已根據上市規則第3.13條發出年度獨立確認書。本公司認為全體獨立非執行董事均為獨立人士。

公司秘書向主席及行政總裁匯報。全體董事可獲取公司秘書之意見及服務，以確保遵守董事會程序及所有適用法律。

The Company encourages all Directors to 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 training records for the Year had been provided to the Company Secretary by all the Directors of the Company. A summary of trainings received by the Directors for the Year is shown as below:

| Name of Directors | 董事姓名 | Type of training 培訓類型 |
|----------------------------|-------|--------------------------|
| Ms CHAN Mei Sheung | 陳美雙女士 | A & B |
| Mr. KIU Wai Ming | 喬維明先生 | B |
| Mr. SZE Tsai Ping, Michael | 史習平先生 | A & B |
| Dr. FAN Yiu Kwan | 范耀鈞博士 | A & B |
| Mr. LEE Kwan Hung | 李均雄先生 | A & B |

Notes:

- A: attending briefing sessions and/or seminars
- B: reading seminar materials and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements

Appropriate directors' and officers' liability insurance has been arranged for the Directors and officers of the Company for indemnifying their liabilities arising out of corporate activities. The insurance coverage of directors' and officers' liability is reviewed on an annual basis.

BOARD MEETINGS

Board meetings were held four times at quarterly intervals during the Year. Notice of at least 14 days is given for regular board meetings to the Directors and not less than 3 days prior to the Board meeting, an agenda and accompanying Board papers are sent, in full, to all Directors. The Company Secretary assists the Chairman in preparing the agenda for each Board meeting and ensures compliance with all Board procedures, applicable rules and regulations. He also keeps minutes of Board meetings and meetings of Board committees which are recorded in sufficient details the matter considered and decisions reached at meetings. The minutes are available for inspection by all Directors.

At each regular Board meeting, the Directors discuss the Group's business strategies, review financial and operating performance, approve financial results of the Group and adopt policies and procedures to comply with regulatory requirements.

本公司鼓勵全體董事參與持續專業發展，以發展及重溫彼等之知識及技能，確保彼等對董事會作出知情及相關之貢獻。本公司全體董事已向公司秘書提供本年度之培訓記錄。本年度董事接受培訓之概要列示如下：

附註：

- A：出席簡報會及／或研討會
- B：閱覽研討會資料，以及有關上市規則及其他適用監管規定之最新發展之最新消息

本公司已為董事及主管人員安排適當之董事及主管人員責任保險，以為彼等因企業活動而產生之法律責任提供彌償保證。董事及主管人員責任保險之保障範圍每年檢討。

董事會會議

本年度已舉行四次董事會會議，每季一次。定期董事會會議之通告須於最少14天前及不少於董事會會議舉行前3天向董事發出，而議程及隨附之董事會文件之全文須寄發予全體董事。公司秘書協助主席準備每次董事會會議之議程，並確保遵守所有董事會程序、適用規則及法規。彼亦保存董事會會議及董事委員會會議記錄，會議記錄均充分記錄於會議上所考慮之事宜及達致之決定之詳情。會議記錄可供全體董事查閱。

於每次定期董事會會議上，董事討論本集團之業務策略、檢討財務及經營表現、批准本集團之財務業績及採納政策及程序，以遵守監管規定。

All Directors are adequately briefed on updates on amendments to or latest developments of the Listing Rules and other applicable laws, rules and regulations concerning their obligations as Directors and good corporate governance practices. They were also provided with the Group's monthly management updates which give a balanced and understandable assessment of the Group's performance, financial position and prospects to enable the Board and each Director to discharge their duties.

For the Year, the Chairman did not hold meetings with INEDs without the present of executive Directors given the existing size of the Board comprising only 2 executive Directors. This was in deviation from Code Provision A.2.7.

AUDIT COMMITTEE

The Audit Committee comprises three members, namely, Mr. Sze Tsai Ping, Michael (chairman), Dr. Fan Yiu Kwan, JP and Mr. Lee Kwan Hung, all being INEDs. No member of the Audit Committee was a former partner of the Company's existing auditing firm. The chairman of the Audit Committee possesses the appropriate professional qualifications in accountancy and experience in financial matters.

The main duties of the Audit Committee are to review the Group's financial reporting system and internal control procedures, to review the Group's financial information, to oversee relationship with the Group's external auditors and make relevant recommendations to the Board. The Audit Committee held two meetings during the Year and its works performed include reviewing the adopted accounting principles and practices, the annual and interim consolidated financial results and reports, reviewing external auditors' audit plan, terms of engagement and recommended auditors' fees for the Board's approval, reviewing the management letters and reports issued by the external auditors and reviewing the internal audit review reports for assessing effectiveness of internal control systems of the Group.

The Audit Committee was provided with sufficient resources to discharge its duties and had access to independent professional advice at the Company's expense, where necessary.

全體董事已充分獲得有關彼等作為董事之責任及良好企業管治常規之上市規則及其他適用法律、規則及法規之修訂或最新發展之最新資料。彼等亦獲提供本集團之每月管理層最新資料，該等資料載列有關本集團之表現、財務狀況及前景的公正及易於理解之評估，讓董事會及各董事可履行其職責。

於本年度，基於現有董事會僅包括兩名執行董事，主席並無在執行董事沒有出席的情況下與獨立非執行董事舉行會議。此舉偏離守則條文第A.2.7條。

審核委員會

審核委員會由三名成員組成，包括史習平先生（主席）、范耀鈞博士太平紳士及李均雄先生，彼等均為獨立非執行董事。概無審核委員會成員曾任本公司現有核數師公司之前合伙人。審核委員會主席具有適當之專業會計資格及財務事宜之經驗。

審核委員會之主要職責為檢討本集團之財務匯報制度及內部監控程序、審閱本集團之財務資料、監督與本集團外聘核數師之關係，及向董事會提出有關建議。本年度審核委員會共舉行兩次會議，其進行之工作包括檢討所採納之會計原則及常規、年度及中期綜合財務業績及報告、審閱外聘核數師之審核計劃、聘用條款及建議核數師酬金以供董事會批准、檢討外聘核數師發出之管理層函件及報告，以及檢討內部審計檢討報告，以評估本集團內部監控系統之成效。

審核委員會獲供給充足資源以履行其職責，亦可於有需要時徵求獨立專業意見，費用由本公司承擔。

NOMINATION COMMITTEE

The Nomination Committee comprises three members, namely, Mr. Sze Tsai Ping, Michael (chairman), Dr. Fan Yiu Kwan, *JP* and Mr. Lee Kwan Hung, all being INEDs.

The main duties of the Nomination Committee are to review the size, structure and composition of the Board and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategies, to identify individuals suitably qualified to become members of the Board and make recommendations to the Board on selection of individuals for directorships, to assess the independence of INEDs and to make recommendations to the Board on the appointment or re-appointment of Directors and succession plan for Directors, in particular the Chairman and the CEO. The Nomination Committee was provided with sufficient resources to discharge its duties and had access to independent professional advice at the Company's expense, where necessary.

The Nomination Committee held two meetings during the Year and its works performed includes reviewing the structure, size and composition of the Board; and assessing independence of the INEDs.

REMUNERATION COMMITTEE

The Remuneration Committee comprises four members, namely, Dr. Fan Yiu Kwan, *JP* (chairman), Ms Chan Mei Sheung, Mr. Sze Tsai Ping, Michael and Mr. Lee Kwan Hung. The majority of the members of the Remuneration Committee are INEDs.

The main duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of formal and transparent procedures for developing remuneration policy, to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives, to make recommendations to the Board on the remuneration packages of executive Directors and senior management, to make recommendation to the Board on the remuneration of INEDs and to ensure that no Director or any of his associates is involved in deciding his own remuneration. The Remuneration Committee was provided with sufficient resources to discharge its duties and had access to independent professional advice at the Company's expense, where necessary.

The Remuneration Committee held one meeting during the Year and discussed the remuneration package for certain Directors and senior management as well as other remuneration-related matters.

提名委員會

提名委員會由三名成員組成，包括史習平先生（主席）、范耀鈞博士太平紳士及李均雄先生，彼等均為獨立非執行董事。

提名委員會之主要職責為檢討董事會之人數、架構及組成，並就任何為配合本公司之企業策略而擬對董事會作出之變動提出建議、物色具備合適資格可擔任董事之人士，並就遴選有關人士出任董事向董事會提出建議、評核獨立非執行董事之獨立性，並就董事委任或重新委任以及任何董事（尤其是主席及行政總裁）繼任計劃，向董事會提出建議。提名委員會獲供給充足資源以履行其職責，亦可於有需要時徵求獨立專業意見，費用由本公司承擔。

於本年度，提名委員會共舉行兩次會議，其履行之工作包括檢討董事會之架構、人數及組成，以及評估獨立非執行董事之獨立性。

薪酬委員會

薪酬委員會由四名成員組成，包括范耀鈞博士太平紳士（主席）、陳美雙女士、史習平先生及李均雄先生。薪酬委員會之大部份成員為獨立非執行董事。

薪酬委員會之主要職責為就本公司全體董事及高級管理人員之薪酬政策及架構，及就設立正規而具透明度之程序制訂薪酬政策，向董事會提出建議、因應董事會所訂企業方針及目標而檢討及批准管理層之薪酬建議、就執行董事及高級管理人員之薪酬待遇向董事會提出建議、就獨立非執行董事之薪酬向董事會提出建議，以及確保並無董事或其任何聯繫人士參與決定其本身之薪酬。薪酬委員會獲供給充足資源以履行其職責，亦可於有需要時徵求獨立專業意見，費用由本公司承擔。

於本年度，薪酬委員會已舉行一次會議，並討論若干董事及高級管理人員之薪酬待遇，以及其他與薪酬相關之事宜。

Corporate Governance Report

企業管治報告

BOARD, COMMITTEE AND GENERAL MEETINGS AND ATTENDANCE

The following table shows the attendance of each individual member of the Board, the respective Board, Board committee and General Meetings during the Year:

董事會會議、委員會會議及股東大會出席率

下表列示本年度董事會個別成員於各董事會、董事委員會會議及股東大會之出席率：

| | | Attendance/Number of meetings held for the year ended 31 March 2013 截至2013年3月31日止年度 出席/舉行之會議數目 | | | | |
|---|---------------------------------|---|---|---|-----------------------------|-----|
| | | Audit Committee Meeting 審核委員會 會議 | Nomination Committee Meeting 提名委員會 會議 | Remuneration Committee Meeting 薪酬委員會 會議 | 2012 AGM 2012年 股東周年大會 | |
| | | Board Meeting 董事會會議 | | | | |
| <i>Executive Directors</i> | | <i>執行董事</i> | | | | |
| Ms CHAN Mei Sheung (Chairman of the Board and Member of the Remuneration Committee) | 陳美雙女士(董事會主席及薪酬委員會成員) | 4/4 | — | — | 1/1 | 1/1 |
| Mr. KIU Wai Ming (Chief Executive Officer) | 喬維明先生(行政總裁) | 4/4 | — | — | — | 1/1 |
| <i>Independent non-executive Directors</i> | | <i>獨立非執行董事</i> | | | | |
| Mr. SZE Tsai Ping, Michael (Chairman of the Audit and Nomination Committees and Member of the Remuneration Committee) | 史習平先生(審核委員會及提名委員會主席, 以及薪酬委員會成員) | 4/4 | 2/2 | 2/2 | 1/1 | 0/1 |
| Dr. FAN Yiu Kwan, JP (Chairman of Remuneration Committee and Member of the Audit, and Nomination Committees) | 范耀鈞博士太平紳士(薪酬委員會主席、審核及提名委員會成員) | 4/4 | 2/2 | 2/2 | 1/1 | 1/1 |
| Mr. LEE Kwan Hung (Member of the Audit, Nomination and Remuneration Committees) | 李均雄先生(審核、提名及薪酬委員會成員) | 4/4 | 2/2 | 2/2 | 1/1 | 1/1 |

Mr. Sze Tsai Ping, Michael, an INED, was unable to attend the annual general meeting of the Company held on 16 August 2012 for conflicts of time with other important engagements. This was in deviation from Code Provision A.6.7.

獨立非執行董事史習平先生因時間上與其他重要事務出現衝突而未能出席本公司於2012年8月16日舉行之股東周年大會。此舉偏離守則條文第A.6.7條。

DIRECTORS' AND RELEVANT EMPLOYEES' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules ("Model Code") as its code of conduct regarding Directors' securities transactions. Having made specific enquiries with all Directors, they have confirmed their compliance with the Model Code throughout the Year.

As required under Code Provision A.6.4, the Board should establish written guidelines on terms no less exacting than the Model Code for relevant employees in respect of the dealings in the Company's securities. The Board has established the guidelines for relevant employees in respect of their dealings in the Company's securities as set out in the "Fair Disclosure and Insider Trading Policy" but they are not on no less exacting terms than the Model Code. This was in deviation from Code Provision A.6.4. Arrangements have been taken for adoption of written guidelines on no less exacting terms than the Model Code.

EXTERNAL AUDITOR

The Audit Committee is responsible for considering the appointment, re-appointment and removal of external auditor subject to endorsement by the Board and final approval and authorization by the shareholders of the Company in general meetings. During the Year, the Group has engaged PricewaterhouseCoopers as external auditors to perform the following services and their respective fees charged are set out as follows:

| Type of Services | 服務類型 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------------|-----------|-------------------------|-------------------------|
| Audit services | 審核服務 | 1,737 | 1,687 |
| Non-audit services | 非審核服務 | 428 | 330 |
| Total | 總計 | 2,165 | 2,017 |

INTERNAL AUDITOR

The Company has an independent internal audit team, which plays a major role in providing objective assurance to the Board that a sound internal control system is in place and operated by the management. The head of the internal audit department directly reports to the Audit Committee on audit matters. The annual audit works plan covered the business activities and process of the Group's core operating business. Moreover, ad hoc reviews will be performed on specific areas of concern identified by the Audit Committee and the management from time to time.

董事及相關僱員進行證券交易

本公司已採納上市規則附錄 10 所載之上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其董事進行證券交易之行為守則。於向全體董事作出特定查詢後，彼等已確認於本年度已遵守標準守則。

按守則條文第 A.6.4 條之規定，董事會應就有關僱員買賣本公司證券事宜設定書面指引，指引內容應該不比標準守則寬鬆。董事會已就員工買賣本公司證券事宜指定指引，載列於「公平披露及內幕交易政策」，但該等指引並非按不比標準守則寬鬆之條款制定。此舉偏離守則條文第 A.6.4 條。本公司已安排採納不比標準守則條款寬鬆之書面指引。

外聘核數師

審核委員會負責考慮外聘核數師之委任、重新委任及罷免，惟須獲得董事會之批准及本公司股東於股東大會上作出最終批准及授權。於本年度，本集團已委聘羅兵咸永道會計師事務所作為外聘核數師，以提供以下服務，各項服務之費用載列如下：

內部審計師

本公司設有獨立內部審計團隊，在向董事會客觀保證管理層具備及運作一套完善之內部監控系統擔當重要角色。內部審計部門主管直接向審核委員會匯報審計事宜。每年之審計工作計劃涵蓋本集團核心經營業務之業務活動及過程。此外，內部審計部門亦會就審核委員會及管理層不時識別之特別關注範疇進行特別檢討。

INTERNAL CONTROLS

The Board has the ultimate responsibility for the Group's internal control system, while the management ensures the sufficient and effective operational controls over the key business process are properly implemented with regular review and update.

Through the Audit Committee, the Board has reviewed the effectiveness of the Group's internal control system. To maintain a sound system of internal control and safeguard our shareholders' investment and the Group's assets at all times, the Group has an independent audit team to review and monitor all critical aspects of the Group's activities and its internal control. During the Year, the Board had reviewed the findings of the internal control review performed by the internal auditors and external auditors together with the Audit Committee and, after discussion with the management and external auditors, was satisfied that the Group's internal control system was sound and adequate for the Year. The Board would continue to review and improve the Group's internal control system, taking into account the prevailing regulatory requirements, business development needs and the interests of shareholders.

The Board also reviews annually the adequacy of resources, staff qualifications and experience of the Group's accounting and financial reporting function, and their training programmes and budget.

COMMUNICATION WITH SHAREHOLDERS

The Board has established a shareholders' communication policy setting out the channels by which information is communicated with its shareholders. The Company's corporate communications includes among other things, announcements, financial reports, circulars and other corporate communications which are disseminated through its website at www.walkershop.com.hk and the website of the Stock Exchange in compliance with the disclosure obligations under the Listing Rules.

The Company regards the AGM as a platform to provide an important opportunity for direct communication between the Board and the Company's shareholders. All Directors will make an effort to attend general meetings. The chairman of the AGM proposes separate resolution for each issue and invites presence of chairman of each of the Board Committees for answering questions at the AGM. External auditor also attends the AGM to answer questions about the conduct of audit, the preparation and content of auditors' report, the accounting policies and auditor independence. The notice of AGM and related papers are distributed to shareholders at least 20 clear business days before the AGM. At the AGM, the Chairman ensures that detailed procedures for conducting a poll are explained.

內部監控

董事會須就本集團之內部監控系統負上最終責任，而管理層則確保已就主要業務過程妥善執行充足及有效之營運監控，並進行定期檢討及更新。

董事會透過審核委員會檢討本集團內部監控系統之成效。為時刻維持穩健妥善之內部監控系統，以及保障本公司股東之投資及本集團資產，本集團的獨立審計團隊就本集團活動及其內部監控之所有重要方面作出檢討及監察。於本年度，董事會已檢討內部審計師、外聘核數師及審核委員會進行之內部監控檢討結果，而在與管理層及外聘核數師討論後，董事會信納本集團於本年度之內部監控系統穩健妥善及足夠。董事會將繼續考慮現行監管規定、業務發展需要及股東利益，以檢討及改善本集團之內部監控系統。

董事會亦每年檢討本集團在會計及財務匯報職能方面之資源、員工資格及經驗，以及員工所接受之培訓課程及有關預算是否足夠。

與股東溝通

董事會已制定股東通訊政策，當中載列向其股東傳遞資訊之渠道。本公司之公司通訊，其中包括公告、財務報告、通函及其他公司通訊，乃透過其網站 www.walkershop.com.hk 及聯交所網站發佈，以遵守上市規則下之披露責任。

本公司視股東周年大會為一個提供重要機會讓董事會與本公司股東進行直接溝通之平台。全體董事將盡力出席股東大會。股東周年大會主席就各項議題提呈獨立決議案，並邀請各董事委員會之主席出席股東周年大會以解答提問。外聘核數師亦出席股東周年大會以解答有關審核工作之進行、核數師報告之編製及內容、會計政策及核數師獨立性之提問。股東周年大會通告及有關文件於股東周年大會舉行前最少20個營業日發送予股東。於股東周年大會上，主席確保以投票方式進行表決之詳細程序已予解釋。

SHAREHOLDERS' RIGHTS

Pursuant to article 58 of the Articles of Association, shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) may convene such meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

CONSTITUTIONAL DOCUMENTS

During the Year, there had been no significant change in the Company's constitutional documents.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board acknowledges their responsibilities for the preparation of the financial statements of the Group in accordance with statutory requirements and applicable accounting standards.

By order of the Board

CHAN Mei Sheung
Chairman

Hong Kong, 21 June 2013

股東權利

根據組織章程細則第58條，於存放請求書當日持有本公司已繳足股本不少於十分之一之本公司股東，有權於本公司股東大會上投票，於任何時間擁有權利向董事會或公司秘書作出書面請求，要求董事會召開股東特別大會，以處理有關請求書列明之任何事務。有關大會須於存放該請求書後2個月內舉行。倘董事會未能於存放該請求書起計21日內召開有關大會，則請求人可召開有關大會，而提出請求者因董事會未能召開大會而招致之全部合理費用，須由本公司償還予請求人。

憲章文件

於本年度，本公司之憲章文件並無重大變動。

董事對財務報表之責任

董事會認同其根據法定規定及適用會計準則編製本集團財務報表之責任。

承董事會命

主席
陳美雙

香港，2013年6月21日

Biographical Details of Directors and Senior Management

董事及高級管理人員簡歷

EXECUTIVE DIRECTORS

Ms CHAN Mei Sheung, aged 46, is the Chairman and a member of the Remuneration Committee of the Company. She is one of the founders of the Group and has been an executive director of the Company since November 2006. Ms Chan is also a director of Smart Presto Holdings Limited (a controlling shareholder of the Company) and all the principal subsidiaries of the Company. She is responsible for the overall management and strategic development of the Group. She has over 20 years of experience in the footwear sales industry.

Mr. KIU Wai Ming, aged 64, is the Chief Executive Officer of the Company. He has been an executive director of the Company since May 2007. He is also a director of all the principal subsidiaries of the Company. Mr. Kiu holds a bachelor's degree in economics and marketing from Louisiana State University, the United States of America. He is also an independent non-executive director of each of Man Sang International Limited, a company listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), and CCB International (Holdings) Limited, an investment bank wholly-owned by China Construction Bank Corporation. Mr. Kiu has over 30 years of experience in the finance and banking industry.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. SZE Tsai Ping, Michael, aged 68, has been an independent non-executive director of the Company since May 2007. He also serves as the chairman of Company's audit committee and nomination committee as well as a member of the remuneration committee. Mr. Sze has over 30 years of experience in the financial and securities field. He graduated with a Master of Laws (LLM) degree from the University of Hong Kong. He was a former member of the Securities and Futures Appeals Tribunal. He was also a former council member and member of the Main Board Listing Committee of the Stock Exchange. Mr. Sze is an independent non-executive director of each of GOME Electrical Appliances Holding Limited, Greentown China Holdings Limited and Harbour Centre Development Limited, all of which are listed on the Stock Exchange. He was formerly a non-executive director of publicly-listed Burwill Holdings Limited from 2000 to 2011. Mr. Sze is a fellow of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and also a fellow of the Hong Kong Institute of Directors Limited.

執行董事

陳美雙女士，46歲，為本公司主席兼薪酬委員會成員。彼為本集團創辦人之一，並自2006年11月起為本公司執行董事。陳女士亦為本公司控股股東傲捷控股有限公司及本公司所有主要附屬公司之董事。彼負責本集團之整體管理及策略發展。彼於鞋類銷售行業擁有逾20年經驗。

喬維明先生，64歲，為本公司行政總裁。彼自2007年5月起為本公司執行董事。彼亦為本公司所有主要附屬公司之董事。喬先生持有美利堅合眾國 Louisiana State University 之經濟及市場學學士學位。彼亦為民生國際有限公司(該公司於香港聯合交易所有限公司(「聯交所」)上市)及建銀國際(控股)有限公司(該公司為中國建設銀行股份有限公司全資擁有之投資銀行)各自之獨立非執行董事。喬先生於金融及銀行業擁有逾30年經驗。

獨立非執行董事

史習平先生，68歲，自2007年5月起為本公司獨立非執行董事。彼亦擔任本公司審核委員會及提名委員會之主席以及薪酬委員會成員。史先生於財經及證券界擁有逾30年經驗。彼持有香港大學法律碩士學位。彼曾為證券及期貨事務上訴審裁處成員，亦曾出任聯交所理事會及主板上市委員會委員。史先生為國美電器控股有限公司、綠城中國控股有限公司及海港企業有限公司之獨立非執行董事，以上公司均於聯交所上市。由2000年至2011年，彼曾為上市公司寶威控股有限公司之非執行董事。史先生為英格蘭及威爾斯特許會計師公會、香港會計師公會及英國特許公認會計師公會資深會員，並為香港董事學會資深會員。

Biographical Details of Directors and Senior Management

董事及高級管理人員簡歷

Dr. FAN Yiu Kwan, JP, aged 68, has been an independent non-executive director of the Company since May 2007. He also serves as the chairman of the remuneration committee and a member of both the audit committee and the nomination committee of the Company. Dr. Fan holds a Bachelor of Arts degree from the University of Hong Kong, a Master of Arts degree from the University of Toronto, Canada and a Doctor of Philosophy degree from the University of Wisconsin-Madison, the United States of America. Currently, he is an executive director of Hong Kong Council for Accreditation of Academic and Vocational Qualifications and a council member of The Hong Kong Institute of Directors.

Mr. LEE Kwan Hung, aged 47, was appointed an independent non-executive director of the Company in February 2011. He also serves as a member of each of the audit committee, the nomination committee and the remuneration committee of the Company. Mr. Lee received his Bachelor of Laws (Honours) degree and Postgraduate Certificate in Laws from the University of Hong Kong in 1988 and 1989 respectively. He was admitted as a solicitor in Hong Kong in 1991 and the United Kingdom in 1997. Between 1993 and 1994, he was a Senior Manager of the Listing Division of the Stock Exchange. Currently, Mr. Lee is an independent non-executive director of Yuexiu REIT Asset Management Limited, Embry Holdings Limited, NetDragon Websoft Inc., Asia Cassava Resources Holdings Limited, Futong Technology Development Holdings Limited, Newton Resources Limited, Tenfu (Cayman) Holdings Company Limited, Far East Holdings International Limited and China BlueChemical Ltd. He was formerly an independent non-executive of New Universe International Group Limited from June 2010 to July 2012. Currently, he is a consultant of a law firm in Hong Kong.

SENIOR MANAGEMENT

Mr. LI Tung Wing, aged 45, is the chief operating officer and company secretary of the Group and is responsible for financial and accounting management, corporate governance affairs, legal and compliance functions and information technology of the Group. Mr. Li holds a Master's degree in Business Administration from Heriot-Watt University, the United Kingdom and has over 15 years of experience in the company secretarial, legal and compliance fields. Mr. Li is a fellow of The Association of Chartered Certified Accountants and The Hong Kong Institute of Chartered Secretaries as well as a member of The Hong Kong Institute of Certified Public Accountants.

范耀鈞博士太平紳士，68歲，自2007年5月起為本公司獨立非執行董事。彼亦擔任本公司薪酬委員會主席以及審核委員會及提名委員會之成員。范博士持有香港大學文學士學位、加拿大多倫多大學文學碩士學位及美利堅合眾國University of Wisconsin-Madison哲學博士學位。現時，彼為香港學術及職業資歷評審局總幹事及香港董事會理事會成員。

李均雄先生，47歲，於2011年2月獲委任為本公司之獨立非執行董事。彼亦擔任本公司審核委員會、提名委員會及薪酬委員會各自之成員。李先生分別於1988年及1989年獲取香港大學之法學士(榮譽)學位及法律深造文憑。彼於1991年在香港及於1997年在英國取得律師資格。彼於1993年至1994年間擔任聯交所上市科高級經理。李先生現為越秀房託資產管理有限公司、安莉芳控股有限公司、網龍網絡有限公司、亞洲木薯資源控股有限公司、富通科技發展控股有限公司、新礦資源有限公司、天福(開曼)控股有限公司、遠東控股國際有限公司及中海石油化學股份有限公司之獨立非執行董事。彼亦曾於2010年6月至2012年7月期間為新宇國際實業(集團)有限公司之獨立非執行董事。彼現為一間香港律師行之顧問。

高級管理人員

李東榮先生，45歲，為本集團首席營運總監兼公司秘書，負責本集團之財務及會計管理、企業管治事宜、法律及合規部以及資訊科技。李先生持有英國Heriot-Watt University之工商管理碩士學位，並於公司秘書、法律及合規方面擁有逾15年經驗。李先生為英國特許公認會計師公會及香港特許秘書公會之資深會員，以及香港會計師公會之會員。

Biographical Details of Directors and Senior Management

董事及高級管理人員簡歷

Mr. CHENG Dong Xue, aged 46, is the general manager of the China region of the Group and is responsible for planning, executing and monitoring of operational strategies in the PRC. He has over 20 years of experience in management.

Mr. LIU Cheng Ju, aged 45, is the general manager of the Taiwan region of the Group and is responsible for planning, executing and monitoring of operational strategies in Taiwan. He has over 20 years of experience in emporium and retail businesses in Taiwan.

Mr. HUNG Tin Chun, aged 64, is the general manager of the Guangzhou region of the Group and is responsible for product development, management, merchandising and quality control of the Group. He has over 20 years of experience in the footwear retail industry and is strong in product technology and manufacturing. He is the brother-in-law of Ms CHAN Mei Sheung, the Chairman of the Company.

程東學先生，46歲，為本集團中國區總經理，負責規劃、執行及監督於中國地區之營運策略。彼擁有逾20年管理經驗。

劉政儒先生，45歲，為本集團台灣區總經理，負責統籌規劃、執行及監督台灣地區之營運策略。彼於台灣百貨零售業擁有逾20年經驗。

洪天真先生，64歲，為本集團廣州區總經理，負責本集團之產品開發、管理、採購及品質控制。彼於鞋類銷售行業擁有逾20年經驗，精於產品技術及製造。其弟婦為本公司主席陳美雙女士。

Report of the Directors

董事會報告書

The Directors present their report and the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are retailing of footwear in Hong Kong, the PRC and Taiwan. There were no significant changes in the nature of the Group's principal activities during the Year.

An analysis to the Group's performance for the Year by segment is set out in Note 5 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's results for the Year and the state of the Company's and the Group's affairs as at 31 March 2013 are set out on page 40 to 113 of this annual report.

The Board has recommended not to declare dividend for the Year (2012: Nil).

RESERVES

Details of the movements in the reserves of the Group during the Year are set out in Note 28 to the consolidated financial statements and in the consolidated statement of changes in equity on page 45, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2013, the Company did not have any reserve available for distribution as calculated in accordance with the provisions of the Companies Law of the Cayman Islands (2012: HK\$3.9 million).

DONATIONS

During the Year, the Group had made charitable contributions and other donations totalling HK\$200,000 (2012: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment during the Year are set out in note 16 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under both the Company's Articles of Association and the laws of the Cayman Islands which oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

董事欣然提呈本集團本年度之報告及經審核綜合財務報表。

主要業務

本公司為投資控股公司。本集團之主要業務為在香港、中國及台灣零售鞋類。於本年度，本集團之主要業務性質並無重大變動。

本年度按分部劃分之本集團業績分析載於綜合財務報表附註5。

業績及股息

本集團之本年度業績及本公司及本集團於2013年3月31日之事務狀況載於本年報第40至113頁。

董事會建議不宣派本年度之股息(2012年：無)。

儲備

本集團儲備於本年度之變動詳情分別載於綜合財務報表附註28及第45頁之綜合權益變動表。

可供分派儲備

於2013年3月31日，本公司根據開曼群島公司法條文計算並無可用作分派之儲備(2012年：3.9百萬港元)。

捐款

於本年度，本集團已作出慈善捐獻及其他捐款合共200,000港元(2012年：無)。

物業、廠房及設備

物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註16。

優先購買權

本公司之組織章程細則及開曼群島法例並無優先購買權之條文，致使本公司須按持股比例向現有股東提呈新股份。

Report of the Directors

董事會報告書

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 114 to 115 of this annual report.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the Year.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's issued share capital and share options during the Year are set out in Note 27 to the consolidated financial statements, respectively.

GROUP'S BORROWINGS

Details of the Group's borrowings as at 31 March 2013 are set out in Note 30 to the consolidated financial statements.

DIRECTORS

The Directors as of the date of this report were:

Executive Directors

Ms CHAN Mei Sheung
Mr. KIU Wai Ming

Independent non-executive Directors

Mr. SZE Tsai Ping, Michael
Dr. FAN Yiu Kwan, JP
Mr. LEE Kwan Hung

In accordance with Article 87 and Article 88 of the Company's Articles of Association, Mr. Kiu Wai Ming, an executive Director, and Mr. Lee Kwan Hung, an independent non-executive Director, will retire from office by rotation and, being eligible, offer themselves for re-election at each forthcoming AGM.

Directors' Service Contracts

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries, which is not determinable by the employing company within 1 year without payment of compensation, other than statutory compensation.

五年財務概要

本集團過去五個財政年度之業績、資產及負債概要載於本年報第 114 至 115 頁。

購買、出售或贖回本公司證券

於本年度，本公司或其任何附屬公司並無購買、出售或贖回任何本公司證券。

股本及購股權

本公司之已發行股本及購股權於本年度之變動詳情分別載於綜合財務報表附註 27。

本集團借貸

本集團於 2013 年 3 月 31 日之借貸詳情載於綜合財務報表附註 30。

董事

於本報告日期，董事為：

執行董事

陳美雙女士
喬維明先生

獨立非執行董事

史習平先生
范耀鈞博士太平紳士
李均雄先生

根據本公司組織章程細則第 87 條及第 88 條，執行董事喬維明先生及獨立非執行董事李均雄先生各將於應屆股東周年大會上輪值退任，且符合資格並願意膺選連任。

董事服務合約

建議於應屆股東周年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立倘有關公司於一年內終止須作出賠償(法定賠償除外)之服務合約。

Biographical Details of Directors' and Senior Management

Biographical details of the Directors and the senior management of the Group are set out on page 22 to 24 of this annual report.

Changes of Directors' Information

Pursuant to rule 13.51B(1) of the Listing Rules, changes in the information on Directors required to be disclosed are as follows:

Upon recommendation of the remuneration committee of the Board, the Board had approved a 20% increment in director's fee of each of the independent non-executive Directors. Changes in independent non-executive Directors' emoluments are set out in Note 10 to the consolidated financial statements.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2013, the Directors and the chief executive of the Company and their respective associates had the following interest or short positions in the shares of the Company ("Shares"), underlying shares and debentures of the Company and/or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

| The Company 本公司 | | Number of Shares held 所持股份數目 | | | Number of underlying Shares held under equity derivatives 根據股本衍生 工具所持有之 相關股份數目 (Note 2) (附註2) | Total 總計 | Approximate % of the Company's total issued share capital 本公司已發行 股本總數之概約 % |
|--------------------------|--|---------------------------------|----------------------------------|--------------------------------|--|-------------|---|
| Name of Director 董事姓名 | Class of Shares 股份類別 | Personal interests 個人權益 | Family interests 家族權益 | Corporate interests 公司權益 | | | |
| CHAN Mei Sheung 陳美雙 | Ordinary shares/share options 普通股/購股權 | — | 449,150,000 (Note 1) (附註1) | — | 7,420,000 | 456,570,000 | 73.22% |
| KIU Wai Ming 喬維明 | Ordinary shares/share options 普通股/購股權 | 6,500,000 | — | — | 6,800,000 | 13,300,000 | 2.13% |

董事及高級管理人員履歷

本集團董事及高級管理人員簡歷載於本年報第22至24頁。

董事資料變動

根據上市規則第13.51B(1)條，須予披露之董事資料變動如下：

在董事會轄下薪酬委員會提出建議後，董事會已批准各獨立非執行董事之董事袍金增加20%。獨立非執行董事酬金之變動載於綜合財務報表附註10。

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於2013年3月31日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條須予存置之登記冊所記錄，或按標準守則所知會本公司及聯交所，各董事及本公司最高行政人員及其各自之聯繫人士於本公司及/或其相聯法團(定義見證券及期貨條例第XV部)之本公司股份(「股份」)、相關股份及債券之權益或淡倉如下：

Notes:

1. Mr. Huang Wen Yi (“**Mr. Huang**”), who was a Director, passed away in Hong Kong on 10 February 2008. Mr. Huang’s estate and Ms Chan Mei Sheung (“**Ms Chan**”) was taken to be interested in the 449,950,000 Shares held by Smart Presto Holdings Limited (“**Smart Presto**”), a controlling shareholder of the Company, owned as to 90% by estate of the late Mr. Huang and 10% by Ms Chan. Of the 44,995,000 Shares interest held by Ms Chan, 10,000,000 Shares were available for purchase on the exercise of options granted to a Director under the share purchase scheme adopted by Smart Presto on 5 August 2009 (“**Share Purchase Scheme**”). Subsequent to a former executive Director exercised the share purchase right on 18 March 2011 to acquire 800,000 Shares under the Share Purchase Scheme, Ms Chan and estate of the late Mr. Huang were taken to be interested in the 449,150,000 Shares held by Smart Presto. Letters of Administration dated 27 April 2012 was granted by the Probate Registry in Hong Kong in respect of the late Mr. Huang’s estate in Hong Kong.
2. These represent the number of shares which will be transferred to such Directors upon the exercise of the options granted to each of them under the pre-IPO share option scheme adopted by the Company on 21 May 2007 and/or the share option scheme adopted by the Company on 21 May 2007 and/or the share purchase scheme adopted by Smart Presto on 5 August 2009, where applicable.

Save as disclosed above, as at 31 March 2013, none of the Directors or the chief executive of the Company nor their associates had registered any other interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (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 Model Code.

Directors’ Rights to Acquire Shares or Debentures

Save as disclosed in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above and in the section headed “Long Term Incentive Schemes” below, at no time during the Year was the Company or any of its subsidiaries a party to any arrangement to enable a Director or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures, of the Company or any other body corporate.

Directors’ Interest in Contracts

No contracts of significance in relation to the Group’s business to which the Company and its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during the Year.

附註：

1. 洪文藝先生(「洪先生」)曾為董事，於2008年2月10日在香港辭世。洪先生之遺產及陳美雙女士(「陳女士」)被視為本公司之控股股東傲捷控股有限公司(「傲捷」)，分別由已故洪先生之遺產及陳女士擁有90%及10%持有之449,950,000股股份中擁有權益。於陳女士持有之44,995,000股股份權益中，10,000,000股股份可供於董事根據傲捷於2009年8月5日採納之股份購買計劃(「股份購買計劃」)獲授之期權行使時購買。一名前執行董事於2011年3月18日行使股份購買權，以根據股份購買計劃收購800,000股股份後，陳女士及已故洪先生之遺產被視為為傲捷持有之449,150,000股股份中擁有權益。香港遺產承辦處已授出日期為2012年4月27日之遺產管理書，內容有關已故洪先生於香港之遺產。
2. 該等股份指該等董事因行使彼等各自根據本公司於2007年5月21日採納之首次公開售股前購股權計劃及／或本公司於2007年5月21日採納之購股權計劃及／或傲捷於2009年8月5日採納之股份購買計劃(如適用)獲授之購股權行使後而將獲轉讓之股份數目。

除上文所披露者外，於2013年3月31日，按根據證券及期貨條例第352條須予存置之登記冊所記錄，或按根據標準守則須知會本公司及聯交所，本公司董事或最高行政人員或其聯繫人士概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有任何其他權益或淡倉。

董事收購股份或債券之權利

除上文「董事及最高行政人員於股份、相關股份及債券之權益及淡倉」一節及下文「長期獎勵計劃」一節所披露者外，於本年度內任何時間，本公司或其任何附屬公司並無訂立任何安排，致使董事或彼等各自之配偶或18歲以下子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事於合約之權益

於本年度，概無任何董事在本公司及其附屬公司之任何與本集團業務有關的重要合約中直接或間接擁有重大權益。

Non-Competition Undertaking

Pursuant to a deed of non-competition entered into between late Mr. Huang and Ms Chan, and the Company dated 23 May 2007 (“**Non-Competition Undertaking**”), each of the late Mr. Huang and Ms Chan has undertaken to the Company (for itself and on behalf of each of its subsidiaries) that so long as the Company is listed on the Main Board of the Stock Exchange and so long as any of Mr. Huang and Ms Chan remains a controlling shareholder, he or she will not, and shall procure that his or her associates will not, compete with the Group, directly or indirectly, whether on his or her own or jointly with or on behalf of any person, firm, or company, by carrying on or being engaged, concerned or interested, directly or indirectly, whether as a shareholder, director, employee, partner, agent or otherwise, in the carrying on of any activity or business which directly or indirectly competes or is likely to be in competition with the footwear business including without limitation the design and sales of footwear products operated by the Group or will from time to time be engaged or operated by the Group in the PRC and Hong Kong, Taiwan and Japan.

The independent non-executive Directors have reviewed Ms Chan’s compliance with the Non-Competition Undertaking. The independent non-executive Directors are of the view that none of the controlling shareholders or Directors held any interests in any business that, either directly or indirectly, competes or is likely to compete with the Group’s business.

The Company has also received a confirmation from Ms Chan, which stated that Ms Chan, as the controlling shareholder of the Company, has complied with the Non-Competition Undertaking for the year ended 31 March 2013.

Directors’ Interest in Competing Businesses

Pursuant to Rule 8.10 of the Listing Rules, each of the Directors confirmed that he/she does not have any interest in any business apart from the Group’s business, which competes or is likely to compete, either directly or indirectly, with the Group’s business.

不競爭承諾

根據已故洪先生與陳女士及本公司於2007年5月23日訂立之不競爭契約(「**不競爭承諾**」)，已故洪先生及陳女士已各自向本公司(為其本身及代表各附屬公司)承諾，本公司於聯交所主板上市期間及洪先生及陳女士各人仍為控股股東期間，彼將不會，及將促使其聯繫人士不會自行或聯同或代表任何人士、商號或公司，透過經營或直接或間接地(不論以股東、董事、僱員、夥伴、代理或其他身份)從事或涉及經營任何直接或間接地與於中國、香港、台灣及日本由本集團經營之鞋類業務(包括但不限於設計及銷售鞋類產品)或將不時由本集團從事或經營之鞋類業務構成競爭或可能構成競爭之活動或業務或於當中擁有權益，直接或間接地與本集團競爭。

獨立非執行董事已審閱陳女士遵守不競爭承諾之情況。獨立非執行董事認為，概無本公司控股股東或董事在任何直接或間接地與本集團業務構成競爭或可能競爭之業務中擁有任何權益。

本公司亦已收到陳女士之確認，聲明陳女士作為本公司之控股股東，已於截至2013年3月31日止年度遵守不競爭承諾。

董事於競爭業務之權益

根據上市規則第8.10條，各董事已確認除本集團之業務外，彼並無於直接或間接地與本集團業務構成競爭或可能構成競爭之業務中有任何權益。

LONG TERM INCENTIVE SCHEMES

Pre-IPO Share Options Scheme

The Company adopted a pre-IPO share option scheme on 21 May 2007 (“**Pre-IPO Share Option Scheme**”) for the purpose of recognizing the contributions of and providing incentives to eligible participants who have contributed or would contribute to the Company. Options to subscribe for an aggregate of 15,000,000 Shares were granted on 21 May 2007 at an exercise price of HK\$3.09 per Share, being equivalent to 80% of the final offer price on the date of commencement of dealings in the Shares (“**Listing Date**”). The Pre-IPO Share Option Scheme expired on 23 May 2007, after which no further options would be granted under the Pre-IPO Share Options Scheme.

The options granted under the Pre-IPO Share Option Scheme (“**Pre-IPO Share Options**”) on 21 May 2007 shall vest in the grantees in accordance with the timetable below:

長期獎勵計劃

首次公開售股前購股權計劃

本公司於2007年5月21日採納首次公開售股前購股權計劃(「**首次公開售股前購股權計劃**」)，目的是確認對本公司作出或將作出貢獻之合資格參與者，並向彼等提供獎勵。於2007年5月21日，授出之購股權可認購合共15,000,000股股份，每股股份行使價為3.09港元(相等於股份開始買賣日期(「**上市日期**」)之最終發售價之80%)。首次公開售股前購股權計劃於2007年5月23日屆滿，其後並無根據首次公開售股前購股權計劃進一步授出購股權。

於2007年5月21日，根據首次公開售股前購股權計劃授出之購股權(「**首次公開售股前購股權**」)須根據以下時間表歸屬予承授人：

| Exercisable period 行使期 | % of Pre-IPO Share Options to vest 將予歸屬之首次公開售股前購股權之% |
|---|--|
| From and after 12 months but prior to 48 months after the Listing Date 上市日期起計12個月後至48個月前 | Up to 30% of the total number of options granted 不超過獲授購股權總數之30% |
| From and after 24 months but prior to 60 months after the Listing Date 上市日期起計24個月後至60個月前 | Up to 30% of the total number of options granted 不超過獲授購股權總數之30% |
| From and after 36 months but prior to 72 months after the Listing Date 上市日期起計36個月後至72個月前 | Up to 40% of the total number of options granted 不超過獲授購股權總數之40% |

Report of the Directors

董事會報告書

Details of movements of the Pre-IPO Share Options for the Year are as follows:

本年度，首次公開售股前購股權之變動詳情如下：

| | | Number of Pre-IPO Share Options 首次公開售股前購股權數目 | | | | | Balance as at 31 March 2013 於2013年 3月31日 之結餘 |
|--------------------------------|---------------|---|---|---|---|--|--|
| Name or category of grantee | 承授人之 姓名或類別 | Balance as at 1 April 2012 於2012年 4月1日 之結餘 | Granted during the Year 於本年度授出 | Exercised during the Year 於本年度行使 | Cancelled during the Year 於本年度註銷 | Lapsed during the Year 於本年度失效 | |
| Director | 董事 | | | | | | |
| CHAN Mei Sheung | 陳美雙 | 2,485,000 | — | — | — | 1,065,000 | 1,420,000 |
| KIU Wai Ming | 喬維明 | 1,400,000 | — | — | — | 600,000 | 800,000 |
| Former Director | 前董事 | | | | | | |
| CHU Yin Man | 朱賢文 | 840,000 | — | — | — | 840,000 | — |
| Employees | 僱員 | | | | | | |
| In aggregate | 合共 | 1,596,000 | — | — | — | 736,000 | 860,000 |
| Total | 總計 | 6,321,000 | — | — | — | 3,241,000 | 3,080,000 |

None of the Pre-IPO Share Options was exercised or cancelled and a total of 3,241,000 Pre-IPO Share Options have been lapsed during the Year. The remaining unexercised Pre-IPO Share Options lapsed on 7 June 2013.

於本年度，概無首次公開售股前購股權獲行使或註銷，而合共3,241,000份首次公開售股前購股權已失效。所有未行使的公開售股前購股價均於2013年6月7日失效。

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 21 May 2007 (“**Share Option Scheme**”) for the purpose of providing incentives to eligible participants to contribute to the Company and enabling the Company to recruit high-calibre employees and attract human resources that are valuable to the Group.

The Share Option Scheme shall be valid and effective for a period of 10 years from its adoption date, after which period no further options granted under the Share Option Scheme (“**Post-IPO Share Options**”) will be issued but any such options then outstanding will continue to be exercisable in accordance with their terms of issue.

The total number of the Shares which may be issued upon exercise of all Post-IPO Share Options and any other share option scheme of the Group shall not in aggregate exceed 10% of the total number of the Shares in issue as at the Listing Date, being 600,000,000 Shares.

The total number of the Shares issued and to be issued upon exercise of the Post IPO Share Options and any other share options granted and to be granted to each eligible participant in any 12-month period immediately preceding the date of grant of the Post-IPO Share Option (“**Grant Date**”) shall not exceed 1% of the number of Shares in issue as at the Grant Date unless prior approval of the Company’s shareholders in general meeting is obtained.

The Post-IPO Share Options may be exercised during a period as notified by the Board and not exceeding 10 years from the Grant Date and expiring on the last day of the said 10-year period. Unless otherwise determined by the Board and specified in the letter of grant, there is no minimum period for which an option must be held before it can be exercised.

The subscription price of the Post-IPO Share Option shall be determined by the Board and shall be at least the highest of: (a) the nominal value of the Shares; (b) the average of the closing prices of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the Grant Date; and (c) the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets on the Grant Date.

Options to subscribe for an aggregate of 24,900,000 Shares were granted on 5 August 2009 at an exercise price of HK\$0.60 per Share. The closing price of the Shares on 5 August 2009 was HK\$0.58.

購股權計劃

本公司已於2007年5月21日採納購股權計劃(「購股權計劃」)，目的是提供獎勵促進合資格參與者對本公司作出貢獻，並令本公司得以聘用高質素僱員及吸引對本集團有價值之人力資源。

購股權計劃於採納日期起計之10年期內有效及生效，其後不得根據購股權計劃進一步授出購股權(「首次公開售股後購股權」)，然而，當時尚未行使之任何購股權將繼續可根據其發行條款予以行使。

因行使所有首次公開售股後購股權及本集團任何其他購股權計劃而可予發行之股份總數，不得超過於上市日期已發行股份總數之10%(即600,000,000股股份)。

除非已獲本公司股東於股東大會上之先前批准，否則因向每名合資格參與者於緊接首次公開售股後之授出日期(「授出日期」)前之任何12個月期間內授出及將予授出之首次公開售股後購股權及任何其他購股權而已發行及將予發行之股份總數，不得超過於授出日期之已發行股份總數之1%。

首次公開售股後購股權可於董事會所知會及不超過授出日期起計10年之期間內行使，並於所述之10年期間之最後1日屆滿。除非董事會另有決定及於授出函件內列明，否則購股權行使前並無最短期限。

首次公開售股後購股權之認購價將由董事會釐定，並須最少為以下三項之最高者：(a) 股份面值；(b) 於緊接授出日期前五個交易日於聯交所每日報價表所列股份之平均收市價；及(c) 於授出日期於聯交所每日報價表所列股份之收市價。

於2009年8月5日授出之購股權可按行使價每股股份0.60港元認購合共24,900,000股股份。於2009年8月5日，股份之收市價為0.58港元。

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The Post-IPO Share Options granted on 5 August 2009 shall vest in the grantees in accordance with the timetable below:

於2009年8月5日授出之首次公開售股後購股權須根據以下時間表歸屬予承授人：

| Exercisable period 行使期 | % of Post-IPO Share Options to vest 將予歸屬之首次公開售股後購股權之% |
|--|--|
| 5 August 2010 — 4 August 2017 2010年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授購股權總數之20% |
| 5 August 2011 — 4 August 2017 2011年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授購股權總數之20% |
| 5 August 2012 — 4 August 2017 2012年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授購股權總數之20% |
| 5 August 2013 — 4 August 2017 2013年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授購股權總數之20% |
| 5 August 2014 — 4 August 2017 2014年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授購股權總數之20% |

Details of movements of the Post-IPO Share Options during the Year are as follows:

於本年度首次公開售股後購股權之變動詳情如下：

| Name or category of grantee | 承授人之姓名或類別 | Number of Post-IPO Share Options 首次公開售股後購股權數目 | | | | | Balance as at 31 March 2013 於2013年3月31日之結餘 |
|-----------------------------|-----------|--|-----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|---|
| | | Balance as at 1 April 2012 於2012年4月1日之結餘 | Granted during the Year 於本年度授出 | Exercised during the Year 於本年度行使 | Cancelled during the Year 於本年度註銷 | Lapsed during the Year 於本年度失效 | |
| Director CHAN Mei Sheung | 董事 陳美雙 | 6,000,000 | — | — | — | — | 6,000,000 |
| Employees In aggregate | 僱員 合共 | 15,480,000 | — | — | — | 1,000,000 | 14,480,000 |
| Total | 總計 | 21,480,000 | — | — | — | 1,000,000 | 20,480,000 |

None of the Post-IPO Share Options was exercised or cancelled and a total of 1,000,000 Post-IPO Share Options have been lapsed during the Year.

於本年度，概無首次公開售股後購股權獲行使或註銷，而合共1,000,000份首次公開售股後購股權已失效。

Share Purchase Scheme

Smart Presto has adopted a share purchase scheme on 5 August 2009 (“**Share Purchase Scheme**”) for the purpose of advancing the interest of the Group by rewarding persons who have made or will make valuable contribution to the business of the Group or is/are regarded as valuable human resources of the Group. Subject to the provisions under the Share Purchase Scheme, the maximum number of Shares available for purchase on the exercise of options granted under the Share Purchase Scheme (“**Share Purchase Options**”) shall be 30,000,000 Shares. Any Shares that are subject to a Share Purchase Option (or any portion thereof) that lapses, expires or for any reason is terminated unexercised shall become available for purchase under the Share Purchase Scheme.

Options to subscribe for an aggregate of 10,000,000 Shares were granted on 5 August 2009 at an exercise price of HK\$0.60 per Share.

The Share Purchase Options granted on 5 August 2009 shall vest in the grantees in accordance with the timetable below:

股份購買計劃

傲捷於2009年8月5日採納股份購買計劃(「**股份購買計劃**」)，目的為透過向對本集團業務作出或將作出寶貴貢獻之人士或對本集團有價值之人力資源提供獎勵，以提升本集團之利益。在股份購買計劃條文之規限下，可供於行使根據股份購買計劃授出之股份購買權(「**股份購買權**」)時購買之最高股份數目為30,000,000股股份。涉及失效、到期或因任何原因終止及尚未行使之股份購買權(或其任何部份)之任何股份，將根據股份購買計劃可供購買。

於2009年8月5日授出之購股權可按行使價每股股份0.60港元認購合共10,000,000股股份。

於2009年8月5日授出之股份購買權須根據以下時間表歸屬予承授人：

| Exercisable period 行使期 | % of Share Purchase Options to vest 將予歸屬之股份購買權之% |
|--|---|
| 5 August 2010 — 4 August 2017 2010年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授期權總數之20% |
| 5 August 2011 — 4 August 2017 2011年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授期權總數之20% |
| 5 August 2012 — 4 August 2017 2012年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授期權總數之20% |
| 5 August 2013 — 4 August 2017 2013年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授期權總數之20% |
| 5 August 2014 — 4 August 2017 2014年8月5日 — 2017年8月4日 | Up to 20% of the total number of options granted 不超過獲授期權總數之20% |

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董事會報告書

Details of movements of the Share Purchase Options during the Year are as follows:

於本年度，股份購買權之變動詳情如下：

| Name or category of grantee | 承授人之姓名或類別 | Number of Share Purchase Options 股份購買權數目 | | | | | Balance as at 31 March 2013 |
|-----------------------------|-----------|---|-----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|-----------------------------|
| | | Balance as at 1 April 2012 於2012年4月1日之結餘 | Granted during the Year 於本年度授出 | Exercised during the Year 於本年度行使 | Cancelled during the Year 於本年度註銷 | Lapsed during the Year 於本年度失效 | 於2013年3月31日之結餘 |
| Director | 董事 | | | | | | |
| KIU Wai Ming | 喬維明 | 6,000,000 | — | — | — | — | 6,000,000 |
| Former Director | 前董事 | | | | | | |
| CHU Yin Man | 朱賢文 | 3,200,000 | — | — | — | 3,200,000 | — |
| Total | 總計 | 9,200,000 | — | — | — | 3,200,000 | 6,000,000 |

None of the Share Purchase Options was exercised and cancelled and a total of 3,200,000 Share Purchase Options have been lapsed during the Year.

於本年度，概無股份購買權獲行使及註銷，而合共3,200,000份股份購買權已失效。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

主要股東於股份及相關股份之權益及淡倉

As at 31 March 2013, the interests and short positions of those persons, other than the Directors and the chief executive of the Company, in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

於2013年3月31日，按本公司根據證券及期貨條例第336條存置之登記冊所記錄，該等人士（本公司董事及最高行政人員除外）於股份及相關股份之權益及淡倉如下：

| Name of substantial shareholder | Capacity | Number and nature of interests held | Approximate % of the Company's total issued share capital |
|---------------------------------|--|-------------------------------------|---|
| 主要股東名稱 | 身份 | 所持權益數目及性質 | 佔本公司已發行股本總數之概約% |
| Smart Presto (Note) 傲捷(附註) | Beneficial owner 實益擁有人 | 449,150,000 | 72.03% |
| HUI Wan Hon 許雲漢 | Interests held jointly with Ng Chee Yin Susie Linda 與Ng Chee Yin Susie Linda共同持有之權益 | 56,271,400 | 9.02% |

Report of the Directors

董事會報告書

Note:

Smart Presto Holdings Limited, the registered owner of 449,150,000 Shares, was owned as to 90% (90 shares) by estate of the late Mr. Huang and 10% (10 shares) by Ms Chan respectively in the capacity of beneficial owners.

All the interests disclosed above represents long positions in the Shares and underlying Shares.

Save as disclosed above, as at 31 March 2013, the Company had not been notified of any person, other than the Directors and the chief executive of the Company, of any interest or short positions in the Shares and/or underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

MAJOR SUPPLIERS AND CUSTOMERS

During the Year, all suppliers of the Group are independent third parties. The Group's largest supplier accounted for approximately 9.1% of the Group's total purchases and the Group's five largest suppliers accounted for approximately 39.5% of the Group's total purchases.

Our Group's five largest customers accounted for less than 30% of the total turnover for the year.

None of the Directors or any of their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had an interest in the Group's five largest customers or suppliers.

CONNECTED TRANSACTIONS

The Company had no transactions which constituted connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules for the Year.

CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in Corporate Governance Report on pages 12 to 21 of this annual report.

附註：

449,150,000 股股份之登記擁有人傲捷控股有限公司分別由已故洪先生之遺產及陳女士以實益擁有人之身份擁有 90% (90 股) 及 10% (10 股)。

上文所披露之所有權益代表於股份及相關股份之好倉。

除上文所披露者外，於 2013 年 3 月 31 日，本公司並無獲知會按本公司根據證券及期貨條例第 336 條須予存置之登記冊所記錄，有任何人士（本公司董事或最高行政人員除外），於股份及／或相關股份中擁有任何權益或淡倉。

管理合約

於本年度，概無訂立或存在任何有關本公司全部或任何重大部份業務之管理及行政管理之合約。

主要供應商及客戶

於本年度，本集團全部供應商均為獨立第三方。本集團最大供應商佔本集團總採購額約 9.1%，而本集團五大供應商則佔本集團總採購額約 39.5%。

本集團五大客戶佔本年度總銷售額低於 30%。

概無董事或彼等之任何聯繫人士或任何就董事所知擁有本公司已發行股本超過 5% 之本公司股東，於本集團五大客戶或供應商中擁有權益。

關連交易

於本年度，本公司並無交易構成上市規則第 14A 章所指之關連交易或持續關連交易。

企業管治

本公司之企業管治常規載於本年報第 12 至 21 頁之企業管治報告內。

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed with the management the Group's consolidated financial statements for the Year and the accounting principles and practices adopted by the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares as at the latest practicable date prior to the issuance of this annual report.

AUDITORS

The financial statements have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM. A resolution for the re-appointment of PricewaterhouseCoopers as independent auditors of the Company for the ensuing year will be proposed at the forthcoming AGM.

On behalf of the Board

CHAN Mei Sheung
Chairman

Hong Kong
21 June 2013

審核委員會審閱

審核委員會已與管理層審閱本集團本年度之綜合財務報表，以及本集團採納之會計原則及常規。

足夠公眾持股量

根據可供本公司以公開途徑獲取之資料及據董事所知，本公司確認於本年報刊發前之最後可行日期維持不少於其已發行股份 25% 之足夠公眾持股量。

核數師

本財務報表已經羅兵咸永道會計師事務所審核，彼將於應屆股東周年大會上退任，且符合資格並願意續聘連任。續聘羅兵咸永道會計師事務所為本公司來年之獨立核數師之決議案，將於應屆股東周年大會上提呈。

代表董事會

主席
陳美雙

香港
2013年6月21日



TO THE SHAREHOLDERS OF WALKER GROUP HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Walker Group Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages 40 to 113, which comprise the consolidated and company statements of financial position as at 31 March 2013, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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 our agreed terms of engagement 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.

致盈進集團控股有限公司股東

(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計列載於第40至113頁盈進集團控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此等綜合財務報表包括於2013年3月31日的綜合及公司財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他解釋資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則及按照香港《公司條例》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平之反映，及落實其認為編製綜合財務報表所必要之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見，並按照委聘的協定條款僅向閣下報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

我們已根據香港會計師公會頒布的香港審計準則進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存有重大錯誤陳述。

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 consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2013, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 21 June 2013

審計涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。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綜合財務報表以作出真實而公平之反映相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的有效性發表意見。審計亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，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我們的審核意見提供基礎。

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 貴集團於 2013年3月31日的事務狀況及截至該日止年度的虧損及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，2013年6月21日

Consolidated Income Statement

綜合收益表

For the Year Ended 31 March 2013

截至2013年3月31日止年度

| | | Note 附註 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-----------------------------|------------|-------------------------|-------------------------|
| Revenue | 收益 | 5 | 1,375,256 | 1,451,495 |
| Cost of sales | 銷售成本 | 6 | (555,810) | (600,476) |
| Gross profit | 毛利 | | 819,446 | 851,019 |
| Selling and distribution costs | 銷售及分銷成本 | 6 | (779,949) | (753,632) |
| Administrative expenses | 行政費用 | 6 | (139,849) | (121,285) |
| Other gains — net | 其他收益 — 淨額 | 7 | 1,246 | 4,514 |
| Other income | 其他收入 | 8 | 7,341 | 12,515 |
| Operating loss | 經營虧損 | | (91,765) | (6,869) |
| Finance income | 財務收入 | 11 | 272 | 336 |
| Finance costs | 財務費用 | 11 | (453) | (775) |
| Finance costs — net | 財務成本 — 淨額 | | (181) | (439) |
| Loss before income tax | 未計所得稅前虧損 | | (91,946) | (7,308) |
| Income tax expense | 所得稅開支 | 12 | (3,363) | (4,258) |
| Loss for the year | 本年度虧損 | | (95,309) | (11,566) |
| Attributable to: | 應佔： | | | |
| Equity holders of the Company | 本公司權益持有人 | | (92,826) | (9,713) |
| Non-controlling interests | 非控股權益 | | (2,483) | (1,853) |
| | | | (95,309) | (11,566) |
| Loss per share for loss attributable to equity holders of the Company (expressed in HK cents per share) | 本公司權益持有人應佔虧損之每股虧損 (以每股港仙呈列) | | | |
| — basic | — 基本 | 14 | (14.89) | (1.56) |
| — diluted | — 攤薄 | 14 | (14.89) | (1.56) |
| Dividend | 股息 | 15 | — | — |

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

隨附之附註為此等綜合財務報表之組成部份。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the Year Ended 31 March 2013

截至2013年3月31日止年度

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|---------------------|-------------------------|-------------------------|
| Loss for the year | 本年度虧損 | (95,309) | (11,566) |
| Other comprehensive income | 其他全面收益 | | |
| Fair value gains/(losses) on available-for-sale financial assets | 可供出售金融資產之公平值收益／(虧損) | 5,549 | (2,460) |
| Fair value release on disposal of available-for-sale financial assets | 出售可供出售金融資產時撥回之公平值 | (27) | — |
| Exchange differences | 匯兌差額 | 4,251 | 16,272 |
| Other comprehensive income for the year, net of tax | 本年度其他全面收益，扣除稅項 | 9,773 | 13,812 |
| Total comprehensive income for the year | 本年度全面收益總額 | (85,536) | 2,246 |
| Attributable to: | 應佔： | | |
| Equity holders of the Company | 本公司權益持有人 | (83,018) | 4,401 |
| Non-controlling interests | 非控股權益 | (2,518) | (2,155) |
| | | (85,536) | 2,246 |

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

隨附之附註為此等綜合財務報表之組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2013

於2013年3月31日

| | | Note 附註 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|------------------------|------------|-------------------------|-------------------------|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 16 | 52,064 | 60,520 |
| Investment property | 投資物業 | 17 | 1,013 | 1,045 |
| Intangible assets | 無形資產 | 18 | 45,339 | 64,953 |
| Deferred income tax assets | 遞延所得稅資產 | 20 | 19,355 | 19,124 |
| Available-for-sale financial assets | 可供出售金融資產 | 21 | 39,759 | 42,145 |
| Rental deposits | 租金按金 | 24 | 16,336 | 18,850 |
| | | | 173,866 | 206,637 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 22 | 444,870 | 470,672 |
| Trade receivables | 應收貿易款項 | 23 | 152,446 | 148,543 |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 24 | 53,858 | 58,588 |
| Financial assets at fair value through profit or loss | 按公平值計入損益之金融資產 | 25 | — | 22,699 |
| Tax recoverable | 可收回稅項 | | 86 | 86 |
| Cash and cash equivalents | 現金及現金等值項目 | 26 | 104,179 | 95,552 |
| | | | 755,439 | 796,140 |
| Total assets | 資產總額 | | 929,305 | 1,002,777 |
| EQUITY | 權益 | | | |
| Capital and reserves attributable to equity holders of the Company | 本公司權益持有人應佔股本及儲備 | | | |
| Share capital | 股本 | 27 | 62,356 | 62,356 |
| Share premium | 股份溢價 | 27 | 562,600 | 562,600 |
| Reserves | 儲備 | 28 | 58,354 | 140,380 |
| | | | 683,310 | 765,336 |
| Non-controlling interests | 非控股權益 | | (1,074) | (2,066) |
| Total equity | 權益總額 | | 682,236 | 763,270 |

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

隨附之附註為此等綜合財務報表之組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2013

於2013年3月31日

(Continued)

(續)

| | | Note 附註 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|------------------|------------|-------------------------|-------------------------|
| LIABILITIES | 負債 | | | |
| Non-current liabilities | 非流動負債 | | | |
| Deferred income tax liabilities | 遞延所得稅負債 | 20 | 4,456 | 2,940 |
| | | | 4,456 | 2,940 |
| Current liabilities | 流動負債 | | | |
| Borrowings | 借貸 | 30 | 5,400 | 6,075 |
| Trade payables | 應付貿易款項 | 31 | 161,679 | 156,016 |
| Accruals and other payables | 應計費用及其他應付款項 | 31 | 73,741 | 72,623 |
| Obligation under finance lease | 融資租賃承擔 | 29 | — | 53 |
| Taxation payable | 應付稅項 | | 1,793 | 1,800 |
| | | | 242,613 | 236,567 |
| Total liabilities | 負債總額 | | 247,069 | 239,507 |
| Total equity and liabilities | 權益及負債總額 | | 929,305 | 1,002,777 |
| Net current assets | 流動資產淨值 | | 512,826 | 559,573 |
| Total assets less current liabilities | 資產總額減流動負債 | | 686,692 | 766,210 |

On behalf of the Board

代表董事會

Director
董事
CHAN Mei Sheung
陳美雙

Director
董事
KIU Wai Ming
喬維明

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

隨附之附註為此等綜合財務報表之組成部份。

Statement of Financial Position

財務狀況表

As at 31 March 2013

於2013年3月31日

| | | Note 附註 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|------------------------|------------|-------------------------|-------------------------|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 16 | — | 265 |
| Interests in subsidiaries | 於附屬公司之權益 | 19 | 650,592 | 655,165 |
| | | | 650,592 | 655,430 |
| Current assets | 流動資產 | | | |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 24 | 170 | 199 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 19 | 2,178 | 1,235 |
| Cash and cash equivalents | 現金及現金等值項目 | 26 | 586 | 1,160 |
| | | | 2,934 | 2,594 |
| Total assets | 資產總額 | | 653,526 | 658,024 |
| EQUITY | 權益 | | | |
| Capital and reserves attributable to equity holders of the Company | 本公司權益持有人應佔股本及儲備 | | | |
| Share capital | 股本 | 27 | 62,356 | 62,356 |
| Share premium | 股份溢價 | 27 | 562,600 | 562,600 |
| Reserves | 儲備 | 28 | 26,624 | 31,812 |
| Total equity | 權益總額 | | 651,580 | 656,768 |
| LIABILITIES | 負債 | | | |
| Current liabilities | 流動負債 | | | |
| Accruals and other payables | 應計費用及其他應付款項 | 31 | 1,946 | 1,203 |
| Obligation under finance lease | 融資租賃承擔 | 29 | — | 53 |
| Total liabilities | 負債總額 | | 1,946 | 1,256 |
| Total equity and liabilities | 權益及負債總額 | | 653,526 | 658,024 |
| Net current assets | 流動資產淨值 | | 988 | 1,338 |
| Total assets less current liabilities | 資產總額減流動負債 | | 651,580 | 656,768 |

On behalf of the Board

代表董事會

Director
董事
CHAN Mei Sheung
陳美雙

Director
董事
KIU Wai Ming
喬維明

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

隨附之附註為此等綜合財務報表之組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the Year Ended 31 March 2013

截至2013年3月31日止年度

| | | Attributable to equity holders of the Company 本公司權益持有人應佔 | | | | | | |
|---|--------------------------|---|-----------------|---|-----------------|------------------------------------|----------------------|--|
| | | Share capital and premium 股本及溢價 (Note 27) (附註27) | Reserves 儲備 | Retained earnings/ (accumulated losses) 保留盈利/ (累計虧損) | Sub-total 小計 | Non-controlling interests 非控股權益 | Total equity 權益總額 | |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | |
| Balance at 31 March 2011 | 於2011年3月31日之結餘 | 624,956 | 101,291 | 48,373 | 774,620 | 89 | 774,709 | |
| Fair value losses on available-for-sale financial assets | 可供出售金融資產之公平值虧損 | — | (2,460) | — | (2,460) | — | (2,460) | |
| Currency translation differences | 匯兌差額 | — | 16,574 | — | 16,574 | (302) | 16,272 | |
| Loss for the year | 本年度虧損 | — | — | (9,713) | (9,713) | (1,853) | (11,566) | |
| Total recognised income and expenses | 已確認收入及開支總額 | — | 14,114 | (9,713) | 4,401 | (2,155) | 2,246 | |
| Transfer | 轉撥 | — | 798 | (798) | — | — | — | |
| Share option scheme — value of employee services (Note 27) | 購股權計劃 — 僱員服務價值 (附註27) | — | 1,324 | — | 1,324 | — | 1,324 | |
| Share award (Note 27) | 股份獎賞(附註27) | — | 580 | — | 580 | — | 580 | |
| Dividends (Note 15) | 股息(附註15) | — | — | (15,589) | (15,589) | — | (15,589) | |
| Balance at 31 March 2012 | 於2012年3月31日之結餘 | 624,956 | 118,107 | 22,273 | 765,336 | (2,066) | 763,270 | |
| Fair value gains on available-for-sale financial assets | 可供出售金融資產之公平值收益 | — | 5,549 | — | 5,549 | — | 5,549 | |
| Fair value release on disposal of available-for-sale financial assets | 出售可供出售金融資產時撥回之公平值 | — | (27) | — | (27) | — | (27) | |
| Currency translation differences | 匯兌差額 | — | 4,286 | — | 4,286 | (35) | 4,251 | |
| Loss for the year | 本年度虧損 | — | — | (92,826) | (92,826) | (2,483) | (95,309) | |
| Total recognised income and expenses | 已確認收入及開支總額 | — | 9,808 | (92,826) | (83,018) | (2,518) | (85,536) | |
| Transfer | 轉撥 | — | 2,585 | (2,585) | — | — | — | |
| Share option scheme — value of employee services (Note 27) | 購股權計劃 — 僱員服務價值 (附註27) | — | 757 | — | 757 | — | 757 | |
| Share award (Note 27) | 股份獎賞(附註27) | — | 235 | — | 235 | — | 235 | |
| Capital injection from non-controlling interests | 非控股權益注資 | — | — | — | — | 3,510 | 3,510 | |
| Balance at 31 March 2013 | 於2013年3月31日之結餘 | 624,956 | 131,492 | (73,138) | 683,310 | (1,074) | 682,236 | |

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

隨附之附註為此等綜合財務報表之組成部份。

Consolidated Statement of Cash Flows

綜合現金流量表

For the Year Ended 31 March 2013

截至2013年3月31日止年度

| | Note | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------|-------------------------|-------------------------|
| | 附註 | | |
| Cash flows from operating activities | | | |
| Cash generated from/(used in) operations | 32(a) | 2,724 | (19,900) |
| Interest paid | | (453) | (775) |
| Interest income received on financial assets at fair value through profit or loss | | — | 25 |
| Dividend income received on financial assets at fair value through profit or loss | | 417 | 1,199 |
| Income tax refund | | — | 86 |
| Income tax paid | | (1,895) | (4,635) |
| Net cash generated from/(used in) operating activities | | 793 | (24,000) |
| Cash flows from investing activities | | | |
| Purchases of property, plant and equipment | | (28,046) | (40,313) |
| Purchases of intangible assets | | (2,534) | (2,148) |
| Proceeds from sale of property, plant and equipment | | — | 1 |
| Proceeds from sale of financial assets at fair value through profit or loss | | 24,058 | 22,055 |
| Proceeds from sale of available-for-sale financial assets | | 8,003 | 7,946 |
| Dividend income received on available-for-sale financial assets | | 3,596 | 2,853 |
| Interest received | | 272 | 336 |
| Net cash generated from/(used in) investing activities | | 5,349 | (9,270) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 77,327 | 62,206 |
| Repayment of borrowings | | (78,000) | (56,131) |
| Capital injection from non-controlling interests | | 3,510 | — |
| Capital elements of finance lease payments | | (53) | (316) |
| Dividends paid | | — | (15,589) |
| Net cash generated from/(used in) financing activities | | 2,784 | (9,830) |
| Net increase/(decrease) in cash and cash equivalents | | 8,926 | (43,100) |
| Cash and cash equivalents at the beginning of the year | | 95,552 | 135,927 |
| Exchange differences | | (299) | 2,725 |
| Cash and cash equivalents at the end of the year | 26 | 104,179 | 95,552 |

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

隨附之附註為此等綜合財務報表之組成部份。

1. GENERAL INFORMATION

一般資料

Walker Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are principally engaged in the retailing of footwear in Hong Kong, the People’s Republic of China (“**PRC**”) and Taiwan.

The Company was incorporated in the Cayman Islands on 10 November 2006 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands.

The Company’s shares are listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 21 June 2013.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

主要會計政策概要

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRS**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets at fair value through profit or loss, which are carried at fair value.

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

盈進集團控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)主要從事於香港、中華人民共和國(「**中國**」)及台灣之鞋類零售。

本公司根據開曼群島公司法(1961年第3號法案第22章，經整合及修訂)於2006年11月10日於開曼群島註冊成立為獲豁免有限公司。其註冊辦事處之地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands。

本公司股份在香港聯合交易所有限公司上市。

除另有說明外，此等綜合財務報表乃以港元呈列。此等綜合財務報表已於2013年6月21日獲董事會批准發出。

2.1 編製基準

綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒布之香港財務報告準則(「**香港財務報告準則**」)編製。綜合財務報表已按歷史成本慣例編製，並就按公平值列賬之可供出售金融資產及按公平值計入損益之金融資產之重估作出修訂。

編製符合香港財務報告準則之財務報表須採用若干關鍵會計估算。在應用本集團會計政策之過程中，管理層亦須行使其判斷。涉及高度判斷或複雜性之範疇，或假設及估算對綜合財務報表而言屬重要之範疇於附註4披露。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

- (i) New and amended standards adopted by the Group:

The following new standards or amendments to standards are mandatory for the first time for the financial year beginning 1 April 2012 but do not have a material impact on the Group:

- HKAS 12 (Amendment) — Deferred Tax: Recovery of Underlying Assets
- HKFRS 1 (Amendment) — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- HKFRS 7 (Amendment) — Disclosures — Transfers of Financial Assets

- (ii) The following new or amended standards and interpretations have been issued but are not effective for the financial year beginning 1 April 2012 and have not been early adopted:

- HKAS 1 (Amendment) — Presentation of Financial Statement¹
- HKAS 19 (2011) — Employee Benefits²
- HKAS 27 (2011) — Separate Financial Statement²
- HKAS 28 (2011) — Investment in Associates and Joint Ventures²
- HKAS 32 (Amendment) — Offsetting Financial Assets and Financial Liabilities³
- HKFRS 1 (Amendment) — Government Loans²
- HKFRS 7 and HKFRS 9 (Amendment) — Mandatory Effective Date and Transition Disclosures⁴
- HKFRS 10, HKFRS 11, and HKFRS 12 (Amendments) — Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transitional Guidance²

2.1 編製基準(續)

- (i) 本集團所採納之新訂及經修訂準則：

下列新準則或準則之修訂本首次與於2012年4月1日開始之財政年度有關並強制生效，惟對本集團並無重大影響：

- 香港會計準則第12號(修訂本) — 遞延稅項：收回相關資產
- 香港財務報告準則第1號(修訂本) — 嚴重高通脹及剔除首次採用者之固定日期
- 香港財務報告準則第7號(修訂本) — 披露 — 轉讓金融資產

- (ii) 下列新訂或經修訂之準則及詮釋於2012年4月1日開始之財政年度經已頒布但尚未生效，且本集團並無提早採納：

- 香港會計準則第1號(修訂本) — 財務報表之呈列¹
- 香港會計準則第19號(2011年) — 僱員福利²
- 香港會計準則第27號(2011年) — 獨立財務報表²
- 香港會計準則第28號(2011年) — 投資聯營公司及合營企業²
- 香港會計準則第32號(修訂本) — 抵銷金融資產及金融負債³
- 香港財務報告準則第1號(修訂本) — 政府貸款²
- 香港財務報告準則第7號及香港財務報告準則第9號(修訂本) — 強制生效日期及過渡性披露⁴
- 香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本) — 綜合財務報表、合營安排及披露於其他實體之權益：過渡性指引²

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.1 Basis of preparation (Continued)

(ii) (Continued)

- HKFRS 10, HKFRS 11, and HKFRS 12 (Amendments) — Investment Entities³
- HK(IFRIC) — Int 20 — Stripping costs in the Production Phase of a Surface Mine²
- Annual improvements — Improvement to HKFRSs 2011²

¹ Changes effective for annual periods beginning on or after 1 July 2012

² Changes effective for annual periods beginning on or after 1 January 2013

³ Changes effective for annual periods beginning on or after 1 January 2014

⁴ Changes effective for annual periods beginning on or after 1 January 2015

The Group anticipates that the application of the above new, revised or amended standards and interpretations have no material impact on the results and the financial position of the Group.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 March.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2.1 編製基準(續)

(ii) (續)

- 香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本) — 投資實體³
- 香港(國際財務報告詮釋委員會) — 詮釋第20號 — 地表採礦生產階段剝採成本²
- 年度改進 — 2011年香港財務報告準則之改進²

¹ 於2012年7月1日或之後開始之年度期間生效

² 於2013年1月1日或之後開始之年度期間生效

³ 於2014年1月1日或之後開始之年度期間生效

⁴ 於2015年1月1日或之後開始之年度期間生效

本集團預期應用上述新訂、經修改或經修訂準則及詮釋對本集團之業績及財務狀況並無重大影響。

2.2 賬目合併

綜合財務報表包括本公司及其所有附屬公司截至3月31日止之財務報表。

(a) 附屬公司

附屬公司乃本集團有權控制其財務與營運政策之實體(包括特別用途實體)，且一般擁有過半數投票權之持股量。現時可行使或可轉換之潛在投票權是否存在及其影響於評估本集團是否控制另一實體時亦會予以考慮。附屬公司於其控制權轉移至本集團之日起全面綜合入賬。彼等於控制權終止當日解除綜合入賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.2 賬目合併(續)

(a) 附屬公司(續)

購買法乃用作本集團購買附屬公司的入賬方法。收購附屬公司之轉讓對價乃本集團轉讓資產、產生負債及發行股本權益之公平值。所轉讓對價包括或然對價安排產生之任何資產或負債之公平值。收購相關成本於產生時列作支出。所收購可識別資產與業務合併承擔之負債及或然負債初步按彼等於收購日期之公平值計量。就個別收購基準，本集團可按公平值或按非控股權益佔被購買方淨資產的比例，計量於收購的非控股權益。

附屬公司投資成本扣除減值列賬。在計量期內，成本經調整以反映修改或然對價所產生的對價變動。成本亦包括投資的直接歸屬成本。附屬公司之業績乃按已收股息及應收款項之基準計入本公司之賬目。

轉讓的代價，被購買方任何非控股權益，以及被收購方任何之前權益在購買日期的公平值，超過本集團應佔所購買可辨認淨資產公平值的數額，列為商譽。就廉價購買而言，若該數額低於所購入附屬公司淨資產的公平值，該差額直接在全面收入報表中確認。

集團內公司間之交易、結餘及集團公司間之交易之未變現收益均予以對銷。未變現虧損亦予以對銷。附屬公司之會計政策已於綜合財務報表作出必要調整，使其與本集團所採納之會計政策一致。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.2 Consolidation (Continued)

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that makes strategic decisions.

2.2 賬目合併(續)

(b) 與非控股權益之交易

本集團將與非控股權益進行之交易視為與本集團權益擁有人進行之交易。就向非控股權益之購買而言，任何已付代價與相關分佔所收購附屬公司淨資產賬面值之差額乃於權益列賬。向非控股權益出售所產生之盈虧亦於權益列賬。

當本集團不再擁有控制權或重大影響力時，於該實體之任何保留權益按其公平值重新計量，而賬面值變動則於損益確認。就其後入賬列作聯營公司、合營公司或金融資產之保留權益而言，公平值指初始賬面值。此外，先前於其他全面收益確認有關該實體之任何金額按猶如本集團已直接出售有關資產或負債之方式列賬。此可能意味著先前在其他全面收益確認之金額重新分類至損益賬。

2.3 分部報告

經營分部之呈報方式與向主要營運決策者提供之內部呈報方式一致。負責分配資源及評估經營分部表現之主要營運決策者，已獲認定為制定策略決定之執行董事。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other gains — net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in the income statement, and other changes in the carrying amount are recognised in equity.

2.4 外幣換算

(a) 功能貨幣及呈列貨幣

本集團內各實體財務報表所載之項目以該實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能及呈列貨幣港元呈列。

(b) 交易及結餘

外幣交易根據交易日期所報之適用匯率換算為功能貨幣。因結算該等交易及按年終匯率換算以外幣結算之貨幣資產及負債而產生之匯兌盈虧乃於綜合收益表中確認。

有關借貸及現金及現金等值物之外匯損益於收益表內呈列為「財務收入或費用」。所有其他外匯損益均於收益表內呈列為「其他收益 — 淨額」內。

以外幣結算而分類為可供出售之貨幣證券之公平值變動，均以其攤銷成本變動與證券賬面值之其他變動所產生之換算差額作分析。因攤銷成本變動產生之匯兌差額於收益表確認，而其他賬面值變動則於權益確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.4 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation difference on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in consolidated income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the available-for-sale investment reserve in equity.

(c) Group companies

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

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

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

2.4 外幣換算(續)

(b) 交易及結餘(續)

非貨幣金融資產及負債之匯兌差額均入賬為公平值收益或虧損之一部份。非貨幣金融資產及負債(如按公平值權益列入損益賬之股本)之匯兌差額於綜合損益表內確認為公平值損益。非貨幣金融資產(如分類為可供出售之權益)之匯兌差額則計入權益之可供出售投資儲備內。

(c) 集團公司

功能貨幣有別於呈列貨幣之所有集團實體(該等集團實體概無擁有嚴重通貨膨脹經濟之貨幣)之業績及財務狀況,均按以下方式換算為呈列貨幣:

- 於各財務狀況表呈列之資產及負債乃按該財務狀況表日期之收市匯率換算;
- 各收益表之收支乃按平均匯率換算(除非該平均匯率並非在有關交易日期當日通行匯率累積影響之合理估計內,則在該情況下,收支於有關交易日期當日換算);及
- 所有因而產生之匯兌差額確認為股權之獨立部份。

綜合賬目時,換算海外業務之投資淨值及借貸而產生之匯兌差額計入股東權益。部份處置或出售海外業務時,該等記錄於權益之匯兌差額於綜合收益表確認為部份銷售盈虧。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group or for sale in the ordinary course of business, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Depreciation of investment properties is calculated using the straight-line method to allocate cost over their estimated useful life of 50 years.

The investment properties' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Investment property's carrying amount is written down immediately to its recoverable amount if the investment property's carrying amount is greater than its estimated recoverable amount (Note 2.8).

Gain or loss on disposal of an investment property is determined by comparing the proceeds and the carrying amount of the investment property and is recognised in the income statement.

2.6 Property, plant and equipment

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

2.5 投資物業

持作長期租金收益或資本增值之用，或同時可供作以上兩項用途者，且並非由本集團其轄下各公司佔用或持作於日常業務過程中銷售之物業，均列作投資物業。

投資物業最初以成本(包括相關交易成本)進行估值。

其後開支僅於項目相關之未來經濟利益將流入本集團，而項目之成本能可靠地計量時計入資產賬面值。所有其他維修及保養成本於其產生之財政期間自收益表支銷。

投資物業之折舊乃按直線法計量，成本於其50年之估計可使用年期內攤分。

投資物業之剩餘價值及可使用年期於各財務狀況表日期檢討及調整(如適用)。

倘投資物業之賬面值高於其估計可收回金額(附註2.8)，則投資物業之賬面值即時撇減至其可收回金額。

出售投資物業之收益或虧損按所得款項與投資物業之賬面值之比較數據釐定，並於收益表內確認。

2.6 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及累計減值虧損入賬。歷史成本包括收購項目直接應佔開支。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.6 Property, plant and equipment (Continued)

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

Depreciation is calculated using the straight-line method to allocate cost over their estimated useful lives, as follows:

| | |
|-----------------------------------|---------------------|
| Land | over the lease term |
| Buildings | 50 years |
| Leasehold improvements | over the lease term |
| Motor vehicles | 25% |
| Furniture, fixtures and equipment | 20% |
| Computer equipment | 20% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other gains — net' in the income statement.

2.7 Intangible assets

(a) Acquired trademarks

Acquired trademarks that have definite useful life are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is calculated using the straight-line method to allocate the costs of acquired trademarks over their estimated useful lives of 20 years.

2.6 物業、廠房及設備(續)

倘後續成本可能於未來為本集團帶來經濟利益，而該等成本能可靠計量時，則有關後續成本方會計入資產之賬面值或確認為一項獨立資產(如適用)。已重置部份之賬面值終止確認。所有其他維修及保養成本於產生之財政期間在收益表列為開支。

折舊乃使用直線法按下列估計可使用年期對其成本進行分配：

| | |
|----------|-----|
| 土地 | 租期內 |
| 樓宇 | 50年 |
| 租賃裝修 | 租期內 |
| 汽車 | 25% |
| 傢俬、裝置及設備 | 20% |
| 電腦設備 | 20% |

資產之剩餘價值及可用年期會作檢討，並於各財務狀況表日期作出調整(如適用)。

倘資產之賬面值高於其估計可收回金額，則即時將資產賬面值撇減至可收回金額(附註2.8)。

出售時之盈虧按所得款項與賬面值之比較數據釐定，並於收益表「其他收益 — 淨值」內確認。

2.7 無形資產

(a) 已收購商標

具有有限可使用年期之已收購商標按成本減累計攤銷及減值虧損(如有)列賬。攤銷乃以收購商標之成本按其20年之估計可使用年期以直線法計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.7 Intangible assets (Continued)

(b) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years.

Computer software development costs recognised as assets are amortised over their estimated useful lives of not exceeding 5 years.

(c) Patents and licences

Expenditure on acquiring licences for sale of products is initially recognised and measured at fair value, which represents the capitalisation of unavoidable licence fee payments in accordance with the licence agreements. Cost of licences is amortised using the straight-line method over the license period.

2.8 Impairment of investments in subsidiaries and non-financial assets

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

2.7 無形資產(續)

(b) 電腦軟件

所購入之電腦軟件特許使用權乃根據購入及至使用特定軟件時產生之成本資本化。該等成本乃按其估計可使用年期5年進行攤銷。

確認為資產之電腦軟件開發成本乃按其不多於5年之估計可使用年期予以攤銷。

(c) 專利及特許使用權

取得銷售產品之特許使用權時之開支首先按公平值確認及計量，有關公平值為按特許使用協議支付不可避免之特許使用費資本化。特許使用權之成本於特許使用期限以直線法攤銷。

2.8 附屬公司投資及非金融資產之減值

無限可使用年期或尚未供使用之資產毋須攤銷及每年進行減值測試。資產在出現任何顯示可能無法收回賬面值之事件或情況出現變化時進行減值檢討。當資產賬面值超過其可收回金額時則會就有關差額確認減值虧損。可收回金額乃資產公平值減出售成本與使用價值兩者之間之較高者。就評估減值而言，資產按可劃分之最小現金流量(現金產生單位)分類。倘商譽以外非金融資產出現減值，須於各申報日期就可能出現之減值撥回進行檢討。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.9 Financial assets

2.9.1 Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

(c) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the statement of financial position date.

2.9 金融資產

2.9.1 分類

本集團將其金融資產分為以下類別：按公平值計入損益之金融資產、貸款及應收款項及可供出售金融資產。分類視乎購入金融資產之目的而定。管理層於初步確認時釐定其金融資產分類。

(a) *按公平值計入損益之金融資產*

按公平值計入損益之金融資產為持作買賣之金融資產。倘收購一項金融資產之主要目的為在短期內出售，則該項資產分類作此類別。衍生工具除非被指定作對沖，否則均歸入持作買賣之類別。倘其預期於12個月內清償，則此類別之資產乃分類為流動資產，否則會分類為非流動資產。

(b) *貸款及應收款項*

貸款及應收款項為非衍生金融資產，享有固定或可酌情釐定之付款(並非在活躍市場上提供報價)。此等項目均列作流動資產，惟年期由財務狀況表日期起計超過12個月之項目則除外。該等項目則列作非流動資產。貸款及應收款項均列入財務狀況表中之「應收貿易款項及其他應收款項」及「現金及現金等值項目」。

(c) *可供出售金融資產*

可供出售金融資產為非衍生工具，其指定列入此類別或並不列入其他任何類別。除非管理層擬於財務狀況表日期起計12個月內出售有關投資，否則可供出售金融資產計入非流動資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.9 Financial assets (Continued)

2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other gains — net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of 'other income' when the Group's right to receive payments is established.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'Gains and losses from investment securities'.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

2.9 金融資產(續)

2.9.2 確認及計量

金融資產之經常性買賣在交易日(即本集團承諾購買或出售資產之日期)確認。所有並非按公平值計入損益之金融資產之投資初步以公平值加交易成本確認。按公平值計入損益之金融資產初步以公平值確認，交易成本於收益表支銷。倘從投資收取現金流量之權利已屆滿或已轉移及本集團已將所有權之絕大部份風險及回報轉移，則金融資產將終止確認。可供出售金融資產及按公平值計入損益之金融資產其後以公平值列值。貸款及應收款項採用實際利息法，以攤銷成本列值。

因「按公平值計入損益之金融資產」類別之公平值變動產生之盈虧於產生期間在收益表內之「其他收益 — 淨值」列賬。當本集團收取付款之權利確立時，按公平值計入損益之金融資產之股息收入於收益表內確認為「其他收入」之一部份。

倘分類為可供出售之證券獲出售或減值，於權益確認之累計公平值調整將計入收益表之「投資證券之收益及虧損」內。

具報價投資之公平值根據現行競價計算。倘金融資產(及非上市證券)之市場並不活躍，本集團將使用估值技術釐定公平值。此等技術包括使用近期之公平交易、參考大致相同之其他工具及貼現現金流量分析，以及購股權定價模式，盡量使用市場投入，而盡可能減少對實體特定投入之依賴。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.9 Financial assets (Continued)

2.9.3 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement — is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.10 Inventories

Inventories representing merchandising stocks are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first-in-first out costing method prior to 1 April 2012, and using the weighted-average costing method after 1 April 2012, which better reflects the movement of the inventories. The impact from the change in the calculation method does not have significant impact on the balances and amounts recognised as at 31 March 2012 and 31 March 2013 and for the year ended 31 March 2013. The impact from the change in the calculation method on the balances prior to 31 March 2012 cannot be quantified due to limitations in the Group's information system which has been discontinued during the year.

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

2.9 金融資產(續)

2.9.3 金融資產之減值

本集團於各報告期末評估有否客觀憑證顯示金融資產或一組金融資產出現減值。就分類為可供出售之股本證券而言，有關證券之公平值大幅或持續下降至低於其成本將視作該證券之減值跡象。倘可供出售金融資產出現任何有關憑證，累計虧損(按收購成本與現行公平值之差額，減有關金融資產以往已於收益表確認之任何減值虧損計量)從權益移除，並於收益表確認。就股本工具於收益表確認之減值虧損不會透過收益表撥回。

2.10 存貨

存貨即銷售庫存乃按成本及可變現淨值兩者中之較低者列賬。成本(包括所有採購成本及(如適用)兌換成本及將存貨送達現存地點及達致現時狀況產生之其他成本)於2012年4月1日前按先進先出成本法計算，並於2012年4月1日後按加權平均成本法計算，此將更能反映存貨之變動。計算方法變動之影響對2012年3月31日及2013年3月31日以及截至2013年3月31日止年度之結餘及已確認金額並無重大影響。基於本集團於本年度停止資訊系統所限，故未能量化2012年3月31日前結餘及已確認金額之計算方法變動之影響。

可變現淨值指於一般業務過程中之估計售價減估計完成成本及估計進行銷售之所需成本。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.11 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within selling and distribution costs. When a trade receivable is uncollectible, it is written off against the allowance accounts for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and distribution costs in the income statement.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturity of 3 months or less.

2.13 Share capital

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

2.14 Trade payables

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

2.11 應收貿易款項及其他應收款項

應收貿易款項及其他應收款項初步按公平值確認，其後則以實際利息法按攤銷成本減減值撥備計量。倘有客觀憑證顯示本集團將無法按照應收款項之原有條款收回所有到期款項時，即就應收貿易款項及其他應收款項設定減值撥備。債務人出現嚴重財政困難、債務人可能破產或進行財務重組，以及無力償款或拖欠賬款，均被視為應收貿易款項之減值跡象。撥備金額為資產賬面值與按實際利率貼現之估計未來現金流量之現值兩者之差額。資產之賬面值透過使用備抵賬予以扣減，虧損之金額於收益表內確認為銷售及分銷成本。當貿易應收款項不可收回時，用其撇銷應收貿易款項之備抵賬。其後收回先前撇銷之金額於收益表內計入銷售及分銷成本。

2.12 現金及現金等值項目

現金及現金等值項目包括手頭現金、銀行通知存款及原到期日為3個月或以下之其他短期高流通投資。

2.13 股本

普通股分類為權益。發行新股份或購股權直接應佔之遞增成本乃於權益中列為所得款項之扣減(已扣除稅項)。

2.14 應付貿易款項

應付貿易款項初步按公平值確認並於隨後使用實際利息法按攤銷成本計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.15 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.16 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2.15 借貸及借貸成本

借貸初步按公平值扣除所產生交易成本確認。借貸其後按攤銷成本列值，所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期間以實際利息法在收益表確認。

借貸分類為流動負債，除非本集團具無條件權力遞延負債還款期至財務狀況表日期起計最少12個月則作別論。

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售之資產)之一般及特定借貸成本，加入該等資產之成本內，直至資產大致上備妥供其預定用途或銷售為止。所有其他借貸成本在產生期內之損益中確認。

2.16 即期及遞延所得稅

即期所得稅開支乃按於財務狀況表日期在本公司及其附屬公司經營及產生應課稅收入之國家已經制定或大致上已制定之稅法計算。管理層就受適用稅規詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下按預期須向稅務機關支付之金額設定撥備。

遞延所得稅乃採用負債法就資產及負債之稅基與其於綜合財務報表賬面值之暫時差額作出全面撥備。然而，倘若於初步確認一項交易(業務合併除外)之資產或負債所產生之遞延所得稅於交易時不會對會計或應課稅溢利或虧損造成影響，則該等遞延所得稅並不會記賬。遞延所得稅乃根據於財務狀況表日期已經制定或大致上已制定，且預期相關之遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率(及法例)釐定。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.16 Current and deferred income tax (Continued)

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.17 Employee benefits

(a) Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for long service leave as a result of services rendered by employees up to the statement of financial position date.

(b) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(c) Pension obligations

The group companies in the PRC participate in defined contribution retirement benefit plans organised by relevant government authorities for its employees in the PRC and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant government authorities. The government authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans.

2.16 即期及遞延所得稅(續)

遞延所得稅資產之確認以日後可能產生動用暫時差額備抵之應課稅溢利之情況為限。

遞延所得稅按於附屬公司之投資所產生之暫時差額作出撥備，惟暫時差額撥回之時間可由本集團加以控制及暫時差額於可見之未來可能不會撥回者除外。

2.17 僱員福利

(a) 僱員應享假期

僱員之年假和長期服務休假之權利在僱員應享有時確認。本集團為截至財務狀況表日期止僱員已提供之服務而產生之長期服務休假之估計負債作出撥備。

(b) 應享花紅

當本集團因僱員提供服務而導致現有法律或推定責任，而有關責任可予可靠地估計時，則支付花紅之預期成本予以確認為負債。

花紅負債預期於12個月內支付，並按清償時預期支付之數額計算。

(c) 退休金責任

位於中國之集團公司為其中國僱員參與有關政府當局為其中國僱員舉辦之定額供款退休福利計劃，並根據僱員薪資之若干百分比向該等計劃按月供款不超過有關政府當局規定之最高固定貨幣金額。根據該等計劃，政府當局承擔應付所有現有及未來退休僱員之退休福利責任。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.17 Employee benefits (Continued)

(c) Pension obligations (Continued)

The group companies in Hong Kong participate in a mandatory provident fund scheme (“MPF Scheme”) for its employees in Hong Kong. MPF Scheme is a defined contribution scheme in accordance with the Mandatory Provident Fund Scheme Ordinance. Under the rules of MPF Scheme, the employer and its employees are required to contribute 5% of the employees’ salaries, up to a maximum of HK\$1,250 per employee per month. The assets of MPF Scheme are held separately from those of the Group in an independently administered fund.

(d) Share-based compensation

The Group operates a number of equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.17 僱員福利(續)

(c) 退休金責任(續)

位於香港之集團公司為其香港僱員參與強制性公積金計劃(「強積金計劃」)。根據強制性公積金計劃條例，強積金計劃為定額供款計劃。根據強積金計劃規則，僱主及其僱員須按僱員薪資之5%供款，最高為每月每名僱員1,250港元。強積金計劃之資產與本集團之資產分開，由獨立管理之基金持有。

(d) 股份補償

本集團設有多個按股權結算以股份支付之補償計劃。按僱員服務以換取授出購股權之公平值乃確認為開支。於歸屬期內支銷之總額乃參照已授出購股權之公平值釐定，惟不包括任何非市場歸屬條件之影響(例如盈利能力及銷售增長目標)。於估計預期將歸屬之購股權數目時亦將考慮非市場歸屬條件。於各財務狀況表日期，實體會修改其估計預期將歸屬之購股權數目，並於收益表內確認修改原來估計(如有)之影響，以及須對權益作出之相應調整。

購股權獲行使時，已收取所得款項(扣除任何直接應佔交易成本)列入股本(面值)及股份溢價中。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, rebates, returns and discounts and after eliminated sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2.18 撥備

當本集團就過往事件而須負上現有之法定或推定責任，並可能須動用資源以履行有關責任，且有關金額已可靠地估計時，則會確認撥備。重組撥備包括終止租賃罰款及解僱賠償。未來經營虧損撥備不會確認入賬。

倘出現多項類似責任，將會考慮整體責任所屬類別以釐定清償責任會否導致資源流出。即使同一類別責任中任何一項可能流出資源之機會不大，仍會確認撥備。

撥備以履行責任所預計須產生之開支現值計量，計算該等現值使用之稅前貼現率反映當前市場對貨幣時間價值及該責任特有之風險評估。時間流逝導致撥備金額之增加乃確認為利息開支。

2.19 收益之確認

收益包括於本集團日常業務過程中就銷售貨品及服務所收取或應收取代價之公平值。收益於扣除增值稅、退稅、退款及折扣及抵銷本集團內部銷售後入賬。

當收益金額能可靠計量時，可能未來有經濟利益將會流入實體及以下所述本集團各項業務已符合特定標準時，本集團會確認收益。直至有關銷售之所有或然事項均已解決後方視收益金額為可靠計量。本集團根據歷史業績進行估計，並考慮客戶類型、交易類型及每項安排之特性。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.19 Revenue recognition (Continued)

(a) Sales of goods — retail

The Group operates a chain of retail outlets for selling footwear. Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card.

(b) Sales of goods — wholesale

The Group sells a range of footwear products in the wholesale market. Sales of goods are recognised when a group entity has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the objective evidence that all criteria for acceptance have been satisfied.

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(d) Dividend income

Dividend income is recognised when the shareholders' right to receive payment is established.

(e) License fee and royalty

License fee and royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

2.19 收益之確認(續)

(a) 銷售貨品 — 零售

本集團為銷售鞋類經營零售連鎖店。當集團實體銷售貨品予客戶時確認銷售貨品。零售銷售一般以現金或信用卡結算。

(b) 銷售貨品 — 批發

本集團於批發市場銷售多種鞋類產品。當集團實體交付產品予批發商，而批發商對出售產品之渠道及價格有充分酌情權，及並不能償付之責任可影響批發商對該等產品之接納時，確認銷售貨品。在產品貨運至特定地點、陳舊過時及虧損風險已轉移予批發商時及批發商按銷售合約規定已接納產品、接納規定已失效或有客觀證據顯示接納之所有標準均已達致時方確認交付。

(c) 利息收入

利息收入採用實際利息法按時間比例基準確認。

(d) 股息收入

股息收入於股東收取款項之權利確立時確認。

(e) 特許使用費及專利費收入

特許使用費及專利費收入根據有關協議之內容按應計基準確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.19 Revenue recognition (Continued)

(f) Rental income

Operating lease rental income is recognised on a straight-line basis over the lease period.

2.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2.21 Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentive received from the lessor and exclusive of any turnover rental payments which are calculated by reference to a pre-determined percentage of a tenant's monthly sales) are expensed in the income statement on a straight-line basis over the period of the lease. Turnover rental payments are recognised on an accrual basis.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.19 收益之確認(續)

(f) 租金收入

經營租賃租金收入按租期以直線法確認。

2.20 政府撥款

倘能夠合理保證政府撥款將可收取及本集團將遵守所有附帶條件，則撥款將按其公平值確認。

2.21 租賃

出租人保留擁有權之絕大部份風險及回報之租賃分類為經營租賃。經營租賃租金(扣除收取任何出租人提供之優惠後，亦不包括任何參考承租人每月銷售額之某一預先釐定百分比按營業額計算之租金)在租期內按直線法在收益表內支銷。按營業額計算之租金乃按應計基準確認。

本集團出租若干物業、廠房及設備。如本集團持有物業、廠房及設備擁有權之絕大部份風險及回報，該等租賃分類為融資租賃。融資租賃在租賃開始時按租賃物業之公平值與最低租賃付款現值兩者之較低者資本化。

每項租賃款項均分攤為負債及財務費用，以達到財務費用佔融資結欠額之一個固定比率。相應租賃責任在扣除財務費用後計入其他短期及其他長期應付款項。財務費用之利息部份於租期內在收益表支銷，以達到利息與各期間之負債餘額之常數為一個固定利率。根據融資租賃收購之物業、廠房及設備，按資產之可使用年期或租期之較短者折舊。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

主要會計政策概要(續)

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or the Board of Directors, as appropriate.

2.22 股息分派

給予本公司股東之股息分派於股息獲本公司股東或董事會(按適用情況而定)批准之本集團期內財務報表內確認為負債。

3. FINANCIAL RISK MANAGEMENT

財務風險管理

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk, price risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

(a) Foreign currency risk

The Group operates principally in Hong Kong and in the PRC. Transactions are mainly conducted in the functional currency of each group entity and therefore the foreign currency risk is considered to be minimal.

The conversion of Renminbi ("RMB") into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing asset. The Group's interest rate risk arises from borrowings. Borrowings at variable rates expose the Group to cash flow interest-rate risk. Borrowings at fixed rates expose the Group to fair value interest-rate risk.

3.1 財務風險因素

本集團業務面臨多種財務風險：市場風險(包括外匯風險及利率風險)、信貸風險、價格風險及流動資金風險。本集團之整體風險管理程序專注於金融市場之不可預測性，並尋求將本集團財務表現之潛在不利影響降至最低。

管理層定期管理本集團之財務風險。由於本集團財務架構及現時營運之簡單性，管理層並未進行任何重大對沖活動。

(a) 外幣風險

本集團主要於香港及中國營運，交易主要以各集團實體之功能貨幣進行，因此外幣風險極小。

將人民幣(「人民幣」)兌換成外幣須遵守中國政府所頒布之外匯管制規則及法規。

(b) 利率風險

由於本集團並無重大計息資產，故本集團之收入及經營現金流量大致上不受市場利率變動所影響。本集團之利率風險主要歸因於借貸。按可變利率計息之借貸令本集團面臨現金流量利率風險。按固定利率計息之借貸令本集團面臨公平值利率風險。

3. FINANCIAL RISK MANAGEMENT (Continued)
財務風險管理(續)

3.1 Financial risk factors (Continued)

(b) Interest rate risk (Continued)

At 31 March 2013, the Group's borrowings were carried at fixed rates and expose the Group to fair value interest rate risk.

(c) Credit risk

The Group's credit risk arises from cash and cash equivalents, as well as credit exposures to trade and other receivables. Management has policies in place to monitor the exposures to these credit risks on an on-going basis. Deposits are placed with major and sizeable banks with high credit ratings and management expects no losses from non-performing banks.

Sales to retail customers are made in cash or via major credit cards. The Group's concessionaire sales through department stores are generally collectible within 60 days from the invoice date. Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past.

The Group has put in place policies to ensure that wholesale sales of products are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

The Group also makes deposits (current and non-current) for rental of certain of its retail sales point with the relevant landlords. Management does not expect any loss arising from non-performance by these counterparties.

The maximum exposure to credit risk at the reporting dates is the fair value of each class of cash and cash equivalents, trade and other receivables.

3.1 財務風險因素(續)

(b) 利率風險(續)

於2013年3月31日，本集團之借貸乃固定利率計息及令本集團承受公平值利率風險。

(c) 信貸風險

本集團之信貸風險來自現金及現金等值項目，以及應收貿易款項及其他應收款項所面臨之信貸風險。管理層已設置政策持續監察該等信貸風險。存款存放於具規模及高信貸評級之主要銀行及管理層預期不會自不良銀行產生虧損。

對零售客戶之銷售以現金方式或透過主要信用卡結算。本集團透過百貨公司進行之特許經營銷售一般自發票日期起60日內可予收集。一般而言，本集團並無為貿易應收款項收取抵押品。現有債務人於過往並無重大欠款。

本集團已設置政策確保產品之批發銷售乃給予具有適當信貸歷史之客戶及本集團對其客戶進行定期信貸評估。

本集團亦向有關地主支付其零售點之租金按金(流動及非流動)。管理層預期不會由於該等交易對手不履約而招致任何損失。

於申報日期時之最大信貸風險，乃各類現金及現金等值項目及應收貿易款項及其他應收款項之公平值。

3. FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(d) Price risk

The Group's available-for-sale financial assets and financial assets at fair value through profit or loss, which are measured at fair value at each statement of financial position date, are subject to equity price risk. The management manages this exposure by closely monitoring the equity price.

At 31 March 2013, the Group does not hold any financial assets at fair value through profit or loss. At 31 March 2012, if the prices of the underlying investments in financial assets at fair value through profit or loss had been 10% higher/lower with all other variables held constant, the Group's loss after taxation would have been HK\$2,270,000 lower/higher.

At 31 March 2013, if the prices of the available-for-sale financial assets had been 10% higher/lower with all other variables held constant, the Group's equity would have been HK\$3,976,000 (2012: HK\$4,215,000) higher/lower, respectively.

(e) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The accounts disclosed in the table are the contractual undiscounted cash flows based on the earliest date on which the Group can be required to pay.

3.1 財務風險因素(續)

(d) 價格風險

本集團之可供出售金融資產及按公平值計入損益之金融資產乃於各個財務狀況表日期按公平值計量，並須承受股本價格風險。管理層透過密切監察股本價格管理該項風險。

於2013年3月31日，本集團並無持有任何按公平值計入損益之金融資產。於2012年3月31日，倘按公平值計入損益之金融資產中之相關投資價格上升/下降10%，而所有其他變數維持不變，則本集團之除稅後虧損將減少/增加2,270,000港元。

於2013年3月31日，倘可供出售金融資產之價格上升/下降10%，而所有其他變數維持不變，則本集團之股本將分別增加/減少3,976,000港元(2012年：4,215,000港元)。

(e) 流動資金風險

審慎之流動資金風險管理包括維持充裕之現金及透過足夠款額之承諾信貸融資提供所需資金。本集團旨在透過維持可供動用之承諾信貸額保持資金之靈活性。

下表按照於財務狀況表日期餘下期間至合約到期日之有關到期組別分析本集團之金融負債。表中所披露之金額為根據本集團可被要求付款之最早日期計算之合約未貼現現金流量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.1 Financial risk factors (Continued)

(e) Liquidity risk (Continued)

| | | Within 1 year 1年內 HK\$'000 千港元 | Between 1 to 5 years 1年至5年 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---------------------|--|--|--------------------------------|
| As at 31 March 2013: | 於2013年3月31日： | | | |
| Borrowings | 借貸 | 5,425 | — | 5,425 |
| Trade payables | 應付貿易款項 | 161,679 | — | 161,679 |
| Accruals and other payables | 應計費用及其他應付款項 | 73,741 | — | 73,741 |
| | | 240,845 | — | 240,845 |
| As at 31 March 2012: | 於2012年3月31日： | | | |
| Borrowings | 借貸 | 6,117 | — | 6,117 |
| Trade payables | 應付貿易款項 | 156,016 | — | 156,016 |
| Other payables, accruals and other liabilities | 其他應付款項、應計費用及其他負債 | 72,684 | — | 72,684 |
| | | 234,817 | — | 234,817 |

3.1 財務風險因素(續)

(e) 流動資金風險(續)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's capital structure is being reviewed annually to ensure these objectives are to be achieved.

3.2 資本風險管理

本集團管理其資本以確保本集團能夠持續經營，以為股東提供回報及為其他權益持有人提供利益，同時保持最佳之資本結構以減低資本成本。

為保持或調整資本結構，本集團可能調整派付予股東之股息金額、退回資本予股東、發行新股份或出售資產以減低債務。

本集團之資本結構會每年予以檢討，以確保達到該等目標。

3. FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.2 Capital risk management (Continued)

During the year 2013, the Group's strategy was to maintain a gearing ratio within 5%. The gearing ratios at 31 March 2012 and 2013 were as follows:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|------------------|--------|-------------------------|-------------------------|
| Total borrowings | 總借貸 | 5,400 | 6,075 |
| Total assets | 總資產 | 929,305 | 1,002,777 |
| Gearing ratio | 資產負債比率 | 0.6% | 0.6% |

Note: the calculation of gearing ratio is based on the total borrowings divided by total assets as at 31 March.

3.2 資本風險管理(續)

於2013年，本集團之策略為維持資產負債比率於5%內。於2012年及2013年3月31日之資產負債比率如下：

附註：資產負債比率乃按3月31日之總借貸除以總資產計算。

3.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, equity-linked notes) is determined based on the dividend yield, risk-free rate, volatility of the underlying assets and other market conditions existing at each statement of financial position date.

The carrying value less impairment provision of trade receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3.3 公平值估計

於活躍市場買賣之金融工具(如可供出售證券)之公平值乃根據於財務狀況表日期之市場報價計算。本集團持有之金融資產所採用之市場報價為現行競價。

並非於活躍市場買賣之金融工具(如股票掛鈎票據)之公平值乃根據相關資產之股息率、無風險利率、波幅及於各財務狀況表日期存在之其他市況釐定。

應收貿易款項及應付貿易款項之賬面值減去減值撥備後與其公平值合理相若。就披露而言，金融負債之公平值乃按本集團可取得之類似金融工具之現行市場利率貼現未來合約現金流量作出估算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. FINANCIAL RISK MANAGEMENT (Continued)

財務風險管理(續)

3.3 Fair value estimation (Continued)

Fair value measurement hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value:

| | | As at 31 March 2013 | | | As at 31 March 2012 | | |
|---|---------------|---------------------|----------|----------|---------------------|----------|----------|
| | | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| | | 第1層級 | 第2層級 | 第3層級 | 第1層級 | 第2層級 | 第3層級 |
| | | 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 |
| Assets | 資產 | | | | | | |
| Financial assets at fair value through profit or loss | 按公平值計入損益之金融資產 | — | — | — | 22,699 | — | — |
| Available-for-sale financial assets | 可供出售金融資產 | 39,759 | — | — | 42,145 | — | — |
| Total assets | 資產總值 | 39,759 | — | — | 64,844 | — | — |

3.3 公平值估計(續)

公平值計量層級

下表使用估值法分析按公平值計量之金融工具。不同層級界定如下：

- 相同資產或負債在活躍市場之報價(第1層級)；
- 除第1層級所計及之報價外，有關資產或負債之輸入值可直接地(即價格)或間接地(即衍生自價格)(第2層級)觀察而得；
- 有關資產或負債之輸入值並非依據可觀察之市場數據(即不可觀察之輸入值)(第3層級)。

下表呈列本集團按公平值計量之資產及負債：

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS 重大會計估計及判斷

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful life of trademark

Estimated useful life of the Group's trademark is 20 years. This conclusion is supported by the fact the trademark is approximately 20 years in duration, with reference to well known and long established brand and based on past and future financial performance of the trademark. It is expected to generate positive cash flows for 20 years. The assumptions could change significantly as a result of changes in the footwear industry or competitor actions in response to severe industry cycles. Under HKAS 38, the Group re-evaluates the useful life of trademark each year to determine whether events and circumstances continue to support the view of the estimated useful life of the trademark.

(b) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual residual value and useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of any future management determination of shop relocation or renovation. Management will increase the depreciation charge where residual value or useful lives are less than previously estimated, or it will write-off or write-down non-strategic assets that have been abandoned or sold.

估計及判斷會不斷評估，並按過往經驗及其他因素(包括於有關情況下相信為合理之未來事件之預測)而作出。

本集團對未來作出估計及假設。顧名思義，由此產生之會計估計，於極少情況下會與有關實際結果相同。極可能導致須對下個財政年度之資產及負債之賬面值作出重大調整風險之估計及假設討論如下。

(a) 商標之可使用年期

本集團商標之估計可使用年期為20年。結論乃因應商標約20年之年期而得出，並經參考知名度高且成立已久之品牌及按商標之過往及未來財政表現釐定。預期能於20年間帶來正向現金流量。鞋類行業之變動或嚴峻之行業週期所引致之競爭對手行動可能使假設有重大變動。根據香港會計準則第38號，本集團每年均重新評估商標之可使用年期，以釐定事件及情況是否繼續支持商標之估計可使用年期之觀點。

(b) 物業、廠房及設備之可使用年期

本集團對其物業、廠房及設備之可使用年期及有關折舊費用作出估計。該估計乃根據相若性質及功能之物業、廠房及設備之實際剩餘價值及可使用年期之過往經驗計算。任何未來管理層決定進行店鋪搬遷或翻新均會引致大幅變動。管理層在剩餘價值或可使用年期低於先前之估計時將提高折舊費用，或將撇銷或撇減已棄置或出售之非策略性資產。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

重大會計估計及判斷(續)

(c) Estimated write-downs of inventories to net realisable value

The Group writes down inventories to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of inventories and write-downs of inventories in the years in which such estimates have been changed.

(d) Income taxes

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

(e) Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or market valuations. The calculations require the use of judgements and estimates.

(c) 估計撇減存貨至可變現淨值

本集團根據存貨之可變現性之評估將存貨撇減至可變現淨值。當有事件或變動於有關情況下顯示結餘不得變現時，對存貨作撇減記賬。撇減之識別須運用判斷及估計。當預期不同於原先估計時，該等差額將影響存貨之賬面值及存貨於該等估計已有變動之該等年度內之撇減。

(d) 所得稅

本集團須繳納香港及中國所得稅。在釐定所得稅撥備時須作出重大判斷。於一般業務過程中，不少交易及計算之最終稅項不能明確釐定。本集團根據對是否有額外稅項到期未付之估計對預期稅項審核問題確認負債。當該等事項之最終稅項結果不同於最初入賬之金額時，該等差額將影響作出稅項釐定期間之所得稅及遞延稅項撥備。

(e) 物業、廠房及設備及無形資產之減值

物業、廠房及設備及無形資產在出現任何顯示可能無法收回賬面值之事件或情況出現變化時進行減值檢討。可收回金額乃根據使用價值計算或市場估值釐定。該等計算須運用判斷及估計。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

重大會計估計及判斷(續)

(f) Impairment of available-for-sale financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that the available-for-sale financial assets are impaired. For available-for-sale debt securities, the Group uses the same criteria for assessment of impairment in trade and other receivables (Note 2.11). In determining when an available-for-sale equity investment is impaired, significant judgement is required. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost.

(f) 可供出售金融資產之減值

本集團於各申報日期末評估有否客觀證據證明可供出售金融資產減值。就可供出售債務證券而言，本集團使用相同標準評估應收貿易款項及其他應收款項(附註2.11)。於釐定可供出售股本投資是否減值時須作出重大判斷。在作出判斷時，本集團評估(包括其他因素)投資之公平值低於其成本之時間長短及幅度。

5. SEGMENT INFORMATION

分部資料

The Group is principally engaged in the retailing of footwear in Hong Kong, the PRC and Taiwan.

本集團主要於香港、中國及台灣從事鞋類零售。

The chief operating decision-maker has been identified as the executive directors (“Executive Directors”). The Executive Directors review the Group’s financial information to assess performance and allocate resources. Management has determined the operating segments based on these reports.

執行董事(「執行董事」)已釐定為主要營運決策人。執行董事審閱本集團之財務資料以評估表現及分配資源。管理層根據該等報告釐定經營分部。

The Executive Directors consider the business from a geographic prospective. The Executive Directors assess the performance of the operating segments based on a measure of segment profit/(loss) without allocation of administrative expenses, other gains, other income and finance income/(costs), which is consistent with that in the financial statements.

執行董事按地理位置分類業務。執行董事根據分部溢利/(虧損)(不包括所分配之行政開支、其他收益、其他收入及財務收入/(費用))之計量評估經營分部之表現，其與財務報表所載者一致。

Segment assets exclude tax recoverable, deferred income tax assets, available-for-sale financial assets and financial assets at fair value through profit or loss.

分部資產不包括可收回稅項、遞延所得稅資產、可供出售金融資產及按公平值計入損益之金融資產。

Segment liabilities exclude tax payable, deferred income tax liabilities and obligation under finance lease.

分部負債不包括應付稅項、遞延所得稅負債及融資租賃承擔。

In respect of geographical segment reporting, sales are based on the country in which the customer is located, and total assets and capital expenditure are based on the country where the assets are located.

就地區分部報告而言，銷售乃按客戶所在國家作出，而總資產及資本開支乃按資產所在國家作出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

分部資料(續)

The segment results for the year ended 31 March 2013 are as follows:

截至2013年3月31日止年度之分部業績如下：

| | | Hong Kong 香港 HK\$'000 千港元 | The PRC 中國 HK\$'000 千港元 | Taiwan 台灣 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------|------------------------------------|----------------------------------|---------------------------------|---------------------------------------|--------------------------------|
| Revenue from sales of footwear, fashion wears and accessories | 來自鞋類、流行服裝及配飾銷售之收入 | 260,279 | 1,089,934 | 25,043 | — | 1,375,256 |
| Segment profit/(loss) | 分部溢利/(虧損) | (9,956) | 52,495 | (3,042) | (131,262) | (91,765) |
| Finance income | 財務收入 | | | | | 272 |
| Finance costs | 財務費用 | | | | | (453) |
| Income tax expense | 所得稅開支 | | | | | (3,363) |
| Loss for the year | 本年度虧損 | | | | | (95,309) |
| Other segment items are as follows: | 其他分部項目如下： | | | | | |
| Capital expenditure | 資本支出 | 4,267 | 25,656 | 657 | — | 30,580 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 8,595 | 24,826 | 1,389 | — | 34,810 |
| Depreciation of investment property | 投資物業之折舊 | 32 | — | — | — | 32 |
| Amortisation of intangible assets | 無形資產之攤銷 | 2,187 | 530 | — | 3,478 | 6,195 |
| Impairment of property, plant and equipment | 物業、廠房及設備之減值 | 480 | 988 | — | — | 1,468 |
| Impairment of intangible assets | 無形資產之減值 | — | — | — | 16,000 | 16,000 |
| Net provision for inventories | 存貨撥備淨額 | 1,265 | 5,944 | 131 | — | 7,340 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

分部資料(續)

The segment results for the year ended 31 March 2012 are as follows:

截至2012年3月31日止年度之分部業績如下：

| | | Hong Kong 香港 HK\$'000 千港元 | The PRC 中國 HK\$'000 千港元 | Taiwan 台灣 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------|------------------------------------|----------------------------------|---------------------------------|---------------------------------------|--------------------------------|
| Revenue from sales of footwear, fashion wears and accessories | 來自鞋類、流行服裝及配飾銷售之收入 | 298,533 | 1,125,173 | 27,789 | — | 1,451,495 |
| Segment profit/(loss) | 分部溢利/(虧損) | 4,224 | 94,728 | (1,565) | (104,256) | (6,869) |
| Finance income | 財務收入 | | | | | 336 |
| Finance costs | 財務費用 | | | | | (775) |
| Income tax expense | 所得稅開支 | | | | | (4,258) |
| Loss for the year | 本年度虧損 | | | | | (11,566) |
| Other segment items are as follows: | 其他分部項目如下： | | | | | |
| Capital expenditure | 資本支出 | 6,729 | 34,173 | 1,559 | — | 42,461 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 8,121 | 25,699 | 1,186 | — | 35,006 |
| Depreciation of investment property | 投資物業之折舊 | 33 | — | — | — | 33 |
| Amortisation of intangible assets | 無形資產之攤銷 | 2,510 | 315 | — | 3,478 | 6,303 |
| Impairment of property, plant and equipment | 物業、廠房及設備之減值 | 471 | — | — | — | 471 |
| Net provision for inventories | 存貨撥備淨額 | 3,562 | 4,212 | 226 | — | 8,000 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

分部資料(續)

The segment assets and liabilities at 31 March 2013 are as follows:

於2013年3月31日之分部資產及負債如下：

| | | Hong Kong 香港 HK\$'000 千港元 | The PRC 中國 HK\$'000 千港元 | Taiwan 台灣 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-------------------------|-------|------------------------------------|----------------------------------|---------------------------------|--------------------------------|
| Segment assets | 分部資產 | 174,135 | 640,806 | 17,250 | 832,191 |
| Unallocated assets | 未分配資產 | | | | 97,114 |
| Total assets | 資產總額 | | | | 929,305 |
| Segment liabilities | 分部負債 | 22,216 | 210,071 | 8,533 | 240,820 |
| Unallocated liabilities | 未分配負債 | | | | 6,249 |
| Total liabilities | 負債總額 | | | | 247,069 |

The segment assets and liabilities at 31 March 2012 are as follows:

於2012年3月31日之分部資產及負債如下：

| | | Hong Kong 香港 HK\$'000 千港元 | The PRC 中國 HK\$'000 千港元 | Taiwan 台灣 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-------------------------|-------|------------------------------------|----------------------------------|---------------------------------|--------------------------------|
| Segment assets | 分部資產 | 179,273 | 661,066 | 20,992 | 861,331 |
| Unallocated assets | 未分配資產 | | | | 141,446 |
| Total assets | 資產總額 | | | | 1,002,777 |
| Segment liabilities | 分部負債 | 20,017 | 204,595 | 10,102 | 234,714 |
| Unallocated liabilities | 未分配負債 | | | | 4,793 |
| Total liabilities | 負債總額 | | | | 239,507 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. EXPENSES BY NATURE

按性質分類之開支

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|---------------------|-------------------------|-------------------------|
| Purchase of and changes in inventories | 購入存貨及存貨變動 | 548,426 | 592,339 |
| Auditor's remuneration | 核數師酬金 | | |
| — current | — 即期 | 1,965 | 1,915 |
| — under provision in respect of prior year | — 過往年度撥備不足 | — | 7 |
| Depreciation of property, plant and equipment (Note 16) | 物業、廠房及設備之折舊 (附註 16) | | |
| — owned assets | — 擁有之資產 | 34,545 | 34,740 |
| — leased assets | — 租賃之資產 | 265 | 266 |
| Impairment of property, plant and equipment (Note 16) | 物業、廠房及設備之減值 (附註 16) | 1,468 | 471 |
| Depreciation of investment property | 投資物業之折舊 | 32 | 33 |
| Amortisation of intangible assets (Note 18) | 無形資產之攤銷 (附註 18) | 6,195 | 6,303 |
| Impairment of intangible assets (Note 18) | 無形資產之減值 (附註 18) | 16,000 | — |
| Operating lease rental in respect of leasehold land and buildings | 租賃土地及樓宇之經營租賃租金 | | |
| — minimum lease payments | — 最低租賃款項 | 51,425 | 44,101 |
| — including turnover rental expenses | — 包括按營業額計算之租金開支 | 406,514 | 400,081 |
| Advertising and promotion expenses | 廣告及宣傳開支 | 26,108 | 26,461 |
| Net provision for inventories | 存貨撥備淨值 | 7,340 | 8,000 |
| Employee benefit expenses (Note 9) | 僱員福利開支 (附註 9) | 264,877 | 251,974 |
| Other expenses | 其他開支 | 110,448 | 108,702 |
| Total cost of sales, selling and distribution costs and administrative expenses | 銷售成本、銷售及分銷成本及行政費用總額 | 1,475,608 | 1,475,393 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. EXPENSES BY NATURE (Continued)

按性質分類之開支(續)

Expenses by nature of the Group has been presented in the consolidated income statement as follows:

於綜合收益表呈列之本集團按性質分類之開支如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------------------------|---------|-------------------------|-------------------------|
| Cost of sales | 銷售成本 | 555,810 | 600,476 |
| Selling and distribution costs | 銷售及分銷成本 | 779,949 | 753,632 |
| Administrative expenses | 行政費用 | 139,849 | 121,285 |
| | | 1,475,608 | 1,475,393 |

7. OTHER GAINS — NET

其他收益 — 淨值

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|-----------------------------|-------------------------|-------------------------|
| Financial assets at fair value through profit or loss — fair value gains (Note 25) | 按公平值計入損益之金融資產 — 公平值收益(附註25) | — | 5,025 |
| Profit/(loss) on disposal of financial assets at fair value through profit or loss | 出售按公平值計入損益之金融資產之溢利/(虧損) | 1,359 | (3) |
| Gain on fair value release on disposal of available-for-sale financial assets | 出售可供出售金融資產時撥回之公平值收益 | 27 | — |
| Gain on disposal of available-for-sale financial assets | 出售可供出售金融資產之收益 | 68 | 130 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | (399) | (405) |
| Loss on disposal of intangible assets | 出售無形資產之虧損 | — | (335) |
| Net foreign exchange gains | 外匯收益淨值 | 191 | 102 |
| | | 1,246 | 4,514 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. OTHER INCOME 其他收入

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|--------------------|-------------------------|-------------------------|
| Dividend income on available-for-sale financial assets | 可供出售金融資產之股息收入 | 3,596 | 2,853 |
| Interest income on financial assets at fair value through profit or loss | 按公平值計入損益之金融資產之利息收入 | — | 25 |
| Dividend income on financial assets at fair value through profit or loss | 按公平值計入損益之金融資產之股息收入 | 417 | 1,199 |
| License fee and royalty income | 特許使用費及專利費收入 | 1,027 | 1,415 |
| Government subsidies | 政府補助 | 36 | 2,309 |
| Others | 其他 | 2,265 | 4,714 |
| | | 7,341 | 12,515 |

Government subsidies represent incentives received from the PRC tax authority for investment in Waigaoqiao Free Trade Zone in the PRC.

政府補助指就於中國外高橋保稅區之投資從中國稅務機關收取之優惠。

9. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) 僱員福利開支(包括董事酬金)

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|----------------|-------------------------|-------------------------|
| Salaries, wages and bonuses | 薪金、工資及花紅 | 227,943 | 217,344 |
| Pension costs — defined contribution plans | 退休金成本 — 界定供款計劃 | 30,193 | 25,798 |
| Share award and option expenses | 股份獎賞及購股權開支 | 992 | 1,904 |
| Welfare and other expenses | 福利及其他開支 | 5,749 | 6,928 |
| | | 264,877 | 251,974 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

董事及高級管理層之酬金

(a) Directors' emoluments

The aggregate of emoluments paid/payable to directors of the Group are as follows:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------------------|-------------------------|-------------------------|
| Fees | 袍金 | 682 | 620 |
| Basic salaries, housing allowances, other allowances and benefits-in-kind | 底薪、住房津貼、其他津貼及實物利益 | 4,070 | 5,499 |
| Share options and share award | 購股權及股份獎賞 | 442 | 928 |
| Contributions to pension plans | 退休金計劃供款 | 32 | 36 |
| | | 5,226 | 7,083 |

The emoluments of each director for the year ended 31 March 2013 are set out below:

(a) 董事酬金

已付／應付本集團董事之酬金總額如下：

截至2013年3月31日止年度各董事酬金載列如下：

| | | Basic salaries, housing allowance, other allowances and benefits-in-kind 底薪、住房津貼、其他津貼及實物利益 | Share options and share award 購股權及股份獎賞 | Discretionary bonuses 酌情花紅 | Contributions to pension plans 退休金計劃供款 | Total 總計 |
|---------------------------------|---------------|---|---|-------------------------------|---|-----------------|
| Fees 袍金 | Fees 袍金 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Executive directors: | 執行董事： | | | | | |
| Ms Chan Mei Sheung | 陳美雙女士 | — | 2,187 | 221 | — | 15 |
| *Mr. Kiu Wai Ming | *喬維明先生 | — | 1,549 | 221 | — | 14 |
| **Mr. Chu Yin Man | **朱賢文先生 | — | 334 | — | — | 3 |
| Non-executive directors: | 非執行董事： | | | | | |
| Mr. Sze Tsai Ping, Michael | 史習平先生 | 242 | — | — | — | — |
| Dr. Fan Yiu Kwan, JP | 范耀鈞博士太平紳士 | 220 | — | — | — | — |
| Mr. Lee Kwan Hung | 李均雄先生 | 220 | — | — | — | — |
| | | 682 | 4,070 | 442 | — | 32 |
| | | | | | | 5,226 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

董事及高級管理層之酬金(續)

(a) Directors' emoluments (Continued)

The emoluments of each director for the year ended 31 March 2012 are set out below:

| | Fees | Basic salaries, housing allowance, other allowances and benefits-in-kind | Share options and share award | Discretionary bonuses | Contributions to pension plans | Total |
|---------------------------------|----------|--|-------------------------------|-----------------------|--------------------------------|----------|
| | 袍金 | 底薪、住房津貼、其他津貼及實物利益 | 購股權及股份獎賞 | 酌情花紅 | 退休金計劃供款 | 總計 |
| | 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 |
| Executive directors: | | | | | | |
| Ms Chan Mei Sheung | — | 2,221 | 348 | 167 | 12 | 2,748 |
| *Mr. Kiu Wai Ming | — | 1,541 | 348 | 133 | 12 | 2,034 |
| **Mr. Chu Yin Man | — | 1,349 | 232 | 88 | 12 | 1,681 |
| Non-executive directors: | | | | | | |
| Mr. Sze Tsai Ping, Michael | 220 | — | — | — | — | 220 |
| Dr. Fan Yiu Kwan, JP | 200 | — | — | — | — | 200 |
| Mr. Lee Kwan Hung | 200 | — | — | — | — | 200 |
| | 620 | 5,111 | 928 | 388 | 36 | 7,083 |

* Mr. Kiu is also the chief executive of the Group.

** Mr. Chu resigned executive director on 24 June 2012.

No emoluments have been paid to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2012: Nil).

None of the directors waived their emoluments during year ended 31 March 2013 (2012: Nil).

(a) 董事酬金(續)

截至2012年3月31日止年度各董事酬金載列如下：

| | Fees | Basic salaries, housing allowance, other allowances and benefits-in-kind | Share options and share award | Discretionary bonuses | Contributions to pension plans | Total |
|---------------------------------|----------|--|-------------------------------|-----------------------|--------------------------------|----------|
| | 袍金 | 底薪、住房津貼、其他津貼及實物利益 | 購股權及股份獎賞 | 酌情花紅 | 退休金計劃供款 | 總計 |
| | 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 |
| Executive directors: | | | | | | |
| Ms Chan Mei Sheung | — | 2,221 | 348 | 167 | 12 | 2,748 |
| *Mr. Kiu Wai Ming | — | 1,541 | 348 | 133 | 12 | 2,034 |
| **Mr. Chu Yin Man | — | 1,349 | 232 | 88 | 12 | 1,681 |
| Non-executive directors: | | | | | | |
| Mr. Sze Tsai Ping, Michael | 220 | — | — | — | — | 220 |
| Dr. Fan Yiu Kwan, JP | 200 | — | — | — | — | 200 |
| Mr. Lee Kwan Hung | 200 | — | — | — | — | 200 |
| | 620 | 5,111 | 928 | 388 | 36 | 7,083 |

* 喬先生亦為本集團之行政總裁。

** 朱先生於2012年6月24日辭任執行董事。

本集團於年內並無對董事或五名最高薪酬人士給予酬金作為加入本集團之獎勵或離職補償(2012年：無)。

概無董事放棄收取截至2013年3月31日止年度(2012年：無)之酬金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

董事及高級管理層之酬金(續)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year include two directors (2012: three) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining individuals are as follows:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------------------|-------------------------|-------------------------|
| Basic salaries, housing allowances, other allowances and benefits-in-kind | 底薪、住房津貼、其他津貼及實物利益 | 2,725 | 2,016 |
| Discretionary bonuses | 酌情花紅 | — | — |
| Share options and share award | 購股權及股份獎勵 | — | 206 |
| Contributions to pension plans | 退休金計劃供款 | 21 | 12 |
| | | 2,746 | 2,234 |

The emoluments fell within the following bands:

| | | 2013 | 2012 |
|--------------------------------|----------------------------|----------|----------|
| Nil to HK\$1,000,000 | 零至 1,000,000 港元 | 2 | 1 |
| HK\$1,000,001 to HK\$2,000,000 | 1,000,001 港元至 2,000,000 港元 | 1 | 1 |
| | | 3 | 2 |

(c) Senior management's emoluments by band

Pursuant to Code Provision B.1.5 of the Listing Rules, the senior management's emoluments fell within the following bands:

| | | 2013 | 2012 |
|--------------------------------|----------------------------|----------|----------|
| Nil to HK\$1,000,000 | 零至 1,000,000 港元 | 3 | 2 |
| HK\$1,000,001 to HK\$2,000,000 | 1,000,001 港元至 2,000,000 港元 | 1 | 1 |
| | | 4 | 3 |

(b) 五名最高薪酬人士

年內，本集團五名最高薪酬人士包括兩名(2012年：三名)董事，其薪酬已於以上分析中列示。應付餘下人士之酬金如下：

酬金所屬組別如下：

(c) 按組別劃分之高級管理層酬金

根據上市規則守則條文第B.1.5條，高級管理層之酬金所屬組別如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. FINANCE INCOME AND COSTS

財務收入及費用

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------------|-------------------------|-------------------------|
| Finance income | 財務收入 | | |
| — Interest income from deposits | — 存款之利息收入 | 272 | 336 |
| Finance costs | 財務費用 | | |
| — Interest on bank borrowings | — 銀行借貸之利息 | (445) | (728) |
| — Interest on obligation under finance leases | — 融資租賃承擔之利息 | (8) | (47) |
| | | (453) | (775) |
| Finance cost, net | 財務費用 — 淨值 | (181) | (439) |

12. INCOME TAX EXPENSE

所得稅開支

The amount of income tax expense charged to the consolidated income statement represents:

於綜合收益表扣除之所得稅開支金額為：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------------|-------------------------|-------------------------|
| Current income tax | 即期所得稅 | | |
| — Hong Kong profits tax | — 香港利得稅 | — | — |
| — PRC corporate income tax | — 中國企業所得稅 | 1,892 | 4,183 |
| Over-provision in respect of prior year | 過往年度超額撥備 | (25) | (401) |
| | | 1,867 | 3,782 |
| Deferred income tax (Note 20) | 遞延所得稅(附註20) | 1,496 | 476 |
| | | 3,363 | 4,258 |

Taxation has been provided at the appropriate rates prevailing in the countries in which the Group operates. Hong Kong profits tax has not been provided for as the Group has no assessable profit for the years ended 31 March 2012 and 2013.

稅項乃按本集團經營所在國家之適當稅率計算。由於本集團於截至2012年及2013年3月31日止年度並無應課稅溢利，故並無就香港利得稅計提撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12. INCOME TAX EXPENSE (Continued)

所得稅開支(續)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

本集團未計所得稅前虧損之稅項與使用適用於綜合實體溢利之加權平均稅率計算之理論金額之差額如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|----------------------|-------------------------|-------------------------|
| Loss before income tax | 未計所得稅前虧損 | (91,946) | (7,308) |
| Tax calculated at domestic tax rates applicable to profits in the respective countries | 按各個國家適用於溢利之本地稅率計算之稅項 | (20,542) | (1,325) |
| Income not subject to tax | 毋須課稅之收入 | (7,619) | (5,617) |
| Expenses not deductible for tax purposes | 不可抵扣作稅項之開支 | 4,243 | 953 |
| Deductible temporary differences not recognised | 未確認可抵扣暫時差額 | 1,252 | 1,126 |
| Tax losses not recognised | 並無確認之稅項虧損 | 24,553 | 8,040 |
| Over-provision in respect of prior year | 過往年度超額撥備 | (25) | (401) |
| Withholding tax | 預扣稅 | 1,501 | 1,482 |
| Tax charge | 稅項支出 | 3,363 | 4,258 |

The weighted average applicable tax rate was 22% (2012: 18%) for the year. The increase is caused by the expiry of certain grandfathering provisions and preferential provisions in the PRC.

本年度之加權平均適用稅率為22% (2012年：18%)。增加乃由於若干中國特定不追溯條文及特別優惠稅率屆滿所致。

There is no tax charge relating to components of other comprehensive income for the year (2012: Nil).

本年度並無有關其他全面收益之稅項支出 (2012年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

本公司權益持有人應佔虧損

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$6,180,000 (2012: HK\$5,079,000).

於本公司財務報表處理之本公司權益持有人應佔虧損為6,180,000港元(2012年：5,079,000港元)。

14. LOSS PER SHARE

每股虧損

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

(a) 基本

每股基本虧損乃按照本公司權益持有人應佔虧損除以年內已發行普通股之加權平均數目計算。

| | | 2013 | 2012 |
|--|-----------------------|----------|---------|
| Loss attributable to equity holders of the Company (HK\$'000) | 本公司權益持有人應佔虧損 (千港元) | (92,826) | (9,713) |
| Weighted average number of ordinary shares in issue ('000) | 已發行普通股之加權平均數目 (千股) | 623,560 | 623,560 |
| Loss per share attributable to equity holders of the Company (HK cent per share) | 本公司權益持有人應佔每股虧損 (每股港仙) | (14.89) | (1.56) |

(b) Diluted

Diluted loss per share is the same as basic loss per share for the year ended 31 March 2012 and 2013 as there were no dilutive share options for the years.

(b) 攤薄

由於年內並無攤薄性購股權，故截至2012年及2013年3月31日止年度之每股攤薄虧損與每股基本虧損相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15. DIVIDEND 股息

The Board has recommended not to declare dividend for the year ended 31 March 2013 (2012: Nil).

董事會建議不宣派截至2013年3月31日止年度之股息(2012年：無)。

16. PROPERTY, PLANT AND EQUIPMENT 物業、廠房及設備

(a) Group

(a) 本集團

| | | Land and buildings 土地及樓宇 HK\$'000 千港元 | Leasehold improve- ments 租賃物業 裝修 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元 | Computer equipment 電腦設備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|------------------------|---|---|--|---|--|--------------------------------|
| At 1 April 2011 | 於2011年4月1日 | | | | | | |
| Cost | 成本 | 40,792 | 130,979 | 6,920 | 18,788 | 13,265 | 210,744 |
| Accumulated depreciation and impairment | 累計折舊及減值 | (12,175) | (117,805) | (5,000) | (13,205) | (6,934) | (155,119) |
| Net book amount | 賬面淨值 | 28,617 | 13,174 | 1,920 | 5,583 | 6,331 | 55,625 |
| Year ended 31 March 2012 | 截至2012年3月31日止年度 | | | | | | |
| Opening net book amount | 期初賬面淨值 | 28,617 | 13,174 | 1,920 | 5,583 | 6,331 | 55,625 |
| Exchange differences | 匯兌差額 | — | 319 | 7 | 79 | 60 | 465 |
| Additions | 添置 | — | 38,476 | — | 857 | 980 | 40,313 |
| Disposals | 出售 | — | (152) | (5) | (241) | (8) | (406) |
| Depreciation | 折舊 | (806) | (29,434) | (811) | (1,990) | (1,965) | (35,006) |
| Impairment | 減值 | — | (471) | — | — | — | (471) |
| Closing net book amount | 期終賬面淨值 | 27,811 | 21,912 | 1,111 | 4,288 | 5,398 | 60,520 |
| At 31 March 2012 | 於2012年3月31日 | | | | | | |
| Cost | 成本 | 40,792 | 85,143 | 6,928 | 18,928 | 14,327 | 166,118 |
| Accumulated depreciation and impairment | 累計折舊及減值 | (12,981) | (63,231) | (5,817) | (14,640) | (8,929) | (105,598) |
| Net book amount | 賬面淨值 | 27,811 | 21,912 | 1,111 | 4,288 | 5,398 | 60,520 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

物業、廠房及設備(續)

(a) Group (Continued)

(a) 本集團(續)

| | | Land and buildings 土地及樓宇 HK\$'000 千港元 | Leasehold improvements 租賃物業裝修 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Furniture, fixtures and equipment 傢俬、裝置及設備 HK\$'000 千港元 | Computer equipment 電腦設備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|------------------------|--|---|---|--|---|--------------------------------|
| Year ended 31 March 2013 | 截至2013年3月31日止年度 | | | | | | |
| Opening net book amount | 期初賬面淨值 | 27,811 | 21,912 | 1,111 | 4,288 | 5,398 | 60,520 |
| Exchange differences | 匯兌差額 | — | 105 | 1 | 17 | 52 | 175 |
| Additions | 添置 | — | 24,064 | — | 650 | 3,332 | 28,046 |
| Disposals | 出售 | — | (233) | (3) | (162) | (1) | (399) |
| Depreciation | 折舊 | (805) | (29,163) | (685) | (1,902) | (2,255) | (34,810) |
| Impairment | 減值 | — | (1,468) | — | — | — | (1,468) |
| Closing net book amount | 期終賬面淨值 | 27,006 | 15,217 | 424 | 2,891 | 6,526 | 52,064 |
| At 31 March 2013 | 於2013年3月31日 | | | | | | |
| Cost | 成本 | 40,792 | 103,453 | 5,986 | 18,775 | 17,537 | 186,543 |
| Accumulated depreciation and impairment | 累計折舊及減值 | (13,786) | (88,236) | (5,562) | (15,884) | (11,011) | (134,479) |
| Net book amount | 賬面淨值 | 27,006 | 15,217 | 424 | 2,891 | 6,526 | 52,064 |

Impairment loss arises from the recoverable amount of the leasehold improvement is lower than the carrying amount. The recoverable amount has been determined based on value-in-use calculation, which involves estimating the future cash inflows and outflows to be derived from continuing use of the asset and applying the appropriate discount rate of those future cash flows.

Bank borrowing are secured on land and buildings for the value of HK\$27,006,000 (2012: Nil).

因租賃物業裝修可收回金額低於賬面值而產生減值虧損。可收回金額乃根據使用價值計算方式釐定，當中涉及估計持續使用資產所產生之未來現金流入及流出以及應用該等未來現金流量之適當貼現率。

銀行借貸以價值27,006,000港元(2012年：無)之土地及樓宇作擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

物業、廠房及設備(續)

(b) Company

(b) 本公司

| | | Motor vehicle 汽車 | |
|-------------------------------------|--------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| At the beginning of the year | 於年初 | | |
| Cost | 成本 | 1,580 | 1,580 |
| Accumulated depreciation | 累計折舊 | (1,315) | (1,049) |
| Net book amount | 賬面淨值 | 265 | 531 |
| During the year | 年內 | | |
| Opening net book amount | 期初賬面淨值 | 265 | 531 |
| Depreciation | 折舊 | (265) | (266) |
| Closing net book amount | 期終賬面淨值 | — | 265 |
| At the end of the year | 於年終 | | |
| Cost | 成本 | 1,580 | 1,580 |
| Accumulated depreciation | 累計折舊 | (1,580) | (1,315) |
| Net book amount | 賬面淨值 | — | 265 |

(c) Depreciation of the Group's property, plant and equipment has been charged to the consolidated income statement as follows:

(c) 已自綜合收益表扣除之本集團物業、廠房及設備折舊如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------------------------|---------|-------------------------|-------------------------|
| Selling and distribution costs | 銷售及分銷成本 | 29,709 | 30,011 |
| Administrative expenses | 行政費用 | 5,101 | 4,995 |
| | | 34,810 | 35,006 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

物業、廠房及設備(續)

(d) Property, plant and equipment held under finance lease

Motor vehicles include the following amounts of which the Group and the Company are a lessee under a finance lease:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|----------------------------------|----------------|-------------------------|-------------------------|
| Cost — capitalised finance lease | 成本 — 已資本化之融資租賃 | 1,580 | 1,580 |
| Accumulated depreciation | 累計折舊 | (1,580) | (1,315) |
| | | — | 265 |

The Group and the Company leased a motor vehicle under non-cancellable finance lease agreement. The lease term is 5 years and ownership of the asset lies with the Group and the Company.

(e) Land

The Group's interests in land in Hong Kong are held on leases of between 10 to 50 years.

(d) 融資租賃項下之物業、廠房及設備

汽車包括以下本集團及本公司根據融資租賃為承租人之金額：

本集團及本公司根據不可予以取消之融資租賃協議出租汽車。租期為5年，而資產之所有權歸本集團及本公司所有。

(e) 土地

本集團在香港土地之權益乃以10至50年之租約持有。

17. INVESTMENT PROPERTY

投資物業

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|-------------------------------------|------------|-------------------------|-------------------------|
| At the beginning of the year | 於年初 | | |
| Cost | 成本 | 1,531 | 1,531 |
| Accumulated depreciation | 累計折舊 | (486) | (453) |
| Net book amount | 賬面淨值 | 1,045 | 1,078 |
| During the year | 年內 | | |
| Opening net book amount | 期初賬面淨值 | 1,045 | 1,078 |
| Depreciation | 折舊 | (32) | (33) |
| Closing net book amount | 期終賬面淨值 | 1,013 | 1,045 |
| At the end of the year | 於年終 | | |
| Cost | 成本 | 1,531 | 1,531 |
| Accumulated depreciation | 累計折舊 | (518) | (486) |
| Net book amount | 賬面淨值 | 1,013 | 1,045 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. INVESTMENT PROPERTY (Continued)

投資物業(續)

The fair value of investment properties was HK\$6,150,000 as at 31 March 2013 (2012: HK\$4,570,000). The valuations were performed by DTZ Debenham Tie Leung Limited, an independent professional valuer. Valuations were based on current prices in an active market for all properties.

The Group's interests in investment property are held in Hong Kong with leases up to 2047.

Depreciation of the Group's investment property has been charged to the administrative expenses in the consolidated income statement.

Bank borrowings are secured on investment property for the value of HK\$1,013,000 (2012: Nil).

於2013年3月31日，投資物業之公平值為6,150,000港元(2012年：4,570,000港元)。估值由獨立專業估值師戴德梁行有限公司進行。估值乃根據所有物業按活躍市場之現行市價作出。

本集團於投資物業之權益於香港持有，租期至2047年。

本集團投資物業之折舊已自綜合收益表之行政費用扣除。

銀行借貸以價值1,013,000港元(2012年：無)之投資物業作擔保。

18. INTANGIBLE ASSETS

無形資產

| | | Trademark 商標 HK\$'000 千港元 | Licence fees 特許使用費 HK\$'000 千港元 | Computer software 電腦軟件 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-----------------------------|------------------------------------|---|---|--------------------------------|
| At 1 April 2011 | 於2011年4月1日 | | | | |
| Cost | 成本 | 69,566 | 468 | 14,170 | 84,204 |
| Accumulated amortisation | 累計攤銷 | (8,696) | (287) | (5,810) | (14,793) |
| Net book amount | 賬面淨值 | 60,870 | 181 | 8,360 | 69,411 |
| Year ended 31 March 2012 | 截至2012年 3月31日止年度 | | | | |
| Opening net book amount | 期初賬面淨值 | 60,870 | 181 | 8,360 | 69,411 |
| Exchange differences | 匯兌差額 | — | — | 32 | 32 |
| Additions | 添置 | — | — | 2,148 | 2,148 |
| Disposals | 出售 | — | — | (335) | (335) |
| Amortisation | 攤銷 | (3,478) | (137) | (2,688) | (6,303) |
| Closing net book amount | 期終賬面淨值 | 57,392 | 44 | 7,517 | 64,953 |
| At 31 March 2012 | 於2012年3月31日 | | | | |
| Cost | 成本 | 69,566 | 468 | 15,165 | 85,199 |
| Accumulated amortisation | 累計攤銷 | (12,174) | (424) | (7,648) | (20,246) |
| Net book amount | 賬面淨值 | 57,392 | 44 | 7,517 | 64,953 |
| Year ended 31 March 2013 | 截至2013年 3月31日止年度 | | | | |
| Opening net book amount | 期初賬面淨值 | 57,392 | 44 | 7,517 | 64,953 |
| Exchange differences | 匯兌差額 | — | — | 47 | 47 |
| Additions | 添置 | — | — | 2,534 | 2,534 |
| Amortisation | 攤銷 | (3,478) | (44) | (2,673) | (6,195) |
| Impairment | 減值 | (16,000) | — | — | (16,000) |
| Closing net book amount | 期終賬面淨值 | 37,914 | — | 7,425 | 45,339 |
| At 31 March 2013 | 於2013年3月31日 | | | | |
| Cost | 成本 | 69,566 | 318 | 17,743 | 87,627 |
| Accumulated amortisation and impairment | 累計攤銷及減值 | (31,652) | (318) | (10,318) | (42,288) |
| Net book amount | 賬面淨值 | 37,914 | — | 7,425 | 45,339 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. INTANGIBLE ASSETS (Continued)

無形資產(續)

Amortisation of the Group's intangible assets has been charged to the consolidated income statement as follows:

已自綜合收益表扣除之本集團無形資產攤銷如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------------------------|---------|-------------------------|-------------------------|
| Cost of sales | 銷售成本 | 44 | 137 |
| Selling and distribution costs | 銷售及分銷成本 | 268 | 123 |
| Administrative expenses | 行政費用 | 5,883 | 6,043 |
| | | 6,195 | 6,303 |

For the purpose of impairment review, the recoverable amount of trademark is based on fair value less cost to sell calculations. The valuation of the trademark is determined by estimating the value of royalties which the Group is exempted from by virtue of the fact that it owns the trademark. A net sales royalty rate is multiplied by the net sales expected to be generated by the trademarks and then capitalized at a discount rate at which the trademarks operates. The net sales projection is based on financial budgets approved by management covering a two year period. Cash flows beyond the two-year period are extrapolated using the estimated growth rate of 5%.

就減值檢討而言，商標之可收回金額乃根據公平值減銷售成本計算。商標之價值乃透過估計本集團因擁有該商標而獲豁免繳付之特許權費價值而釐定。淨銷售特許權費比率乘以該等商標預期將產生之淨銷售，其後按該等商標適用之貼現率資本化。淨銷售預測乃根據涵蓋兩年及經管理層批准之財務預算而計算。兩年後之現金流量乃採用估計增長率5%推算。

The key assumptions used in the valuation of the trademark are as follows:

用作商標估值之主要假設如下：

| | | 2013 | 2012 |
|------------------------|-----------|------|------|
| Net sales royalty rate | 淨銷售特許權費比率 | 4% | 3.5% |
| Discount rate | 貼現率 | 10% | 12% |

Management determined budgeted growth rate based on past performance and its expectations of market development. The discount rates used are post-tax and reflect specific risks relating to the relevant operating segments. If the net sales royalty rate decreases by 0.5%, a further impairment of HK\$3 million would have been recorded.

管理層根據過往表現及其對市場發展之預期釐定預算增長率。所採用之貼現率為稅後，並反映與相關經營分部有關之特定風險。倘淨銷售特許權費比率減少0.5%，本公司將進一步錄得減值3,000,000港元。

The impairment charge which is presented in the administrative expenses, arose in the trademark following a decline in performance. Following this decision, the Group reassessed the amortisation policy of its trademark and estimated that its useful life would not be affected.

表現衰退導致商標產生減值支出，有關減值支出將於行政費用內呈列。本集團隨本決定重新評估其商標之攤銷政策，並估計其可使用年期不會受到影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19. INTERESTS IN SUBSIDIARIES

於附屬公司之權益

| | | Company 本公司 | |
|---|---------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| Non-current | 非流動 | | |
| Unlisted equity investments, at cost | 非上市股本投資，按成本 | 10,000 | 10,000 |
| Capital in nature contribution (Note a) | 資本性出資(附註a) | 559,045 | 559,045 |
| Amounts due from subsidiaries (Note b) | 應收附屬公司款項(附註b) | 81,547 | 86,120 |
| | | 650,592 | 655,165 |
| Current | 流動 | | |
| Amounts due from subsidiaries (Note c) | 應收附屬公司款項(附註c) | 2,178 | 1,235 |

Note:

- (a) The amounts due from subsidiaries of HK\$559,045,000 are treated as capital in nature contributions to subsidiaries.
- (b) Amount due from subsidiaries are unsecured, interest free and not repayable within twelve months.
- (c) Amounts due from subsidiaries are unsecured, interest free and has no fixed terms of repayment. This amount approximates its fair value.
- (d) Particulars of the subsidiaries of the Group are set out in Note 35.

附註：

- (a) 應收附屬公司款項559,045,000港元乃視作對附屬公司之資本性出資。
- (b) 應收附屬公司款項為無抵押、免息及毋須於12個月內償還。
- (c) 應收附屬公司款項為無抵押、免息及無固定還款期。該款項與其公平值相若。
- (d) 本集團之附屬公司詳情載於附註35。

20. DEFERRED INCOME TAX

遞延所得稅

The analysis of deferred tax assets and deferred tax liabilities is as follows:

遞延稅項資產及遞延稅項負債之分析如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---------------------------------|---------|-------------------------|-------------------------|
| Deferred income tax assets | 遞延所得稅資產 | 19,355 | 19,124 |
| Deferred income tax liabilities | 遞延所得稅負債 | (4,456) | (2,940) |
| | | 14,899 | 16,184 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

20. DEFERRED INCOME TAX (Continued)

遞延所得稅(續)

The gross movement on the deferred income tax account is as follows:

遞延所得稅賬項之總變動如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|----------------|-------------------------|-------------------------|
| At the beginning of the year | 於年初 | 16,184 | 16,073 |
| Exchange differences | 匯兌差額 | 211 | 587 |
| Credited to the consolidated income statement (Note 12) | 已計入綜合收益表(附註12) | (1,496) | (476) |
| At the end of the year | 於年終 | 14,899 | 16,184 |

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

年內不計及同一稅務司法權區結餘之相互抵銷之遞延所得稅資產及負債變動如下：

Deferred income tax assets:

遞延所得稅資產：

| | | Provisions 撥備 HK\$'000 千港元 | Tax losses 稅項虧損 HK\$'000 千港元 | Others 其他 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-----------------|-------------------------------------|---------------------------------------|---------------------------------|--------------------------------|
| As at 1 April 2011 | 於2011年4月1日 | 7,194 | 6,664 | 3,628 | 17,486 |
| Exchange differences | 匯兌差額 | 225 | 262 | 144 | 631 |
| Credited/(charged) to the consolidated income statement | 已計入/(已扣除自)綜合收益表 | (2,141) | 2,422 | 726 | 1,007 |
| As at 31 March 2012 | 於2012年3月31日 | 5,278 | 9,348 | 4,498 | 19,124 |
| Exchange differences | 匯兌差額 | 44 | 110 | 73 | 227 |
| Credited/(charged) to the consolidated income statement | 已計入/(已扣除自)綜合收益表 | (1,189) | (299) | 1,492 | 4 |
| As at 31 March 2013 | 於2013年3月31日 | 4,133 | 9,159 | 6,063 | 19,355 |

Deferred income tax assets are recognised for tax losses carry forward to the extent that realisation of the related tax benefit through the future taxation profits is probable. The tax losses will expire up to 2018 under current tax legislation.

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。根據現時稅務法例，稅項虧損可結轉至2018年。

The Group has unrecognised tax losses of approximately HK\$330,815,000 (2012: HK\$214,459,000) to carry forward against future taxable income. These tax losses will be expired in 5 years or have no expiry date and are subject to approval by the PRC tax authority and Hong Kong Inland Revenue Department respectively.

本集團之未確認稅項虧損約為330,815,000港元(2012年：214,459,000港元)，可結轉扣減未來應課稅收入。根據中國稅務當局及香港稅務局之批准，有關稅項虧損分別將於5年內屆滿或可無限期結轉。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20. DEFERRED INCOME TAX (Continued)

遞延所得稅(續)

Deferred income tax liabilities:

遞延所得稅負債：

| | | Withholding tax on dividend for undistributed profits 未分派溢利 股息預扣稅 HK\$'000 千港元 | Tax depreciation allowance 稅項折舊免稅額 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---------------------------------|-------------|--|--|--------------------------------|
| As at 1 April 2011 | 於2011年4月1日 | 1,191 | 222 | 1,413 |
| Exchange difference | 匯兌差額 | 44 | — | 44 |
| Charged to the income statement | 已扣除自收益表 | 1,483 | — | 1,483 |
| As at 31 March 2012 | 於2012年3月31日 | 2,718 | 222 | 2,940 |
| Exchange difference | 匯兌差額 | 16 | — | 16 |
| Charged to the income statement | 已扣除自收益表 | 1,500 | — | 1,500 |
| As at 31 March 2013 | 於2013年3月31日 | 4,234 | 222 | 4,456 |

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

可供出售金融資產

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|----------------------|-------------------------|-------------------------|
| At the beginning of the year | 於年初 | 42,145 | 52,421 |
| Disposals | 出售 | (7,935) | (7,816) |
| Fair value gains/(losses) recognised in equity | 於權益確認之公平值收益/ (虧損) | 5,549 | (2,460) |
| At the end of the year | 於年終 | 39,759 | 42,145 |

Available-for-sale financial assets represent preference shares issued by financial institutions. These shares are listed on the London Stock Exchange and the New York Stock Exchange amounting to HK\$23,810,000 (2012: HK\$18,333,000) and HK\$15,949,000 (2012: HK\$23,812,000) respectively. The available-for-sale financial assets are denominated in United States dollar.

可供出售之金融資產指金融機構發行之優先股。該等股份於倫敦證券交易所及紐約證券交易所上市，分別為23,810,000港元(2012年：18,333,000港元)及15,949,000港元(2012年：23,812,000港元)。可供出售金融資產以美元列值。

The maximum exposure to credit risk at the reporting date is the fair value of the securities classified as available-for-sale financial assets.

於報告日期所面臨之最大信貸風險，乃分類為可供出售金融資產之證券之公平值。

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綜合財務報表附註

22. INVENTORIES

存貨

Inventories represent merchandising stock.

The cost of inventories recognised as expenses and included in cost of sales during the year amounted to HK\$548,426,000 (2012: HK\$592,339,000).

存貨指銷售庫存。

年內確認為開支並計入銷售成本內之存貨成本為548,426,000港元(2012年：592,339,000港元)。

23. TRADE RECEIVABLES

應收貿易款項

Retail sales are in cash, by credit cards or collected by department stores on behalf of the Group. The department stores normally settle the proceeds to the Group within 2 months from the date of sales.

Wholesales are generally on credit terms ranging from 0 to 30 days.

Ageing analysis of trade receivables by invoice date at the statement of financial position date is as follows:

零售銷售乃以現金、信用卡或由百貨公司代表本集團收取形式列值。百貨公司一般於銷售日期起計2個月內向本集團清償所得款項。

批發之信貸期一般介乎0至30日。

應收貿易款項於財務狀況表日期按發票日期計算之賬齡分析如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------|----------|-------------------------|-------------------------|
| 0 — 30 days | 0 — 30日 | 118,511 | 114,102 |
| 31 — 60 days | 31 — 60日 | 10,686 | 15,786 |
| 61 — 90 days | 61 — 90日 | 7,779 | 6,291 |
| Over 90 days | 90日以上 | 15,470 | 12,364 |
| | | 152,446 | 148,543 |

As of 31 March 2013, trade receivables of HK\$32,264,000 (2012: HK\$33,026,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

於2013年3月31日，應收貿易款項32,264,000港元(2012年：33,026,000港元)已逾期但並無減值。該款項與多名並無近期欠款紀錄之獨立客戶有關。此等應收貿易款項之賬齡分析如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------|----------|-------------------------|-------------------------|
| 1 — 30 days | 1 — 30日 | 9,020 | 14,449 |
| 31 — 60 days | 31 — 60日 | 7,774 | 6,213 |
| 61 — 90 days | 61 — 90日 | 4,136 | 4,131 |
| Over 90 days | 90日以上 | 11,334 | 8,233 |
| | | 32,264 | 33,026 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

23. TRADE RECEIVABLES (Continued)

應收貿易款項(續)

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

本集團應收貿易款項之賬面值按以下貨幣計值：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|-------------------|-----|-------------------------|-------------------------|
| Hong Kong dollar | 港元 | 2,562 | 1,604 |
| Renminbi | 人民幣 | 146,879 | 144,300 |
| New Taiwan dollar | 新台幣 | 3,005 | 2,639 |
| | | 152,446 | 148,543 |

The carrying amount of trade receivables approximates its fair value.

應收貿易款項之賬面值與其公平值相若。

The maximum exposure to credit risk at the reporting date is the fair value of the trade receivables. The Group does not hold any collateral as security.

於報告日期所面臨之最大信貸風險，乃應收貿易款項之公平值。本集團並無持有任何抵押品作抵押。

24. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

按金、預付款項及其他應收款項

| | | Group 本集團 | | Company 本公司 | |
|---------------------------------|----------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| Deposits | 按金 | 34,392 | 40,392 | — | — |
| Prepayments | 預付款項 | 8,499 | 9,470 | 170 | 199 |
| Other receivables | 其他應收款項 | 1,695 | 2,488 | — | — |
| Value-added tax recoverable | 可收回增值稅 | 25,608 | 25,088 | — | — |
| | | 70,194 | 77,438 | 170 | 199 |
| Less: long-term rental deposits | 減：長期租金按金 | (16,336) | (18,850) | — | — |
| | | 53,858 | 58,588 | 170 | 199 |
| Denominated in: | 按以下貨幣計值： | | | | |
| Hong Kong dollar | 港元 | 26,161 | 30,498 | 170 | 199 |
| Renminbi | 人民幣 | 43,089 | 45,896 | — | — |
| New Taiwan dollar | 新台幣 | 313 | 353 | — | — |
| United States dollar | 美元 | 624 | 614 | — | — |
| Others | 其他 | 7 | 77 | — | — |
| | | 70,194 | 77,438 | 170 | 199 |

The carrying amounts of deposits, prepayments and other receivables approximate their fair values. The maximum exposure to credit risk at the reporting date is the fair value of the deposits, prepayments and other receivables. The Group does not hold any security. The above receivables do not contain impaired assets.

按金、預付款及其他應收款項之賬面值與其公平值相若。於報告日期所面臨之最大信貸風險，乃存款、預付款項及其他應收款項之公平值。本集團並無持有任何抵押。上述應收款項並不包括已減值資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

按公平值計入損益之金融資產

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|-------------------------------------|----------------|-------------------------|-------------------------|
| At the beginning of the year | 於年初 | 22,699 | 39,732 |
| Disposals | 出售 | (22,699) | (22,058) |
| Fair value gains (Note 7) | 公平值收益(附註7) | — | 5,025 |
| At the end of the year | 於年終 | — | 22,699 |
| Denominated in: Hong Kong dollar | 按以下貨幣計值： 港元 | — | 22,699 |
| | | — | 22,699 |

In 2012, financial assets at fair value through profit or loss included investment in listed shares in Hong Kong of HK\$22,699,000 which were designated as fair value through profit or loss on initial recognition.

於2012年，按公平值計入損益之金融資產包括香港上市股份投資22,699,000港元，乃於初步確認時指定按公平值計入損益。

26. CASH AND CASH EQUIVALENTS

現金及現金等值項目

| | | Group 本集團 | | Company 本公司 | |
|---------------------------|-----------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| Cash at banks and on hand | 銀行及手頭現金 | 104,179 | 95,552 | 586 | 1,160 |
| Cash and cash equivalents | 現金及現金等值項目 | 104,179 | 95,552 | 586 | 1,160 |

Cash and cash equivalents in the statement of financial position are denominated in the following currencies:

於財務狀況表內之現金及現金等值項目按以下貨幣計值：

| | | Group 本集團 | | Company 本公司 | |
|----------------------|-----|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| Hong Kong dollar | 港元 | 27,306 | 22,760 | 561 | 1,090 |
| Renminbi | 人民幣 | 73,084 | 66,870 | — | 70 |
| United States dollar | 美元 | 2,093 | 3,048 | 25 | — |
| Others | 其他 | 1,696 | 2,874 | — | — |
| | | 104,179 | 95,552 | 586 | 1,160 |

The Group's cash and bank balances denominated in RMB are placed with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

本集團以人民幣計值之現金及銀行結餘存放於中國之銀行。此等以人民幣計值之結餘兌換為外幣須遵守中國政府所頒布之外匯管制規則及規定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. SHARE CAPITAL AND PREMIUM 股本及溢價

| | | Number of ordinary shares 普通股數目 | Nominal value of ordinary shares 普通股面值 HK\$'000 千港元 | Share premium 股份溢價 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|------------------------------|-----------------------|--|---|---|--------------------------------|
| Authorised | 法定 | | | | |
| At 31 March 2012 and 2013 | 於2012年及2013年 3月31日 | 9,000,000,000 | 900,000 | — | 900,000 |
| Issued and fully paid | 已發行及繳足 | | | | |
| At 31 March 2012 and 2013 | 於2012年及2013年 3月31日 | 623,560,000 | 62,356 | 562,600 | 624,956 |

Share options:

The Company adopted the Pre-IPO share option scheme in May 2007 (“Pre-IPO Scheme”). On 21 May 2007, share options were granted to directors and to selected employees under the Pre-IPO Scheme.

A share option scheme (“Share Option Scheme”) was adopted by the shareholders’ written resolution of the Company dated 21 May 2007. On 5 August 2009, share options were granted to directors and to selected employees under the Share Option Scheme.

The subscription price determined by the board shall be at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheets on the grant date, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange’s daily quotations sheets for the 5 business days immediately preceding the grant date; and (c) the nominal value of the shares. Options are conditional on the employee completing 1 to 5 year’s service (the vesting period). The options are exercisable starting 1 to 3 years from the listing date. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

購股權：

本公司於2007年5月採納首次公開售股前購股權計劃(「首次公開售股前計劃」)。於2007年5月21日，購股權乃根據首次公開售股前計劃授予董事及所挑選僱員。

購股權計劃(「購股權計劃」)已根據本公司日期為2007年5月21日之股東書面決議案獲得採納。於2009年8月5日，購股權乃根據購股權計劃授予董事及所挑選僱員。

由董事會釐定之認購價必須最少為以下各項之最高者：(a) 股份於授出日期(必須為營業日)於聯交所每日報價表所報之收市價；(b) 股份於緊接授出日期前5個營業日於聯交所每日報價表所報之平均收市價；及(c) 股份之面值。購股權須待僱員完成1至5年服務後(歸屬期)方可作實。購股權可於上市日期起計1至3年後行使。本公司並無法定或推定責任以現金購回或結算購股權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

尚未行使之購股權數目之變動及其相關加權平均行使價如下：

| | | Average exercise price in HK dollar per share 每股股份之港元平均行使價 | Options ('000) 購股權(千份) |
|------------------|-------------|---|---------------------------|
| At 1 April 2011 | 於2011年4月1日 | 1.35 | 31,160 |
| Forfeited | 已沒收 | 0.6 | (300) |
| Forfeited | 已沒收 | 3.09 | (330) |
| Expired | 已到期 | 3.09 | (2,694) |
| At 31 March 2012 | 於2012年3月31日 | 1.17 | 27,836 |
| Forfeited | 已沒收 | 0.6 | (1,000) |
| Forfeited | 已沒收 | 3.09 | (400) |
| Expired | 已到期 | 3.09 | (2,724) |
| At 31 March 2013 | 於2013年3月31日 | 0.94 | 23,712 |

Share options outstanding (in thousands) at the end of the year have the following vesting date, expiry date and exercise price:

於年終尚未行使之購股權(千份)之歸屬日期、屆滿日期及行使價如下：

| Vesting date 歸屬日期 | Expiry date 屆滿日期 | Exercise price in HK dollar per share 每股股份之港元行使價 | Number of share options ('000) outstanding at 31 March 於3月31日尚未行使之購股權數目(千份) | |
|----------------------------|----------------------------|---|--|--------|
| | | | 2013 | 2012 |
| 7 June 2009 2009年6月7日 | 6 June 2012 2012年6月6日 | 3.09 | — | 2,724 |
| 7 June 2010 2010年6月7日 | 6 June 2013 2013年6月6日 | 3.09 | 3,232 | 3,632 |
| 5 August 2010 2010年8月5日 | 4 August 2017 2017年8月4日 | 0.6 | 3,600 | 3,800 |
| 5 August 2011 2011年8月5日 | 4 August 2017 2017年8月4日 | 0.6 | 4,220 | 4,420 |
| 5 August 2012 2012年8月5日 | 4 August 2017 2017年8月4日 | 0.6 | 4,220 | 4,420 |
| 5 August 2013 2013年8月5日 | 4 August 2017 2017年8月4日 | 0.6 | 4,220 | 4,420 |
| 5 August 2014 2014年8月5日 | 4 August 2017 2017年8月4日 | 0.6 | 4,220 | 4,420 |
| | | | 23,712 | 27,836 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Share option expenses charged to the consolidated income statement are based on valuation determined using binomial lattice model. Share options granted were valued based on the following assumptions:

計入綜合收益表之購股權開支乃按二項式點陣模式釐定之估值計算。已授出購股權之估值乃依據下列假設：

| Date of grant 授出日期 | Option value 購股權價值 | Share price at the date of grant 授出日期之股份價格 | Exercisable price 行使價 | Expected volatility 預期波幅 | Annual risk-free interest 年度無風險利率 | Life of option 購股權可使用年期 | Dividend yield 所賺取之股息 |
|----------------------------|-----------------------|---|--------------------------|-----------------------------|--------------------------------------|----------------------------|--------------------------|
| 22 May 2007 2007年5月22日 | 1.74 | 3.86 | 3.09 | 33.180% | 4.01%-4.08% | 6 years 6年 | N/A 不適用 |
| 5 August 2009 2009年8月5日 | 0.2689-0.3083 | 0.57 | 0.6 | 66.368% | 2.344% | 8 years 8年 | 2.59% |

Expected volatility of the Group's share price was based on the historical volatility of the share as at the date of grant.

本集團股價之預期波幅乃根據股份於授出日期之歷史波幅而釐定。

Total share option expense of HK\$757,000 (2012: HK\$1,324,000) was recognised in the income statement.

購股權開支總額757,000港元(2012年：1,324,000港元)於收益表確認。

Share award:

For the purpose of the Company's initial public offering in June 2007, the controlling shareholder of the Company and immediate holding company of the Group, Smart Presto Holdings Limited ("Smart Presto") had granted 1,235,000 shares from its own shareholding to a director and employees where the grantees had paid HK\$1.00 by way of consideration before the listing in order to provide reward to the director and employees who have contributed to the Group's business development.

股份獎賞：

就本公司於2007年6月之首次公開售股而言，本公司控股股東及直接控股公司傲捷控股有限公司(「傲捷」)於上市前自其本身之持股授出1,235,000股股份予董事及僱員，以向為本集團之業務發展作出貢獻之董事及僱員提供獎賞，而承授人已支付1.00港元之代價。

The shares granted as aforesaid represent approximately 0.20% of the Company's total issued share capital immediately after the date of Listing.

上述所授出之股份佔本公司於緊隨上市日期後之已發行股本總額約0.20%。

A Share Purchase Scheme was adopted by Smart Presto in August 2009. Smart Presto established a scheme to provide for the grant of options to purchase shares beneficially owned by Smart Presto to certain employees, officers, consultants, including any executive or non-executive directors, of any member of the Group who in the opinion of the Remuneration Committee have contributed or will contribute to the achievement of the economic objectives of the Group.

傲捷於2009年8月採納購股計劃。傲捷設立一項計劃，向薪酬委員會認為其已對或將對本集團之經濟目標有所貢獻之本集團任何成員公司之若干僱員、行政人員、僱員(包括任何執行或非執行董事)授出購股權，以購買傲捷實益擁有之股份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. SHARE CAPITAL AND PREMIUM (Continued)

股本及溢價(續)

Options to purchase a total of 10,000,000 shares, representing approximately 1.6% of the Company's total issued share capital immediately after the date of grant, at the exercise price of HK\$0.6 per share were granted under the share purchase scheme.

The Company is required to recognise the value of the above-mentioned shares as a non-cash employee benefit expense on a straight-line basis over the relevant vesting period. Total share expense of HK\$235,000 (2012: HK\$580,000) was recognised in the income statement for the year ended 31 March 2013. A corresponding amount was credited as share based compensation reserve under equity in the financial statements of the Company.

可購買合共 10,000,000 股股份(相當於本公司於緊隨授出日期後之已發行股本總額約 1.6%)之購股權已根據購股計劃按每股 0.6 港元之行使價授出。

本公司須於相關歸屬期內以直線法確認上述股份之價值為非現金僱員福利開支。股份開支總額 235,000 港元(2012 年: 580,000 港元)乃於截至 2013 年 3 月 31 日止年度之收益表確認。相應金額已計入本公司財務報表中權益項下之股份補償儲備。

28. RESERVES

儲備

(a) Group

(a) 本集團

| | | Merger reserve (Note i) 合併儲備 (附註 i) HK\$'000 千港元 | Statutory reserves (Note ii) 法定儲備 (附註 ii) HK\$'000 千港元 | Foreign currency translation reserve 外匯兌換儲備 HK\$'000 千港元 | Available- for-sale investment reserves 可供出售 投資儲備 HK\$'000 千港元 | Share- based compen- sation reserve 股份 補償儲備 HK\$'000 千港元 | Retained earnings/ (accumu- lated losses) 保留盈利/ (累計虧損) HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-----------------------|--|--|--|---|--|---|--------------------------------|
| Balance at 1 April 2011 | 於 2011 年 4 月 1 日之結餘 | 22,002 | 20,621 | 35,174 | (2,517) | 26,011 | 48,373 | 149,664 |
| Fair value losses on available-for-sale financial assets | 可供出售金融資產之公平值虧損 | — | — | — | (2,460) | — | — | (2,460) |
| Currency translation differences | 匯兌差額 | — | — | 16,574 | — | — | — | 16,574 |
| Loss for the year | 本年度虧損 | — | — | — | — | — | (9,713) | (9,713) |
| Transfer | 轉撥 | — | 798 | — | — | — | (798) | — |
| Share option scheme-value of employee services (Note 27) | 購股權計劃 — 僱員服務價值(附註 27) | — | — | — | — | 1,324 | — | 1,324 |
| Share award (Note 27) | 股份獎賞(附註 27) | — | — | — | — | 580 | — | 580 |
| Dividends (Note 15) | 股息(附註 15) | — | — | — | — | — | (15,589) | (15,589) |
| Balance at 31 March 2012 | 於 2012 年 3 月 31 日之結餘 | 22,002 | 21,419 | 51,748 | (4,977) | 27,915 | 22,273 | 140,380 |
| Fair value gains on available-for-sale financial assets | 可供出售金融資產之公平值收益 | — | — | — | 5,549 | — | — | 5,549 |
| Fair value release on disposal of available-for-sale financial assets | 出售可供出售金融資產時撥回之公平值 | — | — | — | (27) | — | — | (27) |
| Currency translation differences | 匯兌差額 | — | — | 4,286 | — | — | — | 4,286 |
| Loss for the year | 本年度虧損 | — | — | — | — | — | (92,826) | (92,826) |
| Transfer | 轉撥 | — | 2,585 | — | — | — | (2,585) | — |
| Share option scheme-value of employee services (Note 27) | 購股權計劃 — 僱員服務價值(附註 27) | — | — | — | — | 757 | — | 757 |
| Share award (Note 27) | 股份獎賞(附註 27) | — | — | — | — | 235 | — | 235 |
| Balance at 31 March 2013 | 於 2013 年 3 月 31 日之結餘 | 22,002 | 24,004 | 56,034 | 545 | 28,907 | (73,138) | 58,354 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

28. RESERVES (Continued)

儲備(續)

(a) Group (Continued)

Notes:

- (i) The merger reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the share capital of the subsidiaries transferred to the Company in connection with the reorganisation for the listing of the shares of the Company.
- (ii) Companies which are established in the PRC are required to make appropriations to certain statutory reserves from profit for the year after offsetting accumulated losses from prior years and before profit distribution to equity holders. The percentages to be appropriated to such statutory reserve funds are determined according to the relevant regulations in the PRC or at the discretion of the board of the respective companies. Such statutory reserves can only be used to offset accumulated losses, to increase capital, or for special bonus or collective welfare of employees. These statutory reserves cannot be distributed to equity holders of the Company.

(b) Company

(a) 本集團(續)

附註：

- (i) 本集團合併儲備指本公司已發行股本面值與就籌備本公司股份上市進行重組而轉撥予本公司之附屬公司股本面值之差額。
- (ii) 於中國成立之公司須於抵銷往年累計虧損後並於向權益持有人作出溢利分派前，從本年度溢利中撥出若干法定儲備。撥款至該等法定儲備金之百分比乃按中國相關法規或按相關公司董事會酌情釐定。該等法定儲備僅可用作抵銷累計虧損、增加資本，或作為特別花紅或僱員之集體福利。該等法定儲備不得分派予本公司之權益持有人。

(b) 本公司

| | | Retained earnings/ (accumulated losses) 保留盈利/ (累計虧損) HK\$'000 千港元 | Share-based compensation reserve 股份補償儲備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--------------------------|--|---|--------------------------------|
| At 1 April 2011 | 2011年4月1日 | 24,565 | 26,011 | 50,576 |
| Loss for the year | 本年度虧損 | (5,079) | — | (5,079) |
| Share option scheme-value of employee services (Note 27) | 購股權計劃 — 僱員服務價值 (附註27) | — | 1,324 | 1,324 |
| Share award (Note 27) | 股份獎賞(附註27) | — | 580 | 580 |
| Dividends (Note 15) | 股息(附註15) | (15,589) | — | (15,589) |
| At 31 March 2012 | 於2012年3月31日 | 3,897 | 27,915 | 31,812 |
| Loss for the year | 本年度虧損 | (6,180) | — | (6,180) |
| Share option scheme-value of employee services (Note 27) | 購股權計劃 — 僱員服務價值 (附註27) | — | 757 | 757 |
| Share award (Note 27) | 股份獎賞(附註27) | — | 235 | 235 |
| At 31 March 2013 | 於2013年3月31日 | (2,283) | 28,907 | 26,624 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. OBLIGATION UNDER FINANCE LEASE — GROUP AND COMPANY

融資租賃承擔 — 本集團及本公司

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|--------------------|-------------------------|-------------------------|
| Gross finance lease liabilities—minimum lease payments: | 融資租賃負債總額 — 最低租賃付款： | | |
| Within one year | 一年內 | — | 61 |
| In the second to fifth year inclusive | 第二至第五年內(包括首尾兩年) | — | — |
| <i>Less: future finance charges</i> | 減：未來融資費用 | — | 61 (8) |
| Present value of obligation under finance lease | 融資租賃承擔現值 | — | 53 |
| The present value of finance lease liabilities is as follows: | 融資租賃負債現值如下： | | |
| Within one year | 一年內 | — | 53 |
| In the second to fifth year inclusive | 第二至第五年(包括首尾兩年) | — | — |
| Present value of obligation under finance lease | 融資租賃承擔現值 | — | 53 |

The weighted average effective interest rates per annum of the Group's obligation under finance lease at 31 March 2012 was 2.98%.

於2012年3月31日，本集團之融資租賃承擔之加權平均實際年利率為2.98%。

Interest rates were fixed at contract date. The lease was on a fixed repayment basis. The Group's obligation under finance lease was secured by the lessor's charge over the leased asset. The carrying amount of the obligation under finance lease approximated its fair value and was denominated in Hong Kong dollars.

利率於合約日期釐定。租約按固定還款基準訂立。本集團之融資租賃承擔以出租人之租賃資產作抵押。融資租賃承擔之賬面值與其公平值相若，並以港元計值。

30. BORROWINGS

借貸

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|------------------------------|--------------|-------------------------|-------------------------|
| Short-term bank loan-secured | 短期銀行借貸 — 有抵押 | 5,400 | 6,075 |

The bank loan is denominated in New Taiwan dollar, repayable in 90 days from the date of issuance and is interest bearing at 2.75% per annum.

銀行貸款以新台幣計值、須自發行日期起計90天內償還並按年利率2.75%計息。

The bank loan is secured by the Group's standby letter of credit amounting to US\$1 million and a promissory note of New Taiwan dollar 28 million co-made by the Group and the non-controlling shareholder.

銀行貸款以本集團之1百萬美元備用信用狀，以及本集團與非控股股東共同作出之28百萬新台幣之承付票作擔保。

The fair value of the bank loan equals its carrying amount, as the impact of discounting is not significant due to its short maturity.

銀行貸款之公平值與其賬面值相若，此乃由於到期日短，故貼現影響並不重大。

Notes to the Consolidated Financial Statements

綜合財務報表附註

31. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

應付貿易款項、應計費用及其他應付款項

| | | Group 本集團 | | Company 本公司 | |
|-----------------------------|-------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| Trade payables | 應付貿易款項 | 161,679 | 156,016 | — | — |
| Accruals and other payables | 應計費用及其他應付款項 | 73,741 | 72,623 | 1,946 | 1,203 |
| | | 235,420 | 228,639 | 1,946 | 1,203 |

The ageing analysis of trade payables is as follows:

應付貿易款項之賬齡分析如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--------------|----------|-------------------------|-------------------------|
| 0 — 30 days | 0 — 30日 | 143,261 | 90,497 |
| 31 — 60 days | 31 — 60日 | 3,898 | 44,544 |
| 61 — 90 days | 61 — 90日 | 6,968 | 15,847 |
| Over 90 days | 90日以上 | 7,552 | 5,128 |
| | | 161,679 | 156,016 |

The amounts are repayable according to normal trade terms from 30 to 90 days.

該等款項按一般貿易條款應於30至90日償還。

The carrying amounts of the Group's and the Company's trade payables, accruals and other payables are denominated in the following currencies:

本集團及本公司之應付貿易款項、應計費用及其他應付款項之賬面值按以下貨幣計值：

| | | Group 本集團 | | Company 本公司 | |
|-------------------|-----|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
| Hong Kong dollar | 港元 | 22,216 | 20,058 | 1,946 | 1,203 |
| Renminbi | 人民幣 | 210,071 | 204,594 | — | — |
| New Taiwan dollar | 新台幣 | 3,133 | 3,987 | — | — |
| | | 235,420 | 228,639 | 1,946 | 1,203 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

(a) Reconciliation of loss before income tax to cash generated from/(used in) operations

(a) 未計所得稅前虧損與經營業務所得／(所用)之現金之對賬

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|---------------------------|-------------------------|-------------------------|
| Loss before income tax | 未計所得稅前虧損 | (91,946) | (7,308) |
| Adjustments for: | 已作出下列調整： | | |
| — Depreciation of property, plant and equipment | — 物業、廠房及設備之折舊 | 34,810 | 35,006 |
| — Depreciation of investment property | — 投資物業之折舊 | 32 | 33 |
| — Impairment of property, plant and equipment | — 物業、廠房及設備之減值 | 1,468 | 471 |
| — Amortisation of intangible assets | — 無形資產之攤銷 | 6,195 | 6,303 |
| — Impairment of intangible assets | — 無形資產之減值 | 16,000 | — |
| — Loss on disposal of property, plant and equipment | — 出售物業、廠房及設備之虧損 | 399 | 405 |
| — Loss on disposal of intangible assets | — 出售無形資產虧損 | — | 335 |
| — (Profit)/loss on disposal of financial assets at fair value through profit or loss | — 出售按公平值計入損益之金融資產之(溢利)／虧損 | (1,359) | 3 |
| — Gain on fair value release on disposal of available-for-sale financial assets | — 出售可供出售金融資產時撥回公平值收益 | (27) | — |
| — Gain on disposal of available-for-sale financial assets | — 出售可供出售金融資產之收益 | (68) | (130) |
| — Fair value gains on financial assets at fair value through profit or loss | — 按公平值計入損益之金融資產之公平值收益 | — | (5,025) |
| — Interest income on financial assets at fair value through profit or loss | — 按公平值計入損益之金融資產之利息收入 | — | (25) |
| — Dividend income on financial assets at fair value through profit or loss | — 按公平值計入損益之金融資產之股息收入 | (417) | (1,199) |
| — Dividend income on available-for-sale financial assets | — 可供出售金融資產之股息收入 | (3,596) | (2,853) |
| — Interest income | — 利息收入 | (272) | (336) |
| — Interest expense | — 利息開支 | 453 | 775 |
| — Share award and option expenses | — 股份獎賞及購股權開支 | 992 | 1,904 |
| Changes in working capital | 營運資金變動 | | |
| — Inventories | — 存貨 | 30,162 | (52,340) |
| — Trade receivables | — 應收貿易款項 | (2,121) | (10,698) |
| — Deposits, prepayments and other receivables | — 按金、預付款項及其他應收款項 | 7,766 | 25,222 |
| — Trade payables | — 應付貿易款項 | 3,782 | (9,774) |
| — Accruals and other payables | — 應計費用及其他應付款項 | 471 | (669) |
| Cash generated from/(used in) operations | 經營業務所得／(所用)之現金 | 2,724 | (19,900) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

綜合現金流量表(續)

(b) Proceeds from disposal of property, plant and equipment

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|--------------------|-------------------------|-------------------------|
| Net book amount (Note 16) | 賬面淨值(附註16) | 399 | 406 |
| Loss on disposal of property, plant and equipment (Note 7) | 出售物業、廠房及設備之虧損(附註7) | (399) | (405) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備之所得款項 | — | 1 |

(b) 出售物業、廠房及設備之所得款項

於綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

(c) Proceeds from disposal of intangible assets

Proceeds from disposal of intangible assets are calculated as follows:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|----------------|-------------------------|-------------------------|
| Net book amount (Note 18) | 賬面淨值(附註18) | — | 335 |
| Loss on disposal of intangible assets (Note 7) | 出售無形資產之虧損(附註7) | — | (335) |
| Proceeds from disposal of intangible assets | 出售無形資產之所得款項 | — | — |

(c) 出售無形資產之所得款項

出售無形資產之所得款項乃按以下方式計算：

(d) Proceeds from disposal of financial assets at fair value through profit or loss

In the consolidated statement of cash flows, proceeds from disposal of financial assets at fair value through profit or loss comprise:

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-----------------------------|-------------------------|-------------------------|
| Carrying amount (Note 25) | 賬面值(附註25) | 22,699 | 22,058 |
| Gain/(loss) on disposal of financial assets at fair value through profit or loss (Note 7) | 出售按公平值計入損益之金融資產收益/(虧損)(附註7) | 1,359 | (3) |
| Proceeds from disposal of financial assets at fair value through profit or loss | 出售按公平值計入損益之金融資產之所得款項 | 24,058 | 22,055 |

(d) 出售按公平值計入損益之金融資產之所得款項

於綜合現金流量表中，出售按公平值計入損益之金融資產之所得款項包括：

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

綜合現金流量表(續)

(e) Proceeds from disposal of available-for-sale financial assets

In the consolidated statement of cash flows, proceeds from disposal of available-for-sale financial assets comprise:

(e) 出售可供出售金融資產之所得款項

於綜合現金流量表中，出售可供出售金融資產之所得款項包括：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|--|--------------------|-------------------------|-------------------------|
| Carrying amount (Note 21) | 賬面值(附註21) | 7,935 | 7,816 |
| Gain on disposal of available-for-sale financial assets (Note 7) | 出售可供出售金融資產之收益(附註7) | 68 | 130 |
| Proceeds from disposal of available-for-sale financial assets | 出售可供出售金融資產之所得款項 | 8,003 | 7,946 |

33. COMMITMENTS

承擔

(a) Capital commitments

As at 31 March 2013, the Group and the Company had no capital commitments.

(a) 資本承擔

於2013年3月31日，本集團及本公司並無資本承擔。

(b) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases in respect of retail shops, offices, warehouses and furniture, fixtures and equipment are as follows:

(b) 經營租賃承擔

根據有關零售店、辦公室、倉庫及傢俬、裝置及設備之不可撤銷經營租賃於日後之最低租賃付款總額如下：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------------|-------------------------|-------------------------|
| Land and buildings | 土地及樓宇 | | |
| — No later than 1 year | — 1年內 | 87,354 | 98,087 |
| — Later than 1 year and no later than 5 years | — 1年後但不多於5年 | 53,675 | 95,594 |
| | | 141,029 | 193,681 |
| Furniture, fixtures and equipment | 傢俬、裝置及設備 | | |
| — No later than 1 year | — 1年內 | 70 | 168 |
| — Later than 1 year and no later than 5 years | — 1年後但不多於5年 | — | 70 |
| | | 70 | 238 |
| | | 141,099 | 193,919 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. COMMITMENTS (Continued)

承擔(續)

(b) Operating lease commitments (Continued)

Leases are negotiated for varying terms, escalation clauses and renewal options. The operating lease rentals of certain outlets are based on the higher of a minimum guaranteed rental and a sales level based rental. The above operating lease commitments include commitments for fixed rent only.

In addition, rental payable in some cases include additional rent, calculated according to gross revenue, in excess of the fixed rent.

(b) 經營租賃承擔(續)

租賃包含不同條款、租金遞升協定及續租權。若干門市之經營租賃租金乃根據最低保證租金及以銷售額計算之租金(以較高者為準)計算。上述經營租賃承擔僅包括固定租金之承擔。

此外，應付租金在某些情況下包括超過固定租金之額外租金(根據收益總額計算)。

34. SIGNIFICANT RELATED PARTY TRANSACTIONS

重大關聯人士交易

The Group is controlled by Smart Presto Holdings Limited (incorporated in the British Virgin Islands) which owns 72.03% of the Company's shares. The remaining 27.97% of the shares were widely held. The ultimate controlling party of the Group is Ms Chan Mei Sheung.

During the year, the Group had the following significant transactions with related parties:

本集團受傲捷控股有限公司(於英屬處女群島註冊成立)控制，其擁有本公司72.03%股份。其餘27.97%股份被廣泛持有。本集團之最終控股人士為陳美雙女士。

本集團於年內與關聯人士進行下列重大交易：

| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 |
|---|-------------------|-------------------------|-------------------------|
| Key management compensation | 主要管理人員報酬 | | |
| Basic salaries, housing allowances, other allowances and benefits-in-kind | 底薪、住房津貼、其他津貼及實物利益 | 12,395 | 12,986 |
| Share options and share award | 購股權及股份獎賞 | 548 | 1,418 |
| Contributions to pension plans | 退休金計劃供款 | 136 | 114 |
| | | 13,079 | 14,518 |

Note:

Key management includes directors and certain senior management who have important roles in making operational and financial decisions.

附註：

主要管理人員包括董事及若干於營運及財務決策有重要職能之高級管理人員。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35. SUBSIDIARIES

附屬公司

The following is a list of the subsidiaries at 31 March 2013:

下列為於 2013 年 3 月 31 日之附屬公司：

| Name of company 公司名稱 | Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別 | Principal activities and place of operation 主要業務及經營所在地 | Particulars of issued share capital 已發行股本詳情 | Interest held 所持權益 | |
|--|---|---|---|-----------------------|------|
| | | | | 2013 | 2012 |
| Directly held: | | | | | |
| 直接持有： | | | | | |
| Genius Earn Investments Limited 傑盈投資有限公司 | The British Virgin Islands, limited liability company 英屬處女群島，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 90 ordinary shares of US\$1 each 90 股每股面值 1 美元之普通股 | 100% | 100% |
| Indirectly held: | | | | | |
| 間接持有： | | | | | |
| Artemis Footwear Limited 艾迪米斯鞋業有限公司 | Hong Kong, limited liability company 香港，有限公司 | Retailing of footwear in Taiwan 零售鞋類／台灣 | 10,000,000 ordinary shares of HK\$1 each 10,000,000 股每股面值 1 港元之普通股 | 65% | 65% |
| Ascent Pride Investments Limited 昇傲投資有限公司 | The British Virgin Islands, limited liability company 英屬處女群島，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 1 ordinary share of US\$1 1 股面值 1 美元之普通股 | 100% | 100% |
| Asia Glory Investment Limited 美宏投資有限公司 | Hong Kong, limited liability company 香港，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 1 ordinary share of HK\$1 1 股面值 1 港元之普通股 | 100% | 100% |
| Billion International Trading (Shanghai) Company Limited 逸盈國際貿易(上海)有限公司 | PRC, wholly foreign-owned enterprise limited liability company 中國，外商獨資企業有限公司 | Retailing of footwear in the PRC 零售鞋類／中國 | US\$1,000,000 1,000,000 美元 | 100% | 100% |
| Citiward Limited 佳和有限公司 | Hong Kong, limited liability company 香港，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 1 ordinary share of HK\$1 1 股面值 1 港元之普通股 | 100% | 100% |
| Excellent High Investments Limited 卓高投資有限公司 | The British Virgin Islands, limited liability company 英屬處女群島，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 1 ordinary share of US\$1 1 股面值 1 美元之普通股 | 100% | 100% |
| Main Legend Investment Ltd 萬駿投資有限公司 | Hong Kong, limited liability company 香港，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 10,000 ordinary share of HK\$1 each 10,000 股每股面值 1 港元之普通股 | 100% | 100% |
| Senet International Limited 盛益國際有限公司 | Hong Kong, limited liability company 香港，有限公司 | Holding of trademarks and property in Hong Kong 持有商標及物業／香港 | 10 ordinary shares of HK\$1 each 10 股每股面值 1 港元之普通股 | 100% | 100% |

Notes to the Consolidated Financial Statements

綜合財務報表附註

35. SUBSIDIARIES (Continued)

附屬公司

| Name of company 公司名稱 | Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別 | Principal activities and place of operation 主要業務及經營所在地 | Particulars of issued share capital 已發行股本詳情 | Interest held 所持權益 | |
|---|--|---|---|-----------------------|------|
| | | | | 2013 | 2012 |
| Indirectly held: (Continued) 間接持有：(續) | | | | | |
| Smart Sky International (Shenzhen) Limited [†] 傲天國際貿易(深圳)有限公司 | PRC, wholly foreign-owned enterprise limited liability company 中國·外商獨資企業有限公司 | Retailing of footwear in the PRC 零售鞋類/中國 | HK\$1,000,000 1,000,000 港元 | 100% | 100% |
| Smart Trend Trading (Shenzhen) Company Limited [†] 傲丰貿易(深圳)有限公司 | PRC, wholly foreign-owned enterprise, limited liability company 中國·外商獨資企業有限公司 | Retailing of footwear in the PRC 零售鞋類/中國 | HK\$41,000,000 41,000,000 港元 | 100% | 100% |
| Smarter Trading (Beijing) Company Limited [†] 奧吉斯貿易(北京)有限公司 | PRC, wholly foreign-owned enterprise, limited liability company 中國·外商獨資企業有限公司 | Retailing of footwear in the PRC 零售鞋類/中國 | HK\$40,000,000 40,000,000 港元 | 100% | 100% |
| Surplus Jet Investments Limited 盈捷投資有限公司 | The British Virgin Islands, limited liability company 英屬處女群島·有限公司 | Investment holding in Hong Kong 投資控股/香港 | 1 ordinary share of US\$1 1 股面值 1 美元之普通股 | 100% | 100% |
| Triple Juicy Limited | The United Kingdom, limited liability company 英國·有限公司 | Holding of trademarks 持有商標 | 1,000 ordinary share of £1 each 1,000 股每股面值 1 英鎊 之普通股 | 100% | 100% |
| Trunari Enterprises Company Limited 達斯彌企業有限公司 | Hong Kong, limited liability company 香港·有限公司 | Holding of trademarks and properties in Hong Kong 持有商標及物業/香港 | 22,000,000 ordinary shares of HK\$1 each 22,000,000 股每股面值 1 港元之普通股 | 100% | 100% |
| Vervestone Limited | The United Kingdom, limited liability company 英國·有限公司 | Investment holding in the United Kingdom 投資控股/英國 | 2,000 ordinary share of £1 each 2,000 股每股面值 1 英鎊 之普通股 | 100% | 100% |
| Walker Corporation Limited | Hong Kong, limited liability company 香港·有限公司 | Holding of leases in Hong Kong 持有租賃/香港 | 1,000 ordinary shares of HK\$1 each 1,000 股每股面值 1 港元之 普通股 | 100% | 100% |
| Walker Group China Company Limited 盈進集團(中國)有限公司 | Hong Kong, limited liability company 香港·有限公司 | Investment holding in Hong Kong 投資控股/香港 | 100 ordinary shares of HK\$1 each 100 股每股面值 1 港元 之普通股 | 100% | 100% |

Notes to the Consolidated Financial Statements

綜合財務報表附註

35. SUBSIDIARIES (Continued)

附屬公司

| Name of company 公司名稱 | Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別 | Principal activities and place of operation 主要業務及經營所在地 | Particulars of issued share capital 已發行股本詳情 | Interest held 所持權益 | |
|--|---|---|--|-----------------------|------|
| | | | | 2013 | 2012 |
| Indirectly held: (Continued) 間接持有：(續) | | | | | |
| Walker Group International Company Limited 盈進集團(國際)有限公司 | Hong Kong, limited liability company 香港，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 100 ordinary shares of HK\$1 each 100股每股面值1港元 之普通股 | 100% | 100% |
| Walker International Footwear Limited 盈進國際鞋業有限公司 | Hong Kong, limited liability company 香港，有限公司 | Wholesaling of footwear 批發鞋類 | 100 ordinary shares of HK\$1 each 100股每股面值1港元 之普通股 | 100% | 100% |
| Walker Investment Limited (formerly known as Walker International Holding Limited) Walker Investment Limited (前稱盈進國際控股有限公司) | Hong Kong, limited liability company 香港，有限公司 | Investment holding in Hong Kong 投資控股／香港 | 100 ordinary shares of HK\$1 each 100股每股面值1港元之 普通股 | 100% | 100% |
| Walker Shop Footwear Limited | Hong Kong, limited liability company 香港，有限公司 | Investment holding and retailing of footwear in Hong Kong 投資控股及零售鞋類／香港 | 500,000,000 ordinary shares of HK\$0.001 each 500,000,000股每股面值 0.001港元之普通股 | 100% | 100% |
| Walker Shop International Trading (Shanghai) Company Limited [†] 奧卡索國際貿易(上海) 有限公司 | PRC, wholly foreign-owned enterprise limited liability company 中國，外商獨資企業有限公司 | Retailing of footwear in the PRC 零售鞋類／中國 | US\$200,000 200,000美元 | 100% | 100% |

[†] The English names of certain companies represent the best effort by the management of the Group in translating their Chinese names as they do not have official English names.

As legal requirement, all companies established in the PRC and Taiwan have adopted 31 December as their accounting date for statutory reporting purpose. All other companies have adopted 31 March as their financial year end date.

根據法律規定，於中國及台灣成立之所有公司已採納12月31日為其法定申報日期。所有其他公司已採納3月31日為其財政年度年結日。

Five-Year Financial Summary

五年財務概要

CONSOLIDATED INCOME STATEMENTS

綜合收益表

| | | For the year ended 31 March 截至3月31日止年度 | | | | |
|---|---------------------------|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2011 HK\$'000 千港元 | 2010 HK\$'000 千港元 | 2009 HK\$'000 千港元 |
| Turnover | 營業額 | 1,375,256 | 1,451,495 | 1,299,284 | 1,137,502 | 1,043,513 |
| Cost of sales | 銷售成本 | (555,810) | (600,476) | (526,783) | (484,198) | (476,239) |
| Gross profit | 毛利 | 819,446 | 851,019 | 772,501 | 653,304 | 567,274 |
| Operating expenses | 經營費用 | (919,798) | (874,917) | (749,507) | (664,314) | (654,629) |
| Other gains/(losses) — net | 其他收益/(虧損) — 淨值 | 1,246 | 4,514 | (611) | 5,046 | (9,289) |
| Other income | 其他收入 | 7,341 | 12,515 | 12,305 | 17,507 | 9,358 |
| Operating profit/(loss) | 經營溢利/(虧損) | (91,765) | (6,869) | 34,688 | 11,543 | (87,286) |
| Finance income/(costs) — net | 財務收入/(費用) — 淨值 | (181) | (439) | 425 | 333 | 4,008 |
| Share of loss of a jointly controlled entity | 分佔合營公司虧損 | — | — | — | — | (1,422) |
| Profit/(loss) before income tax | 未計所得稅前溢利/ (虧損) | (91,946) | (7,308) | 35,113 | 11,876 | (84,700) |
| Income tax expense | 所得稅開支 | (3,363) | (4,258) | (11,947) | (10,063) | (5,355) |
| Profit/(loss) for the year | 本年度溢利/(虧損) | (95,309) | (11,566) | 23,166 | 1,813 | (90,055) |
| Attributable to: | 應佔： | | | | | |
| Equity holders of the Company | 本公司權益持有人 | (92,826) | (9,713) | 25,131 | 2,918 | (89,384) |
| Non-controlling interests | 非控股權益 | (2,483) | (1,853) | (1,965) | (1,105) | (671) |
| | | (95,309) | (11,566) | 23,166 | 1,813 | (90,055) |
| Dividends | 股息 | — | — | 15,589 | — | — |

Five-Year Financial Summary

五年財務概要

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

綜合財務狀況表

| | | As at 31 March 於3月31日 | | | | |
|---|------------------|--------------------------|-------------------------|-------------------------|--|--|
| | | 2013 HK\$'000 千港元 | 2012 HK\$'000 千港元 | 2011 HK\$'000 千港元 | 2010 HK\$'000 千港元 (Restated) (經重列) | 2009 HK\$'000 千港元 (Restated) (經重列) |
| ASSETS | 資產 | | | | | |
| Non-current assets | 非流動資產 | | | | | |
| Property, plant & equipment | 物業、廠房及設備 | 52,064 | 60,520 | 55,625 | 56,632 | 62,525 |
| Investment property | 投資物業 | 1,013 | 1,045 | 1,078 | 1,111 | 1,144 |
| Intangible assets | 無形資產 | 45,339 | 64,953 | 69,411 | 73,341 | 71,350 |
| Deferred income tax assets | 遞延所得稅資產 | 19,355 | 19,124 | 17,486 | 12,417 | 18,826 |
| Available-for-sale financial assets | 可供出售金融資產 | 39,759 | 42,145 | 52,421 | 48,233 | 25,065 |
| Rental deposits | 租金按金 | 16,336 | 18,850 | 15,462 | 14,542 | 20,260 |
| | | 173,866 | 206,637 | 211,483 | 206,276 | 199,170 |
| Current assets | 流動資產 | | | | | |
| Inventories | 存貨 | 444,870 | 470,672 | 405,553 | 274,844 | 316,275 |
| Trade and bills receivables | 應收貿易款項及應收票據 | 152,446 | 148,543 | 132,928 | 119,267 | 109,576 |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 53,858 | 58,588 | 85,779 | 62,079 | 52,549 |
| Financial assets at fair value through profit or loss | 按公平值計入損益之金融資產 | — | 22,699 | 39,732 | 41,870 | 37,658 |
| Tax recoverable | 可收回稅項 | 86 | 86 | 149 | 544 | 86 |
| Cash and cash equivalents | 現金及現金等值項目 | 104,179 | 95,552 | 135,927 | 170,628 | 177,975 |
| | | 755,439 | 796,140 | 800,068 | 669,232 | 694,119 |
| LIABILITIES | 負債 | | | | | |
| Current liabilities | 流動負債 | | | | | |
| Borrowings | 借貸 | (5,400) | (6,075) | — | — | (22,525) |
| Trade and bills payables | 應付貿易款項及應付票據 | (161,679) | (156,016) | (160,129) | (89,966) | (116,559) |
| Accruals and other payables | 應計費用及其他應付款項 | (73,741) | (72,623) | (72,383) | (55,584) | (56,587) |
| Obligation under finance lease | 融資租賃承擔 | — | (53) | (316) | (316) | (316) |
| Tax payable | 應付稅項 | (1,793) | (1,800) | (2,548) | (2,965) | (6,953) |
| | | (242,613) | (236,567) | (235,376) | (148,831) | (202,940) |
| Net current assets | 流動資產淨值 | 512,826 | 559,573 | 564,692 | 520,401 | 491,179 |
| Total assets less current liabilities | 資產總額減流動負債 | 686,692 | 766,210 | 776,175 | 726,677 | 690,349 |
| Non-current liabilities | 非流動負債 | | | | | |
| Obligation under finance lease | 融資租賃承擔 | — | — | (53) | (369) | (685) |
| Deferred income tax liabilities | 遞延所得稅負債 | (4,456) | (2,940) | (1,413) | (222) | (260) |
| | | (4,456) | (2,940) | (1,466) | (591) | (945) |
| Net assets | 資產淨值 | 682,236 | 763,270 | 774,709 | 726,086 | 689,404 |
| EQUITY | 權益 | | | | | |
| Capital and reserves | 資本及儲備 | | | | | |
| Share capital | 股本 | 62,356 | 62,356 | 62,356 | 62,250 | 62,250 |
| Reserves | 儲備 | 620,954 | 702,980 | 712,264 | 663,011 | 627,812 |
| | | 683,310 | 765,336 | 774,620 | 725,261 | 690,062 |
| Non-controlling interests | 非控股權益 | (1,074) | (2,066) | 89 | 825 | (658) |
| Total equity | 權益總額 | 682,236 | 763,270 | 774,709 | 726,086 | 689,404 |

Particulars of Major Investment Property

主要投資物業詳情

| Location 位置 | Type 類別 | Tenure 租期 |
|--|--------------------|----------------------|
| Unit 9 on 6th Floor, Hope Sea Industrial Centre, 26 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong 香港九龍九龍灣臨興街26號富洋工業中心6樓9室 | Industrial 工業用途 | Medium lease 中期租約 |

