



沪港联合

Hong Kong Shanghai Alliance Holdings Limited

滬港聯合控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股票代號：1001

Annual Report 年報

2016/17





## WHO WE ARE

## 我們是

The Group was founded in 1961 as a supplier of construction steel and materials. In the early 1990s, we expanded our presence into Mainland China. Today, the Group is a leading supply chain manager of industrial products like steel and engineering plastics. We are also a relevant player in bathroom and kitchen products and represent brands like TOTO Japan, KEUCO Germany, DURBAN Germany, KERASAN Italy and ASI USA. The Group has a strong presence in Hong Kong and Eastern China. We have a growing presence in Southern and Northeastern China. Our objective is to be a relevant player in the markets we choose to serve and to serve markets where our knowledge and experience will allow for profitable growth.

We provide downstream processing, inventory management, logistics and financing solutions for steel, steel recycling and engineering plastics.

Our bathroom and kitchen group provides total solutions services including installation, inventory management, logistics, design and technical support to developers, architects and designers.

The Group owns and operates properties in Shanghai. We specialize in renovation and tenant upgrade so as to maximize rental income and asset value.

本集團於一九六一年成立為建築鋼材及材料供應商。於九十年代初期，我們已進軍中國內地。如今，本集團為鋼材及工程塑膠等工業用品之供應鏈經營商翹楚。我們亦參與經營衛浴及廚房產品，並代理日本 TOTO、德國 KEUCO、德國 DURBAN、意大利 KERASAN 及美國 ASI 等品牌產品。本集團於香港及中國華東擁有雄厚實力。我們於中國華南及東北之實力與日俱增。我們的目標為在選擇服務之市場上成為重要企業，並立足市場，發揮我們的知識及經驗謀利益，求發展。

我們為鋼材、鋼材回收及工程塑膠提供下游加工、庫存管理、物流及融資解決方案。

我們的衛浴及廚房項目團隊為發展商、建築師及設計師提供一站式服務，包括安裝、庫存管理、物流、設計及技術支援。

本集團於上海擁有及經營物業。我們專門翻新物業及優化租戶組合，從而以最大限度地提升租金收入及資產價值。







## WHERE WE ARE GOING

## 我們的前景

The Hong Kong construction market is expected to remain strong in the coming years. Our Construction Materials Business will continue to drive top line growth by maintaining our market share of reinforcement bar and aggressively growing our share of structural products.

Our new investment in Hong Kong's first, automated rebar processing and assembly plant started operations in early 2016. Strategically located in Tsing Yi, this plant helps to address labour shortage and aging worker issues facing by Hong Kong construction industry by providing automated processing and improving supply chain efficiency. This investment makes the Hong Kong construction industry safer, more efficient and environmentally responsible. Automation helps improve safety, quality control and allows for contractors to get product that is tested and ready-to-use. We operate this plant in partnership with Singapore's NatSteel (a Tata Steel Enterprise). NatSteel's 30+ years of experience in cut and bend, mesh and precast combined with our 50+ years as a relevant supplier to the Hong Kong construction market allow us to create the best processing and service solution to contractors.

Property Business will continue its focus on identifying potential investment opportunities in Shanghai. As Shanghai moves to a services based economy, the need for quality office space with access to metro lines and major roads will increase. We will continue to focus on renovation and tenant upgrade opportunities in office buildings in Shanghai.

Building and Design Solutions Business will continue to roll out our architectural and design centre concept to grow retail and project sales while maintaining a strong link to markets through our growing dealer partner network. China's drive for urbanization and growing middle and upper class will help us drive our top line strategy while allowing us to remain in the high-end segment of the market.

Bao Shun Chang and Engineering Plastics Business will continue to expand geographically to serve Southern, Eastern and Northeastern China. Both Bao Shun Chang and Engineering Plastics Business have established themselves as strong local players and can use the same business model to expand throughout Mainland China.

香港的建築市場預期在未來數年仍然暢旺。我們之建築材料業務將以維持鋼筋市場佔有率及大幅增加結構性產品佔有率，作為繼續推動營業額增長之動力。

我們於二零一六年年年初開始在香港投資營運首間自動化鋼筋加工及裝配廠。廠房策略性選址於青衣，透過提供自動化加工及改善供應鏈效率，有助解決香港建築業面對的勞工短缺及勞動人口老化的問題。此項投資有助香港建築業成為更安全、更高效及更環保之負責任行業。自動化有助改善安全及質量控制，並向承包商提供已測試及可即時使用的產品。我們與新加坡 NatSteel (一間 Tata Steel 企業) 建立夥伴關係，經營此加工廠。NatSteel 於切割及折彎、鋼筋網及預製鋼筋籠方面逾三十年之經驗，結合我們作為香港建築市場相關供應商逾五十年之經驗，有助我們為承包商訂立最佳加工服務解決方案。

房地產業務將繼續專注於物色上海之潛在投資機會。由於上海正轉為服務型經濟，對接駁地鐵線路及主要道路的優質辦公空間需求將會增加。我們將繼續專注在上海尋找辦公樓翻新及租戶升級之機遇。

建築產品及設計方案業務將繼續推廣我們構建之建築及設計中心理念，以增加零售及項目銷售，同時透過日益增長之交易商合夥人網絡與市場保持密切聯繫。中國城市化趨勢及不斷增長之中上階層將有利於我們推動營業額增長策略，同時挺立於市場高端分類。

寶順昌及工程塑膠業務將繼續進行地區擴張，服務中國華南、華東及東北地區。寶順昌及工程塑膠業務已成為當地實力雄厚的營運商，並可用同一業務模式擴展至整個中國內地。





## MISSION 使命

We will deliver on our vision by being responsible and relevant in the markets we choose to participate in. We will deliver sustainable shareholder value and the best total value solution to customers through excellent service, an efficient supply chain, financing and value-added processing. We will be knowledgeable of the market and the needs of our target customers. We will hire people that raise the average and will invest in the development of all of our employees.

我們積極參與所經營市場的相關事務，致力成為負責任企業，以實現我們的願景。我們矢志透過優越的服務、高效供應鏈、融資及增值加工服務，為股東持續增值及為客戶提供最佳的全方位解決方案。我們對市場瞭如指掌，深明目標客戶的需要。我們一向選賢以能，聘用勇於突破的人才，並在員工培訓方面積極投資。



## VISION 願景

We will be a preferred investment option for our **SHAREHOLDERS**. We will consistently execute on our strategies to provide desired returns on investment and sustainable growth. All strategies will have robust analysis and the proper market intelligence to assure delivery of our promises to our board of directors.

我們致力成為**股東**投資的首選。我們將貫徹實行我們的發展策略，藉以為股東提供可觀的投資回報及持續增長。所有策略將通過健全的分析及根據適當的市場訊息制定，確保實現對董事會的承諾。

We will be a preferred supplier to **CUSTOMERS**. They will think of us when needing our products. Their purchasing experience will always be pleasant, informative and helpful in meeting their objectives.

我們致力成為**客戶**的首選供應商。在需要產品時，客戶均以我們為首選，客戶在採購過程中都能獲得愉快的經驗，同時獲得豐富的資料，有助達成目標。

We will be a preferred employer. We will hire only people that raise the average. We will hire for attitude and invest in development of our **EMPLOYEES** to create loyalty and love of company. We will provide a safe and pleasant working environment with constant learning and growth opportunities.

我們將成為首選僱主。我們聘用的員工均是勇於突破的人才。我們重視**員工**的工作態度，並不遺餘力投資於員工培訓方面，以加強員工對公司的歸屬感和熱愛，我們努力為員工提供舒適安全的工作環境，並提供各種機會，讓員工不斷學習和成長。



## CORPORATE VALUES 公司價值

Safe and Enjoyable Working Environment  
Shareholder Value  
Customer Loyalty  
Integrity  
Honesty and Respect  
Responsiveness and Dedication  
Clear and Measurable Goals  
Embrace of Change  
Ambition and Confidence to Excel  
Teamwork

安全愉悅的工作環境  
股東價值  
客戶忠誠度  
廉潔  
誠信與尊重  
及時回應  
清晰可量的目標  
擁抱變化  
抱負及信心  
團隊合作



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yao Cho Fai Andrew  
(Chairman and Chief Executive Officer)  
Ms. Luk Pui Yin Grace  
Mr. Lau Chi Chiu

#### Independent Non-executive Directors

Mr. Tam King Ching Kenny  
Mr. Xu Lin Bao  
Mr. Tse Lung Wa Teddy  
Mr. Yeung Wing Sun Mike

### COMPANY SECRETARY

Ms. Lam Yee Fan, FCIS, FCS

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants

### PRINCIPAL BANKERS

Bangkok Bank Public Co. Ltd.  
Bank of China (Hong Kong) Limited  
Chong Hing Bank Limited  
China CITIC Bank International Limited  
CTBC Bank Co., Ltd.  
DBS Bank (Hong Kong) Limited  
Far Eastern International Bank  
Fubon Bank (Hong Kong) Limited  
Shanghai Commercial Bank Ltd.  
O-Bank Co., Ltd.  
United Overseas Bank Limited

### 董事會

#### 執行董事

姚祖輝先生  
(主席兼首席執行官)  
陸佩然女士  
劉子超先生

#### 獨立非執行董事

譚競正先生  
徐林寶先生  
謝龍華先生  
楊榮樂先生

### 公司秘書

林伊芬女士，FCIS、FCS

### 核數師

羅兵咸永道會計師事務所  
香港執業會計師

### 主要往來銀行

盤谷銀行  
中國銀行(香港)有限公司  
創興銀行有限公司  
中信銀行(國際)有限公司  
中國信託商業銀行股份有限公司  
星展銀行(香港)有限公司  
遠東國際商業銀行  
富邦銀行(香港)有限公司  
上海商業銀行有限公司  
王道商業銀行股份有限公司  
大華銀行

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

Website : <http://www.hkshalliance.com>  
E-mail Address : [enquiry@hkshalliance.com](mailto:enquiry@hkshalliance.com)

## SHARE REGISTRARS AND TRANSFER OFFICES

### Principal Registrar

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

### Hong Kong Branch Registrar

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

## LISTED ON THE STOCK EXCHANGE OF HONG KONG LIMITED

Stock Code : 1001

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

## 香港主要營業地點

香港灣仔  
駱克道41號  
東城大廈  
11樓1103–05室

網址 : <http://www.hkshalliance.com>  
電子郵件 : [enquiry@hkshalliance.com](mailto:enquiry@hkshalliance.com)

## 股份登記過戶處

### 主要過戶處

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

### 香港過戶分處

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

## 在香港聯合交易所有限公司上市

股票代號 : 1001

# HIGHLIGHTS

## 摘要

### Financial Highlights

For the year ended 31st March

### 財務摘要

截至三月三十一日止年度

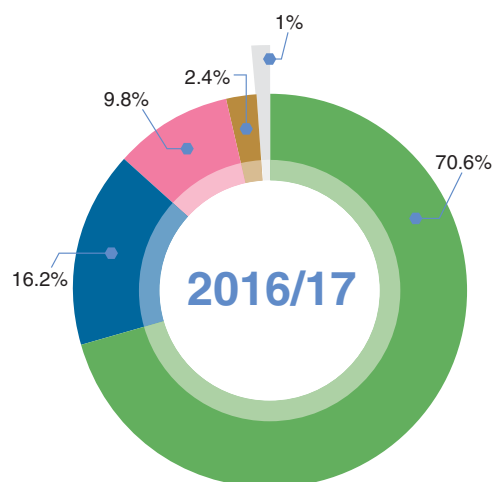
		2017 二零一七年 HK\$ million 百萬港元	2016 二零一六年 HK\$ million 百萬港元	Change 變化
Revenue	收入	<b>3,023</b>	3,380	-10.6%
Gross profit	毛利	<b>335</b>	416	-19.5%
Earnings before interests and tax ("EBIT")	除息稅前盈利 (「除息稅前盈利」)	<b>401</b>	213	+88.3%
Profit attributable to owners of the Company	本公司擁有人應佔溢利	<b>102</b>	70	+45.7%
Basic earnings per ordinary share (HK cents)	每股普通股基本盈利(港仙)	<b>15.86</b>	10.95	+4.91 cents 港仙
Proposed final dividend per ordinary share (HK cents)	建議每股普通股末期股息 (港仙)	<b>2.49</b>	1.00	+1.49 cents 港仙
Gross profit margin	毛利率	<b>11.1%</b>	12.3%	-1.2 p.p. 百分點
EBIT margin	除息稅前盈利率	<b>13.3%</b>	6.3%	+7.0 p.p. 百分點
Net profit margin	純利率	<b>3.4%</b>	2.1%	+1.3 p.p. 百分點
Return on equity	股本回報率	<b>9.2%</b>	6.6%	+2.6 p.p. 百分點

### Revenue by Lines of Business

- Steel Processing, Distribution and Recycling
- Building and Design Solutions
- Engineering Plastics
- Property
- Unallocated

### 各項業務之收入

- 鋼材加工、分銷及回收
- 建築產品及設計方案
- 工程塑膠
- 房地產
- 未分配





# OUR NETWORK

## 我們的營銷網絡

China 中國

### Wuhan 武漢

- Sales Office  
銷售中心

### Changshu 常熟

- Coil Processing and Stamping Plant  
卷鋼加工及沖壓工廠

### Shanghai 上海

- Sales and Distribution  
銷售及分銷中心
- Sales Office  
銷售中心
- Sales Office  
銷售中心
- Office Building  
辦公大廈
- Sales and Distribution  
銷售及分銷中心

### Ningbo 寧波

- Sales Office  
銷售中心

### Suzhou 蘇州

- Sales Office  
銷售中心

### Xiamen 廈門

- Sales Office  
銷售中心

### Guangzhou 廣州

- Sales Office  
銷售中心

### Hong Kong 香港

- ★ Corporate Headquarter  
集團總部
- Sales and Distribution  
銷售及分銷中心
- Steel Recycling Plant  
鋼材回收廠
- Automated Rebar  
Processing and Assembly Plant  
自動化鋼筋加工及裝配廠
- Architectural and Design Centre  
建築及設計中心
- Sales Office  
銷售中心

- ★ Corporate Headquarter  
集團總部

- Steel Processing, Distribution and Recycling  
鋼材加工、分銷及回收

- Building and Design Solutions  
建築產品及設計方案

- Engineering Plastics  
工程塑膠

- Property  
房地產

- Coil Processing and Distribution  
卷鋼加工及分銷

# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務摘要

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

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

### Consolidated Income Statement

### 綜合損益表

		Year ended 31st March 2013 截至 二零一三年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2014 截至 二零一四年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2015 截至 二零一五年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2016 截至 二零一六年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2017 截至 二零一七年 三月三十一日 止年度 HK\$'000 千港元
Revenue	收入	3,760,620	3,849,306	3,868,393	3,380,161	<b>3,022,923</b>
Operating profit	經營溢利	117,373	114,411	347,968	212,535	<b>400,749</b>
Net finance costs	淨財務費用	(20,087)	(34,635)	(55,267)	(63,339)	<b>(117,121)</b>
Profit before income tax	除稅前溢利	100,815	149,356	293,575	146,269	<b>247,117</b>
Income tax expense	所得稅支出	(29,355)	(44,537)	(74,309)	(75,005)	<b>(147,981)</b>
Profit for the year	年度溢利	71,460	104,819	219,266	71,264	<b>99,136</b>
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	71,600	103,708	215,533	70,105	<b>101,776</b>
Non-controlling interests	非控制性權益	(140)	1,111	3,733	1,159	<b>(2,640)</b>
		71,460	104,819	219,266	71,264	<b>99,136</b>
Dividends	股息	21,525	31,094	46,785	17,950	<b>30,490</b>

# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務摘要

### Consolidated Statement of Financial Position

### 綜合財務狀況表

		As at 31st March 2013 於二零一三年 三月三十一日 HK\$'000 千港元	As at 31st March 2014 於二零一四年 三月三十一日 HK\$'000 千港元	As at 31st March 2015 於二零一五年 三月三十一日 HK\$'000 千港元	As at 31st March 2016 於二零一六年 三月三十一日 HK\$'000 千港元	As at 31st March 2017 於二零一七年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	269,475	1,396,632	1,549,725	2,110,217	<b>1,581,056</b>
Current assets	流動資產	1,509,695	1,256,341	1,372,081	1,421,542	<b>1,802,843</b>
Current liabilities	流動負債	(1,028,215)	(1,197,426)	(1,118,052)	(1,118,640)	<b>(1,666,950)</b>
Non-current liabilities	非流動負債	(817)	(673,915)	(731,653)	(1,351,616)	<b>(586,051)</b>
Net assets	資產淨額	750,138	781,632	1,072,101	1,061,503	<b>1,130,898</b>
Equity:	權益：					
Share capital	股本	41,377	41,770	63,227	64,064	<b>64,188</b>
Reserves	儲備	673,747	739,422	1,007,954	995,360	<b>1,045,323</b>
Capital and reserves attributable to owners	擁有人應佔股本及 儲備	715,124	781,192	1,071,181	1,059,424	<b>1,109,511</b>
Non-controlling interests	非控制性權益	35,014	440	920	2,079	<b>21,387</b>
Total equity	權益總額	750,138	781,632	1,072,101	1,061,503	<b>1,130,898</b>

Deliver sustainable return through  
strategic planning and  
value-driven disposal

通過戰略規劃及  
資產價值變現  
實現可持續回報

Yao Cho Fai Andrew  
姚祖輝



Dear Shareholders,

On behalf of the board of directors (the "Board") of Hong Kong Shanghai Alliance Holdings Limited ("HKSHA" or the "Company") and its subsidiaries (collectively, the "Group"), it is my pleasure to present the audited consolidated results of the Group for the year ended 31st March 2017 (the "Year").

The Year was a year full of challenges, yet the Group was able to respond with great accomplishments. During the Year, the global economy was full of uncertainties with new leaders and changes in international unions, while new national policies such as China's 13th Five-Year Plan and the capacity reduction in steel production have further added a sense of volatility to the increasing steel price. However, despite all the market uncertainties and negativities, HKSHA has maintained its focus through strategic planning, value-driven disposal, and deliberate cost control, as the Group continued its transformation of becoming a service-based solutions provider while recording improving business performance in its property segment.

各位股東：

本人謹代表滬港聯合控股有限公司（「滬港聯合」或「本公司」）及其附屬公司（統稱「本集團」）董事會（「董事會」），欣然提呈本集團截至二零一七年三月三十一日止年度（「本年度」）之經審核綜合業績。

縱使本年度充滿挑戰，但本集團仍取得豐碩成果。於本年度，全球經濟面臨不確定性，國際組織面臨領導人更換後的變局，中國的十三五規劃及去除鋼材產能等新出台的國家政策進一步加劇鋼材價格的波動。然而，儘管市場上存在諸多不確定及不利因素，滬港聯合繼續朝服務型解決方案供應商轉型，成功透過其戰略規劃、資產價值變現及嚴謹的成本控制等實現目標，同時在房地產分部之業務表現亦不斷改善。



For the Year, the Group has continued its downward migration along the value chain by expanding its one-stop solutions covering the processing, logistics and new products needs of our customers. With the aim of improving the existing offering of the industry, our automated rebar processing and assembly plant in Tsing Yi has been able to add value to customers by providing ready-to-use, tested and processed rebar at a consistent quality, traceable delivery services to safeguard project timeline, as well as automated processing facility to ensure safety, efficiency, and wastage reduction. Our new plant is currently under the ramp-up stage and achieving monthly progress. We believe by providing high-quality steel with value-added services via automation, we can promote efficient processing and a safety-first philosophy within the industry, gradually shifting the industry towards a greener and safer construction supply chain. By taking the lead in automation conversion, we aim to convert the Hong Kong construction materials market into a safer, more efficient, and more transparent environment, and we are confident that our safe, efficient, consistent and convenient offering would eventually prevail in the marketplace.

As we worked our way towards the transformation of the Group's steel business, we have also enjoyed considerable success in the property segment, with the sales of Central Park Putuo signifying the Company's niche and capability in its business in Shanghai. Through our value enhancement and tenant upgrade effort for Central Park Putuo, we were able to achieve an increase in rental revenue, and has successfully disposed the property with a net cash proceeds of approximately HK\$580.8 million, after deducting the relevant facility payment and transaction costs. The transaction has not only strengthened the financial position of the Group, but it has also equipped us with a proven track record in property enhancement in preparation for future projects. In addition to the great success of Central Park Putuo, value enhancement work was also accomplished in other projects, with Park Lane making good progress in the sales of units, as well as Central Park Pudong boosting an occupancy rate of over 50% after completing interior renovation work in April 2017. These achievements have demonstrated the effectiveness of our business model, in devoting our efforts in value-added renovation, employing design expertise and product application knowledge, and cultivating on the existing supplier relationships. As Shanghai will be upgrading its innovative manufacturing and transforming into a global hub by 2020, it is expected that there will be a massive increase in the demand for commercial buildings. Targeting to unleash such potentials, we will continue to focus on the Shanghai market with our proven track record and capabilities.

Stringent cost control was also high on the agenda, as we pursued a leaner corporate structure in enhancing efficiency while eliminating non-core expenses. During the Year, we have moved our sales and operations teams together in one location — Tsing Yi, while also merging the Hong Kong and China headquarters into one. This has allowed us to achieve higher operating efficiency, lower corporate expenses, and more importantly, equipping us with a leaner corporate structure in support of future development strategies.

於本年度，本集團繼續向產業鏈下游伸延，透過豐富其一站式解決方案，滿足客戶在加工、物流及新產品上的需求。為進一步完善行業現有產品組合，我們位於青衣的自動化鋼筋加工及裝配廠已能為客戶提供即時使用、已測試及質量一致的經加工的鋼筋；具追蹤性能的交付服務以確保項目流程如期進行，並採用自動化加工設施以確保生產環境安全性、提高生產效率及降低能耗。新的廠房目前處於起步階段且每月均有所改善。我們相信，通過自動化生產所帶來的優質鋼材及增值服務等優勢，我們能夠在行業內部推動高效加工及安全第一的理念，引領建築供應鏈逐漸邁向環保及安全。我們將善用本集團在自動化轉型方面的領導地位，冀望把香港建築材料市場打造成一個更安全、更有效及透明度更高的營運環境。我們深信，本集團安全、有效、一貫及便捷的產品及服務組合最終將在市場上成為主流。

在本集團鋼材業務積極轉型的同時，我們在房地產分部亦取得可觀的回報，出售中港匯普陀足證本公司在上海的房地產業務的優勢及能力。通過提升中港匯普陀之物業價值及優化其租戶組合，我們得以提高其租金收入，及後我們成功出售該物業，並獲得現金所得款項淨額約580,800,000港元（扣除相關融資付款及交易成本）。該交易不僅加強本集團的財務狀況，更為我們在房地產增值能力方面提供了良好的往績，並為我們未來的項目奠下基礎。除中港匯普陀的亮麗成績外，其他項目亦實現增值，尚泰里的單位銷售取得良好進展，中港匯浦東在二零一七年四月完成內部翻新工程後出租率亦超逾50%。這些成就肯定了本集團之業務模式及展示了我們在增值、翻新、設計、產品應用及維護現有供應商關係方面的能力。隨着上海主張創新製造業，並定下在二零二零年前轉型成全球樞紐的目標，我們預期商業樓宇的需求將大幅增長。為發掘市場潛力，我們將運用良好的往績及能力繼續專注上海市場。

為達致精簡靈活的企業架構，以提升效率同時減省非核心開支，我們實施嚴格的成本控制。於本年度，我們將銷售及營運團隊共同搬遷至青衣辦公，同時將香港及中國總部合二為一。此舉令我們提高經營效率、降低企業開支，更重要是為我們提供一個精簡的企業架構，有助於實踐未來的發展戰略。

# CHAIRMAN'S STATEMENT

## 主席報告書

Apart from the operational improvements, we have also revitalized our employees' incentives program as well as undertaking various initiatives to embrace social responsibilities. On the incentives front, we have promoted the use of employee stock ownership plan ("ESOP") in Bao Shun Chang with great success, as we were able to raise productivity, improve profit level, forge a strong sense of belongingness among employees, while attracting talented workers for business advancement. In the future, we would love to look into the possibility of extending such scheme to other business units, in an attempt to fulfill our business potentials. On the social responsibilities front, the Group was able to make a significant contribution through its Tsing Yi plant, as it provided a safer, more pleasant and indoor working environment to our employees, not to mention that it also reduced the overall carbon footprint of the industry due to its minimal scrap produced and its reduction in materials movement.

Looking forward, we expect another challenging year filled with numerous opportunities, as we have laid a solid foundation from the consolidation in the recent past. From an economic perspective, the GDP growth rate of China has shown to be gradually cooling down, as China is currently undergoing an economic transition from heavily dependent on debt and export, to a more consumer-orientated economy. On the industry front, the fluctuation in steel price is expected to continue amid dominating supply-side policies such as steel production capacity reduction, which injects further uncertainties, or in other words business risks, to a slowing market. Nonetheless, we remain confident in the business development of the Tsing Yi plant, that by shifting from a product-based offering to value-added-based services, we are providing a competitive, efficient, safe, and transparent option to the increasing service-oriented and profit-driven steel industry.

In order to realize such market potentials, we will need to accelerate the ramp up of our new plant, and move from product distribution to delivery of semi-finished products. The Group will continue to lead in promoting the benefits of automated off-site cut-and-bend services over on-site processing, while working with industry peers and other stakeholders in advocating for improving working conditions, as well as tightening safety and environmental standards.

In addition, the Group will also expand its downstream coverage in facilitating the ramp up, as demonstrated by its recent approval of becoming a processed rebar supplier to the housing sector. As an approved supplier, we aim to become one of the key suppliers of processed rebar to housing projects, and with an increasing number of real estate development taking place in Hong Kong, it is expected to be one of the key growth drivers of the Group in the future.

Geographically, while the current target is to fully penetrate into the Hong Kong market for efficiency and return maximization, the Group also sees a lot of collaboration opportunities with multinational corporations on matters such as procurement, sales channels, and client network in the Southeast Asia region, in which the Group may further explore in the near future.

除營運方面的改善外，我們亦革新僱員激勵計劃，同時採取多項舉措以履行社會責任。就激勵計劃而言，我們成功在寶順昌推動員工持股計劃（「員工持股計劃」）。意旨提高生產力、改善盈利水平、加強員工歸屬感，同時吸納人才推動業務發展。未來，我們將積極考慮把員工持股計劃拓展至其他業務，以發展我們的業務潛力。就社會責任而言，本集團通過其青衣廠房作出重大貢獻，不但為僱員提供了一個更安全、更舒適的室內工作環境，同時減少廢鋼產出及減少材料搬運，降低了行業的整體碳足跡水平。

展望未來，我們預期今年仍充滿挑戰，但由於我們已為現有業務奠定良好基礎，今年亦將擁有眾多機遇。就經濟而言，由於中國正進行經濟轉型，從高度倚賴債務及出口，轉型為一個更為倚重消費的經濟體，因此近年中國的國內生產總值增速亦逐漸放緩。就行業而言，鋼鐵行業去產能化政策的實施將繼續引起鋼材價格波動，為這個增長緩慢的市場帶來更多不確定性，變相提升業務風險。儘管如此，我們對青衣廠房的發展充滿信心，通過由產品為主導轉變為以增值服務為主導，我們將為這個朝服務導向及利潤驅動轉型的鋼材行業提供具競爭力、高效、安全及透明的選擇。

為實現該等市場潛力，我們需要提升新廠房產能，並由產品分銷轉變為半成品交付的模式。本集團將繼續引領推廣場外自動化切割及折彎服務較場內加工的優勢，並與同業及其他持份者協作提倡改善工作環境，以及提升安全及環境標準。

此外，本集團亦將擴大其下游覆蓋，以促進產能提升，如近期獲批准成為房屋業的鋼筋加工供應商。作為獲認可的供應商，我們旨在成為房屋項目的主要鋼筋加工供應商之一，而隨著香港房地產項目數量日漸增加，我們預期這將成為本集團未來的其中一個主要增長動力。

就地域而言，儘管本集團當前的目標是全面滲透香港市場，以提高效率及最大化回報率，本集團亦發現在東南亞地區存在大量與跨國企業在採購、銷售渠道及客戶網方面合作的機遇，本集團近期可能會在該等方面進一步探索。

# CHAIRMAN'S STATEMENT

## 主席報告書

Regarding the property segment, we will continue to add to our steady track record in the acquisition and transformation of under-performing buildings into modern, productive and valuable assets. We will also explore opportunities for raising capital through joint venture, pursuing in fund management, or other channels in order to deliver our goals.

I would like to take this opportunity to express gratitude from the bottom of my heart to our employees and stakeholders for your continuous devotion for the Group. Without your support and can-do attitude, the business transformation may not be as successful. I would also like to extend my gratitude to the relevant government entities for your support in our journey of transformation, at a time when we shift our position from a product distributor to a solutions partner with our customers. Lastly, I would like to show my utmost appreciation to our shareholders, for your trust and patience during the journey. I am confident that HKSHA will continue to be a market leader, which is capable of delivering long-term and generous returns to our shareholders.

**Yao Choi Fai Andrew**  
*Chairman*

23rd June 2017

就房地產分部而言，我們將延續此前的穩定表現，繼續收購並將表現欠佳的樓宇改造為現代化、具生產力及有價值的資產。我們亦將尋求機遇，通過合營企業、尋求資金管理或其他渠道籌集資金，以實現我們的目標。

本人願藉此機會向本集團僱員及持份者表示深切謝意，感謝彼等為本集團持續作出的奉獻。若非彼等的支持及積極進取的態度，業務轉型未必能夠如此成功。本人亦謹此向相關政府部門表示致謝，感謝彼等在本集團由產品分銷商轉型為解決方案供應商過程中的支持。最後，本人希望向股東致以最誠摯的謝意，多謝彼等在轉型過程中的信任與耐心。本人深信，滬港聯合將繼續引領市場，並能夠向股東提供長期豐厚的回報。

主席  
姚祖輝

二零一七年六月二十三日

### Shifting from product-driven to **service-oriented** solutions promoting an **efficient and safe value chain**

### 推廣**高效安全價值鏈**

### 由**產品主導**轉型至**服務主導型**解決方案

#### OVERVIEW

The Year was marked by significant challenges related to a volatile steel market as well as incremental and sustainable progress as we continued with the ramp up of our newly built, automated downstream processing facility in Hong Kong. Global and regional volatility in commodity prices along with weaker demand created a challenging environment for the Group, particularly in our Construction Materials Business as long-term contracts that were confirmed during low cycle of market are being delivered during a time of unusually high and resilient prices out of China. Because of this new reality and our evolving business model, we worked to create a lean and agile organization with talent capable of moving our Group to the next level of operational efficiency and business model transformation. Each business worked to right-size their organization and manage working capital to reflect top line results and reduce risk in areas of customer debt and inventory obsolescence.

During the Year, we worked to build new opportunities in steel recycling, downstream steel processing, regional/segment specific growth for plastics and high-growth segment sales in our Building and Design Solutions (“BDS”) Business.

In spite of bottom line improvements in coil processing and steel recycling division, our Construction Materials Business generated a net loss. Sudden and sharp rebar price increases put pressure on margins of rebar contracts. Our Hong Kong rebar sales model calls for project pricing for as long as one year and sudden and sharp price increases caused a decrease in margin due to timing of delivery.

#### 概覽

本年度挑戰重重，面對鋼材市場波動，加上我們著力推進於香港新建的自動化下游加工設施以取得遞增及持續的進展。全球及地區商品價格波動以及需求疲弱對本集團，尤其建築材料業務帶來挑戰。由於其在市場低迷週期確認的長期合約需於中國境外價格異常高企及回彈時期交付。面對此現狀及我們不斷演變的業務模式，我們致力創設精簡靈活的架構，配合我們之優秀團隊，更進一步提升本集團經營效率及推動業務模式改革。各業務旨在精簡架構至最適宜的規模並管理營運資金以達致最佳收入及降低客戶債務及陳舊存貨等方面的風險。

於本年度，我們致力發展新機遇，促進鋼材回收、鋼材下游加工、工程塑膠業務地區／分部增長及建築產品及設計方案（「建築產品及設計方案」）業務內高增長的分部銷售。

儘管卷鋼加工及鋼材回收分部溢利改善，惟我們的建築材料業務產生虧損淨額。鋼筋價格急劇及大幅上漲對鋼筋合約的利潤率造成壓力。我們於香港的鋼筋銷售模式項目定價長達一年，故價格於交付期間急劇及大幅上漲導致利潤率減少。



## Deliberate cost control to construct an enduring business model

## 審慎控制成本以 創建持久業務模式

Our new investment in Hong Kong's first, automated rebar processing and assembly plant started operations in early 2016 with increasing fixed expenses as expected.

This new investment has faced start up challenges and results, while improving monthly, was below expectations in terms of profitability. Downstream processing of rebar has high fixed expenses relating to land and warehousing as well as labour as we train operators in a market with severe labour shortages and an ageing labour population.

For our Property Business, gain on disposal of our Central Park Putuo was recognized upon completion of the disposal on 31st March 2017, increasing our operating profit by 119.5% when compared with last year. Net proceeds from this disposal enabled our Group to increase our working capital and reduce bank borrowings. Our proven track record on this disposal and our previous disposal of our first property investment in Point Jing'An in March 2014 demonstrated our niche and capability in our Property Business in Shanghai.

我們新投資於香港的首家自動化鋼筋加工及裝配廠於二零一六年初開始營運，因此，固定支出按預期增加。

該新投資面對起步挑戰且取得初步成果，並按月改善，惟盈利能力低於預期。因土地及倉存以及我們需於勞動力嚴重短缺及勞動人口老化的市場培訓操作人員，從而令鋼筋下游加工產生高額固定開支。

就我們的房地產業務而言，出售中港匯普陀所得收益於二零一七年三月三十一日完成出售時確認，使經營利潤較去年增加119.5%。該出售事項所得款項淨額使本集團增加營運資金及減少銀行借款。該出售事項及於二零一四年三月出售的首個投資物業靜安門為我們提供良好往績，足證我們於上海房地產業務的地位及能力。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Engineering Plastics Business and BDS Business showed significant improvements in terms of net profit. Hong Kong BDS projects drove growth and margin improvement, and increased margins and lower expenses resulted in a slight profit in Engineering Plastics Business. While bottom line performance in our core business of construction steel in Hong Kong suffered, net profit in businesses like Engineering Plastics, BDS and surface critical coil processing improved due to efforts in margin enhancement and expense reduction.

The Group's gross profit margin decreased from approximately 12.3% to approximately 11.1% and decreased by 19.5% in absolute terms when compared with last year.

Net corporate expense was reduced by approximately 28.1% year-on-year ("YoY"). We are working to deliver a flat and agile organization and restructuring efforts will continue as our business model changes. Corporate expenses in Mainland China were eliminated as we reduced headcount and moved personnel to business they served. Going forward, corporate support will only exist in Hong Kong. By moving our Hong Kong based corporate support, sales and operations to one location during the Year, we have rationalized headcount and reduced expenses. We expect to continue to rationalize corporate support and are confident in our ability to deliver on our expense control commitments related to corporate support.

We firmly believe our Group will continue to build on our history to deliver our goals and create sustainable value to shareholders. Our migration to value-add downstream services advanced significantly during the Year and we expect to make significant progress in moving away from price sensitive, product driven models to a model of value and solutions that allow us to enhance and sustain margin.

工程塑膠業務及建築產品及設計方案業務的純利有顯著改善。香港建築產品及設計方案項目帶動增長及提升利潤率，而工程塑膠業務的利潤率提升及開支降低亦令其產生微利。儘管香港建築鋼材核心業務的溢利表現受創，由於我們在提升利潤率與減少開支上作出努力，改善了工程塑膠、建築產品及設計方案以及卷鋼加工等業務的溢利。

本集團的毛利率由約12.3%降至約11.1%，絕對值較去年減少19.5%。

企業開支淨額按年同比（「按年同比」）減少約28.1%。我們正努力實現平穩高效之組織架構，亦將因應業務模式之轉變而持續進行重組。中國內地之企業開支於我們減省員工人數及調動人員至其業務部門時消除。日後，企業支援將僅於香港存續。於本年度，我們將香港企業支援、銷售及營運集中於單一地點，以合理化員工人數及減省開支。我們預期繼續合理化企業支援，並相信我們有能力信守在企業支援方面作出控制開支的承諾。

我們深信，本集團將繼續創造歷史並達到我們之目標，以及為股東創造可持續價值。於本年度，我們顯著加快向下游增值服務業轉移，且我們預期將取得重大進展，從價格及產品主導模式轉移至以提供價值及方案的模式，此舉可使我們提高及維持利潤率。



Efficient Supply Chain  
高效型供應鏈



Automated Shearing  
自動剪切



Automated Bending  
自動彎曲

### BUSINESS REVIEW

#### Construction Materials Business

Construction Materials Business comprises Hong Kong construction products processing and distribution (mainly rebars and pilings in the Year), surface critical coil processing and distribution, steel recycling and reinforcing bar processing and assembly business (conducted through our 50%-owned joint venture TVSC Construction Steel Solutions Limited which started operation in early 2016). This business recorded total revenue of approximately HK\$2,132.6 million for the Year, approximately 87.0% of last year mainly due to YOY decrease of tons sold of approximately 6.9%, 10.3% and 27.5% respectively in Hong Kong construction products processing and distribution; surface critical coil processing and distribution; and steel recycling, as we were more selective on our customers and there were projects delay in Hong Kong.

Net loss of Construction Materials Business was approximately HK\$23.3 million, versus last year's net profit of approximately HK\$70.2 million mainly due to (i) net loss of approximately HK\$28.6 million of Hong Kong construction products, compared to a net profit of approximately HK\$122.7 million in last year. Sudden and sharp increase in rebar price put pressure on margins of rebar contracts in the Year. Our Hong Kong rebar sales model calls for project pricing up to one year and upward pricing impact margin negatively; (ii) delay of large projects where margin was higher caused an imbalance to order book and negatively impacted margin; (iii) our surface critical coil processing and distribution made a net profit of approximately HK\$23.8 million, versus a net loss of approximately HK\$10.0 million in last year, primarily due to increase in gross profit margin by approximately 152.8% in absolute terms YOY; and (iv) decrease of net loss of steel recycling by 60.8% YOY mainly due to strict control on margin and operating costs.

### 業務回顧

#### 建築材料業務

建築材料業務包括香港建築產品加工與分銷（於本年度內主要為鋼筋及樁柱）、卷鋼加工與分銷、鋼材回收及鋼筋加工及裝配業務（透過我們擁有50%之合營公司TVSC Construction Steel Solutions Limited經營，於二零一六年初開始營運）。此業務於本年度錄得收入總額約2,132,600,000港元，約為去年的87.0%，主要由於香港建築產品加工與分銷、卷鋼加工與分銷及鋼材回收之已售噸數因我們挑選客戶的標準更嚴格及部份香港項目延誤，導致按年同比分別減少約6.9%、10.3%及27.5%。

建築材料業務之虧損淨額約為23,300,000港元，而去年的溢利淨額約為70,200,000港元，主要原因為(i)香港建築產品產生虧損淨額約28,600,000港元（去年溢利淨額約為122,700,000港元）。鋼筋價格急劇及大幅上漲對本年度鋼筋合約的利潤率造成壓力。我們於香港的鋼筋銷售模式項目定價長達一年，而價格上升對利潤率造成負面影響；(ii)利潤率較高的大型項目的延遲導致訂單賬本不均衡，且對利潤率造成不利影響；(iii)卷鋼加工與分銷相較去年的虧損淨額約10,000,000港元錄得溢利淨額約23,800,000港元，主要由於毛利率按年同比以絕對值增加約152.8%；及(iv)鋼材回收主要因嚴格控制利潤率及經營成本導致虧損淨額按年同比減少60.8%。



Stirrup Bending  
箍筋彎曲



Bent Rebar with Traceability  
彎曲鋼筋附追蹤機制



Pre-loaded Platforms  
預設裝卸平台



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



Central Park Pudong 中港滙浦東

Management will continue to take the following actions to improve the result of Construction Materials Business:

- (i) to source rebars from other suppliers in the world at competitive price, not only from China;
- (ii) to increase our stock level to at least 60% of our confirmed sales quantity;
- (iii) to be selective on customers and related sale contracts; and
- (iv) to take various cost saving measures to reduce variable expenses and overheads.

### Property Business

The Group's Property Business consists of (i) direct acquisition of controlling stake in property for investments — our 100%-owned Central Park Pudong and Central Park Putuo, which generate rental income, appreciation in fair value and gain on disposal to our Group; and (ii) investments in property via partnership or investment funds where the Group takes equity stake of no more than 30%, and our 60%-owned indirect subsidiaries — HSL China Metropolitan Fund I (GP) Ltd. ("HSL GP") and Hongkong and Shanghai Land Capital Ltd. ("HSL Capital", collectively "HSL") act as general partner and investment manager respectively of the partnership or investment funds. The first investment fund we set up is HSL China Metropolitan Fund I L.P. (the "Partnership"), which acquired Park Lane in Shanghai in December 2014 and HSL has been the general partner and investment manager of the Partnership since then. Under the agreement entered into between HSL GP and the Partnership,

管理層將繼續採取下列措施以提升建築材料業務的業績：

- (i) 按具競爭優勢的價格從全球其他供應商而僅非中國採購鋼筋；
- (ii) 增加庫存量至我們已確認之銷量至少60%以上；
- (iii) 挑選客戶及相關銷售合約的標準更加嚴格；及
- (iv) 採取多項成本節約措施以減少可變開支及其他開支。

### 房地產業務

本集團之房地產業務包括(i)直接收購擁有控股權的投資物業 — 我們擁有100%權益的中港滙浦東和中港滙普陀，該等物業為本集團帶來租金收入、增加公允價值及產生出售收益；及(ii)透過合夥企業或投資基金投資物業，本集團於該等合夥企業或投資基金中持有不超過30%權益，而我們持有60%權益的間接附屬公司HSL China Metropolitan Fund I (GP) Ltd. (「HSL GP」)及滙港地產資本有限公司(「滙港地產資本」，統稱「HSL」)分別擔任合夥企業或投資基金的普通合夥人及投資經理。我們成立的首個投資基金為HSL China Metropolitan Fund I L.P. (「合夥企業」)，其於二零一四年十二月於上海收購尚泰里，而HSL從彼時起一直擔任合夥企業的普通合夥人及投資經理。根據HSL GP與合夥企業訂立



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



Park Lane 尚泰里

HSL Capital is entitled to receive (a) acquisition fee at 1% of the gross acquisition price of the investment of the Partnership, upon acquisition of its investment; (b) an annual asset management fee at 1% of the fair value of the Partnership's interest, investment or other asset as determined by an independent and international real estate property valuer; (c) a disposal fee at 1% of the gross disposal price of the investment of the Partnership, upon divestment; and (d) an upside bonus at 20% of the excess of the Partnership's cumulative investment preferred return over 8% per annum, after divestment and after the initial capital investment amount and cumulative investment return at 8% per annum have been distributed by the Partnership to its investors.

HSL was set up in 2014 and its affiliated companies have a team of 17 specialists who are experienced in carrying out property enhancement, alternations and additions works to revitalize vacant or under-utilized buildings in Shanghai, which are targeted, ultimately, to generate significant capital gains for our Group's investments. Through the concerted efforts of these specialists, we carried out works such as, inter alia, upgrading building layout, devising and executing sales and marketing strategies to improve tenancy mix and occupancy rate; carrying our active property management through partnership with experts for the accretion of fair value of our 100%-owned investment property and our non-controlling investment in property via the Partnership.

的協議，滬港地產資本有權(a)於收購投資後按合夥企業投資總收購價收取1%的收購費；(b)按獨立國際房地產估值師釐定的合夥企業的權益、投資或其他資產的公允價值收取1%的年度資產管理費；(c)於投資出售后按合夥企業投資的出售總價收取1%出售費；以及(d)按合夥企業的累計投資優先回報超出每年8%的部分收取20%之上行獎金，該款項於投資出售后及合夥企業將初始資本投資額和累計投資回報率按每年8%分配予投資者後收取。

HSL於二零一四年成立，而其聯系公司擁有由17名專才組成的團隊，於開展房地產價值提升、改動及加建工程方面經驗豐富，彼等修建上海空置或利用率不高的樓宇，最終目標為本集團的投資帶來豐厚的資本增值。通過這些專才的共同努力，我們開展(其中包括)改進建築佈局、制定及實施銷售及市場策略以優化租戶組合及出租率等工作；通過與專才合作積極提升物業管理質素，以增加我們擁有全部權益的投資物業及通過合夥企業擁有之非控股物業的公允價值。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

During the Year, our Property Business recorded a net profit of approximately HK\$173.8 million on revenue of approximately HK\$72.9 million, versus a net profit of approximately HK\$111.8 million on revenue of approximately HK\$60.3 million in last year. The revenue of approximately HK\$72.9 million during the Year comprised (i) rental income of approximately HK\$62.8 million from our 100%-owned Central Park Putuo and Central Park Pudong, up 31.7% YOY as we completed acquisition of Central Park Pudong in June 2016 and it started to generate rental income in July 2016; and (ii) asset management fee income of approximately HK\$10.1 million, versus approximately HK\$12.3 million in last year, earned by HSL from the Partnership. The disposal of our 100%-owned Eastlink International Investment Inc., which holds Central Park Putuo, was completed on 31st March 2017 and our Group recorded a pre-tax gain on disposal of approximately HK\$229.0 million in the Year.

For Central Park Pudong, we successfully increased the occupancy rate from nil in July 2016 to approximately 58.3% at the end of the Year. Based on a valuation report issued by an independent international property valuer, the carrying amount of this investment property was approximately HK\$1,222.7 million (equivalent to approximately RMB1,084.9 million) at end of the Year, resulted in a valuation gain of approximately HK\$272.0 million and a related deferred tax liability provision of approximately HK\$68.0 million for the Year.

For our 29.44% investment via the Partnership in Park Lane, sale and purchase contracts for about 93.4% of the units offered had been signed at the end of the Year. During the Year, we shared a net loss of approximately HK\$13.8 million from this investment mainly due to our 29.44% share of the 100% write-off of the goodwill of HK\$166.1 million arising from the acquisition of Park Lane or HK\$48.9 million.

### Building and Design Solutions Business

BDS Business delivered revenue of approximately HK\$490.7 million in the Year, up approximately 0.4% YOY. Net profit increased significantly from approximately HK\$1.9 million to approximately

於本年度，我們的房地產業務錄得收入約72,900,000港元，溢利淨額為約173,800,000港元，而去年同期收入為約60,300,000港元，溢利淨額為約111,800,000港元。本年度收入約72,900,000港元包括(i)來自我們擁有全部權益的中港匯普陀及中港匯浦東的租金收入約62,800,000港元，按年同比增長31.7%，此乃由於我們於二零一六年六月完成收購中港匯浦東，而該物業自二零一六年七月起產生租金收入；及(ii) HSL從合夥企業收取的資產管理費收入約10,100,000港元，去年為約12,300,000港元。我們於二零一七年三月三十一日完成出售所持全部權益的東聯國際投資有限公司(其持有中港匯普陀)，令本集團於本年度錄得稅前出售收益約229,000,000港元。

就中港匯浦東而言，我們於二零一六年七月成功將出租率從零增至本年度末約58.3%。根據獨立國際物業估值師出具之估值報告，於本年度末，該投資物業的賬面金額約為1,222,700,000港元(相等於約人民幣1,084,900,000元)，使本年度產生估值收益約272,000,000港元及相關遞延稅負債撥備約68,000,000港元。

就我們透過合夥企業持有29.44%權益之尚泰里而言，於本年度末約93.4%之開售單位已訂立買賣合同。於本年度，我們於該項投資之應佔虧損淨額約為13,800,000港元，主要由於收購尚泰里所產生之商譽價值166,100,000港元全數被撇銷，其中我們應佔29.44%或48,900,000港元。

### 建築產品及設計方案業務

於本年度，建築產品及設計方案業務帶來收入約490,700,000港元，按年同比增加約0.4%。本年度溢利淨額由約1,900,000港元大幅增至約



TOTO Kitchen  
TOTO廚房



TOTO Sanitary Ware and Fittings  
TOTO衛生潔具及配件

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

HK\$23.5 million in the Year, mainly due to increase of sales and operating profit of Hong Kong BDS by approximately 18.7% and 246.8% respectively YOY. The China BDS Business recorded a net loss for the Year, increased 12.8% compared with last year.

### Engineering Plastics Business

Engineering Plastics Business recorded revenue of approximately HK\$296.8 million, down approximately 18.7% YOY, with tons sold decreased by approximately 15.9% YOY, as we moved away from customers where margins were too low or credit risk was high. Due to improvement of gross profit margin by 18.6% in absolute terms YOY and reduction of operating expenses by approximately 26.0% YOY, this business recorded a net profit of approximately HK\$3.0 million in the Year, versus a net loss of approximately HK\$4.3 million in last year.

## OUTLOOK

### Construction Materials Business

#### Hong Kong Construction Solutions

We expect the global steel market to continue its volatile evolution as China demand slows down and output is reduced due to environmental initiatives. China steel production consolidation and central government's drive for cleaner air may cause our construction solutions group to search for supply outside of China. In recent months, Turkey and Russia rebar prices have become more competitive and we will stay close to these and other markets to make sure we are purchasing steel at the absolute lowest prices possible and timing our purchases and coverage for maximum margin levels.

Contracts concluded during low cost cycles will need to be delivered and this will impact our margins if prices remain at current levels. Our business model for rebar distribution calls for us to provide project prices and we must work to time the purchase of steel to manage margins. Our investment in downstream rebar processing started

23,500,000港元，主要由於香港建築產品及設計方案的銷售及經營溢利分別按年同比增加約18.7%及246.8%。中國建築產品及設計方案業務於本年度錄得虧損淨額較去年增加12.8%。

### 工程塑膠業務

工程塑膠業務錄得收入約296,800,000港元，按年同比減少約18.7%，連同已售噸數按年同比減少約15.9%，此乃由於我們遠離利潤率極低或信貸風險較高之客戶所致。由於毛利率按年同比以絕對值增加18.6%及經營開支按年同比減少約26.0%，該業務於本年度錄得溢利淨額約3,000,000港元，而去年虧損淨額則約為4,300,000港元。

## 展望

### 建築材料業務

#### 香港建築方案

我們預期全球鋼材市場將持續波動，原因是中國需求放緩及產量因環境措施降低。中國鋼材生產進行整合及中央政府推動淨化空氣的倡議可能導致建築方案團隊尋求中國境外供應商。於近幾個月，土耳其及俄羅斯鋼筋價格變得越具競爭優勢，我們將緊靠該等價格及其他市場，確保我們能以最低價購買鋼材並選取購買時機及範圍，以獲得最高利潤率水平。

於低成本週期達成的合約須予交付，倘價格保持現有水平，其將對我們的利潤率造成影響。根據鋼筋分銷業務模式，我們須提供項目報價，且我們須選取購買鋼材的時機以管控利潤率。我們投資的鋼筋下游加工於二零一六年初開始



Plastics  
塑膠材料

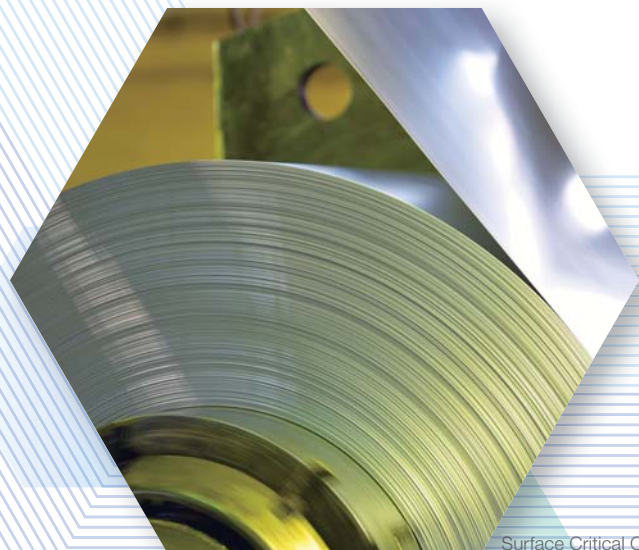


Plastics  
塑膠材料



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



Surface Critical Coil Solutions 卷鋼加工方案

operations in early 2016 and has been ramping up as expected. Our new investment is fixed expense intensive and volume sensitive. We estimate this business to become accretive to profit in the months to come. Hong Kong construction processes on-site and our investment provides an automated, safer, off-site option to the market. While the market is still observing the evolution of automated, off-site processing, there is now growing support from government and many contractors who use off-site processing in other regions and know the benefits first hand.

Our Group will continue to work connect our recycling business to contractors consuming our steel. Our Hong Kong steel recycling business has made significant progress in terms of stabilization and alignment of expense to margin. Recycling is not only a part of our construction solutions business (steel distribution, automated steel processing and steel scrap collection/processing) but is an example of an initiative in environmental protection. Our downstream processing and scrap collection strategy help to reduce waste, product handling and transportation costs and therefore contributes to Hong Kong's green initiative.

### Surface Critical Coil Solutions

Our China based surface critical coil solutions made great progress in the Year. We expanded geographically and were able to maintain market share in a market where automotive, our largest segment in terms of sales, saw a slow-down. Sudden increases in steel prices and too much volatility has a short-term impact on margins as we provide fixed prices to customers on a quarterly basis. We expect a difficult year in this business and will work to stabilize sales and manage margin levels through our supplier rebate programs.

營運且按預期增長。我們的新投資產生固定開支且受產量主導。我們估計該業務將於接下來幾個月增長並開始盈利。香港建築一般以場內加工進行，我們的投資為市場引進自動化且更安全的場外加工選擇。雖然市場仍在觀望自動化場外加工模式的演變過程，惟目前政府提供大力支持，而其他地區許多採取場外加工模式之承包商已直接認識其優勢。

本集團將繼續努力，將回收業務與購買鋼材的承包商聯繫在一起。我們香港的鋼材回收業務已在穩定及調整開支與利潤率方面取得顯著進展。回收不僅是建築方案業務(鋼材分銷、自動化鋼材加工及廢鋼收集/加工)的一部分，亦是環保舉措的典範。我們的下游加工及廢鋼回收策略有助於減少廢料、產品處理及運輸成本，是為香港環保舉措。

### 卷鋼加工方案

我們於中國的卷鋼加工方案於本年度取得顯著進展。我們擴大業務覆蓋範圍且能於汽車市場(就銷量而言此乃業務最大的分部)放緩時維持市場份額。鋼材價格急增及波動太大對利潤率具有短期影響，因我們按季度向客戶提供固定價格的產品。我們預期該業務將面對艱辛的一年，將力爭穩定銷售額及通過供應所提供的折扣計劃管控利潤率。





Automotive Steel Solutions  
汽車鋼材解決方案

### Property Business

Our property investments are all located in strategic areas of Shanghai that are still transforming and increasing in value. Our 100%-owned Central Park Pudong completed its interior renovation in April 2017 and target to increase its occupancy rate to 80% in the near future. Our 29.44%-owned Park Lane managed under HSL has sold 191 out of 196 units of apartments as of early June 2017 and HSL may consider to realize such assets under this investment for the Partnership should the opportunity arise.

Leveraging on HSL's proven successful track record of transformation of under-performing buildings into modern, productive and valuable assets in the last two fiscal years, we aim to expand our Property Business through setting up joint ventures and/or fund partnership and assuming a management role in these forms of cooperations. We believe the target expansion of our Property Business by way of joint ventures and/or fund partnership is beneficial to the development of our Group, as HSL will be entitled to full management rights via acting as the general partner and investment manager of the partnership or investment funds while providing less strain on capital requirements for the Group. HSL has been actively exploring opportunities for raising capital focusing on office buildings in Shanghai on joint ventures and/or fund partnership basis and acting as general partner for the partnership or investment funds to earn service fee income.

### Engineering Plastics Business

Our Engineering Plastics Business has been working on a major re-organization over the past two years as we moved away from segments like toys and moved toward to home appliances,

### 房地產業務

我們的房地產均投資於上海的策略區域，該等區域正不斷轉化並持續增值。我們全資擁有的中港匯浦東已於二零一七年四月完成內部翻新，並有望在不久將來提高其出租率至80%。我們擁有29.44%權益並由HSL管理的尚泰里於二零一七年六月初已出售196套公寓中的191套，且HSL將於機會出現時或考慮將合夥企業所投資的資產變現。

憑藉HSL於最近兩個財政年度將質量欠佳的樓宇改造為現代化、高回報及高價值資產的成功往績，我們將藉此擴展我們的房地產業務，成立合營公司及／或合夥基金，並於以上合作架構下保持管理者角色。本集團相信通過成立合營公司及／或合夥基金以此為目標擴張我們的房地產業務將有利於本集團房地產業務的發展，因HSL將持有合夥企業或投資基金的一般合夥人及投資經理人具有的全部管理權，同時減少對本集團資本需求的壓力。HSL一直專注於上海的辦公樓宇市場，積極探索透過成立合營公司及／或合夥基金的基礎以籌集資本的機會，並擔任合夥企業或投資基金的一般合夥人以賺取服務費用收入。

### 工程塑膠業務

我們的工程塑膠業務於過去兩年內專注於重組，乃由於我們從玩具轉移至家用電器、消費電子及汽車領域，並改變業務方針以涵蓋有更高利

# MANAGEMENT DISCUSSION AND ANALYSIS

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consumer electronics and automotive while changing our offer to include higher margin products and services. Expenses continue to decrease and inventory levels were reduced. We are confident in this business as we maintain our new model of specialized segment sales.

### Building and Design Solutions Business

We will continue to roll out our segment based growth strategy for BDS Business. Our brand partners continue to have a strong market presence and our project strategy has allowed us to capture large and iconic projects in Hong Kong. We have completed our space related expense reduction and expect to see said reduction go direct to our profit in this growing line of business.

## FINANCIAL REVIEW

### Operating Results

For the Year, the Group recorded a profit attributable to owners of the Company of approximately HK\$101.8 million on revenue of approximately HK\$3,022.9 million, versus a profit attributable to owners of the Company of approximately HK\$70.1 million on revenue of approximately HK\$3,380.2 million last year. Decrease in revenue was due to a fall in revenue of Construction Materials Business as the Group was more selective on orders taken and some of our large projects were delayed in Hong Kong. Gross profit was approximately HK\$335.1 million, down approximately 19.5% YOY while gross profit margin decreased to approximately 11.1% from approximately 12.3% compared with last year.

Annualised return on assets (EBIT/operating assets) increased from approximately 27.1% YOY to approximately 42.2%, which was mainly driven by increase of operating profit by approximately 88.3% YOY to approximately HK\$400.8 million in the Year. Basic earnings per ordinary share was HK15.86 cents as at 31st March 2017 (2016: HK10.95 cents). The Board recommended a final dividend of HK2.49 cents (2016: HK1.00 cents) per ordinary share for the Year.

### Financial Positions

Compared with the year ended 31st March 2016, as at 31st March 2017, the Group's total assets decreased by approximately HK\$147.9 million to approximately HK\$3,383.9 million. The Group's inventories increased by approximately HK\$220.0 million to approximately HK\$395.6 million. The average Days of Supplies increased from 22 days for the last year end to 54 days. The Group's trade and bill receivables increased by approximately HK\$33.3 million to approximately HK\$495.0 million. The average overall Day of Sales Outstanding increased from 46 days for the last year end to 56 days. Net assets value of the Group increased by approximately HK\$69.4 million to approximately HK\$1,130.9 million, equivalent to HK\$1.76 per ordinary share as at 31st March 2017.

潤率的產品及服務。開支繼續減少及存貨水平有所下降。我們對該業務充滿信心，乃由於我們沿用全新專業分部銷售模式。

### 建築產品及設計方案業務

我們將繼續推廣建築產品及設計方案業務的分部增長策略。我們的品牌合夥人持續佔有強勁市場份額且我們的項目策略促使我們於香港贏得大型知名項目。我們已減少佔地相關開支且預期該業務增長時減省相關開支將直接帶來盈利。

### 財務回顧

#### 經營業績

本年度，本集團錄得收入約為3,022,900,000港元，本公司擁有人應佔溢利約為101,800,000港元，而去年收入約為3,380,200,000港元，本公司擁有人應佔溢利則約為70,100,000港元。收入減少乃由於本集團挑選承接訂單的標準更嚴格及香港大型項目出現延遲導致建築材料業務收入下降所致。毛利約為335,100,000港元，按年同比減少約19.5%，毛利率由去年約12.3%下降至約11.1%。

年資產回報率(除息稅前盈利／經營資產)按年同比由約27.1%增加至約42.2%，主要由於經營溢利按年同比增加約88.3%至本年度約400,800,000港元帶動。於二零一七年三月三十一日，每股普通股基本盈利為15.86港仙(二零一六年：10.95港仙)。董事會建議本年度末期股息為每股普通股2.49港仙(二零一六年：1.00港仙)。

### 財務狀況

與截至二零一六年三月三十一日止年度相比，本集團於二零一七年三月三十一日之資產總額下降約147,900,000港元至約3,383,900,000港元。本集團之存貨增加約220,000,000港元至約395,600,000港元。平均存貨週轉日數由去年年終之22日增加至54日。本集團之應收賬款及票據上升約33,300,000港元至約495,000,000港元。平均應收賬款週轉日數從去年年終之46日上升至56日。於二零一七年三月三十一日，本集團之資產淨值增加約69,400,000港元至約1,130,900,000港元，相當於每股普通股1.76港元。

Compared with the financial position at 31st March 2016, the Group's cash and cash equivalents and pledged bank deposits, increased by approximately HK\$91.6 million to approximately HK\$697.0 million while the Group's borrowings decreased by approximately HK\$270.1 million to approximately HK\$1,722.3 million as at 31st March 2017. Current ratio decreased to 1.1, while gearing ratio (net debt, which is total borrowings minus pledged bank deposits and cash and cash equivalents, divided by capital and reserves attributable to owners plus net debt) decreased from 57% to 48%.

### Financial Resources

All of the Group's financing and treasury activities are centrally managed and be controlled at the corporate level. The Group's overall treasury and funding policies focus on managing financial risks including interest rate and foreign exchange risks, and on cost efficient funding of the Group and its subsidiaries. The Group has always adhered to prudent financial management principles.

The Group's trade financing remained primarily supported by its bank trading and term loan facilities. As at 31st March 2017, about 44% of the Group's interest-bearing borrowings for trade financing purpose were denominated in US dollar, about 30% in RMB and about 26% in HK dollar. These facilities are either secured by the Group's inventory held under short-term trust receipts bank loan arrangement and/or pledged bank deposits and/or corporate guarantee provided by the Company. All of the above borrowings were on floating rate basis. Interest costs of import bank loans were levied on inter-banks borrowing rates plus very competitive margin. RMB loans and bill exchange facilities have been obtained from domestic and foreign banks in the amount of RMB61.8 million. Interest costs of RMB banking facilities were based on standard loan rates set by the People's Bank of China adjusted with competitive margin.

### Charges on Assets

As at 31st March 2017, the Group had certain charges on assets which included (i) bank deposits of approximately HK\$68.7 million which were pledged as collateral for the Group's bank borrowings and banking facilities; and (ii) an investment property of approximately HK\$1,222.7 million which was pledged as collateral for certain bank borrowings of the Group.

### Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's businesses are primarily transacted in HK dollars, US dollars and RMB. As exchange rate between HK dollars and the US dollars is pegged, the Group believes its exposure to exchange rate risk arising from US dollars is not material. Facing the volatility of RMB, the Group will continue to match RMB payments with RMB receipts to minimise exchange exposure.

與於二零一六年三月三十一日之財務狀況比較，本集團於二零一七年三月三十一日之現金及現金等值及已抵押銀行存款，增加了約91,600,000港元至約697,000,000港元，而本集團之借貸則減少約270,100,000港元至約1,722,300,000港元。流動比率下跌至1.1，其中資產負債比率(負債淨額，即借貸總額減已抵押銀行存款以及現金及現金等值，除以擁有人應佔股本及儲備加負債淨額)由57%下降至48%。

### 財務資源

本集團所有融資及庫務活動均由集團總部集中管理及監控。本集團整體庫務及集資政策集中於管理財務風險，包括利率及外匯風險以及對本集團及其附屬公司提供符合成本效益之集資方法。本集團一直秉持審慎財務管理原則。

本集團之貿易融資主要仍由其銀行貿易及定期貸款融資支持。於二零一七年三月三十一日，本集團以貿易融資為目的的附息借貸總額中約44%以美元為幣值、約30%以人民幣為幣值，及約26%以港元為幣值。該等信貸融資主要以本集團之短期信託收據銀行貸款安排下持有之存貨及/或已抵押銀行存款及/或本公司提供之公司擔保作抵押。所有以上之借貸均按浮動利率計息。進口銀行貸款之利息費用以銀行同業拆息率加非常具競爭力之息差計算。本集團已自國內及外資銀行獲得數額為人民幣61,800,000元之人民幣貸款及匯票融資。人民幣銀行融資之利息費用乃按中國人民銀行釐定之標準貸款利率以優惠息差再加以調整。

### 資產抵押

於二零一七年三月三十一日，本集團有若干資產作抵押，包括(i)約68,700,000港元之銀行存款抵押作為本集團的銀行借貸及銀行信貸額之抵押品，及(ii)約1,222,700,000港元之一項投資物業抵押作為本集團若干銀行借貸之抵押品。

### 匯率風險波動及相關對沖

本集團之業務主要以港元、美元及人民幣交易。由於港元與美元之間的匯率掛鈎，本集團相信其美元產生的匯率風險相當輕微。面對人民幣之不穩定，本集團將繼續以人民幣收入來配對人民幣付款，從而減低兌換風險。

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Forward foreign exchange contracts would be entered into when suitable opportunities arise and when management of the Group considers appropriate, to hedge against major non-HK dollars currency exposures. It is the Group's policy not to enter into any derivative transaction for speculative purposes.

### Contingent Liabilities

As at 31st March 2017, the Group had no material contingent liability.

### Material Acquisitions and Disposals

Save as disclosed in Note 36 to the accompanying consolidated financial statements, the Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Year.

## KEY RISKS AND UNCERTAINTIES

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

### Financial Risks

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

### Operational Risk

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

當出現適當時機且本集團之管理層認為合適之情況下，將簽訂遠期外匯合約，用以對沖非港元貨幣之主要外匯風險。本集團之政策乃不會為投機目的訂立任何衍生工具交易。

### 或然負債

於二零一七年三月三十一日，本集團並無重大或然負債。

### 重大收購事項及出售事項

於年內，除隨附之綜合財務報表附註36內所披露者外，本集團並無任何重大附屬公司及聯營公司收購事項及出售事項。

### 主要風險及不明朗因素

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

### 財務風險

本集團整體庫務及集資政策集中於管理財務風險，包括利率、外匯及流動資金風險。本集團一直秉持審慎財務管理原則。面對人民幣波動，本集團將以人民幣收入來配對人民幣付款，從而減低兌換風險。當出現適當時機且本集團管理層認為合適之情況下，將簽訂遠期外匯合約，用以對沖非港元貨幣之主要外匯風險。本集團經常監察現金流量及維持現金及現金等值於適當水平，以確保為本集團營運提供資金之能力並減少現金流量波動效應以減低流動資金風險。

### 營運風險

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



### Business Risk

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

### Human Capital and Retention Risk

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

### HUMAN CAPITAL

The Group is focusing on building an elite team to help lead the Group to future success. Our growth strategy has always included a strong sense of commitment to people. We provide competitive remuneration package to attract and motivate the employees. We always provide a safe and pleasant working environment with constant learning and growth opportunities.

As at 31st March 2017, the Group employed 270 staff. Total staff costs including contribution to retirement benefit schemes incurred during the Year amounted to approximately HK\$145.4 million. During the Year, no options have been offered and/or granted to directors and our employees under the share option scheme adopted on 11th August 2011.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE

#### Environmental Protection

The Group is committed to achieving environmental sustainability. Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations.

We encourage environmental protection and promote awareness towards environmental protection to the employees. The Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, setting up recycling bins, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliance.

### 業務風險

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

### 人力資源及留聘風險

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

### 人力資源

本公司竭力打造精英團隊，藉此推動本集團業務發展更上一層樓。我們的增長策略包括加強員工的責任感。我們提供優越之薪酬待遇以吸引及推動員工。我們努力為員工提供舒適安全的工作環境，並提供各種機會，讓員工不斷學習和成長。

於二零一七年三月三十一日，本集團聘用270名僱員。於本年度，總員工成本包括退休福利計劃供款約為145,400,000港元。於本年度，並無根據於二零一一年八月十一日採納之購股權計劃向董事及我們之僱員提供及/或授出任何購股權。

### 環境、社會及管治

#### 環境保護

本集團於達致環境可持續發展上不遺餘力。透過在我們之日常業務營運中努力不懈地推動環保措施及意識，以反映我們對保護環境之承諾。

我們提倡環保及向僱員宣揚環保意識。本集團堅持以回收及節約之原則，實行綠色辦公室方案，例如雙面打印及影印、設置回收箱、提倡使用再造紙及關閉閒置電燈及電器以降低能源消耗。

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### Community Involvement

We care about the communities where we are active and continuously support social initiatives. The Group has sponsored and participated in a wide range of charitable activities. Our employees have also participated in various corporate social responsibility initiatives. We care about our employees. We will provide an enjoyable working environment and an integrity platform to ensure employees' well-being and safety.

We were awarded as the "Caring Company" from The Hong Kong Council of Social Service since 2007, as "Heart to Heart Company" by the Hong Kong Federation of Youth Group in 2010.

### Compliance with Relevant Laws and Regulations

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

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

### Environmental, Social and Governance Report

In accordance with Rule 13.91 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Company will publish an Environmental, Social and Governance Report within three months after the publication of this annual report in compliance with the provisions set out in the "Environmental, Social and Governance Reporting Guide" in Appendix 27 to the Listing Rules.

### RELATIONSHIPS WITH STAKEHOLDERS

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

### APPRECIATION

We are grateful to our dedicated employees, loyal customers, suppliers, banking partners and shareholders for their constant support.

### 參與社區活動

我們積極持續支持社區活動，以關心我們之社區。本集團贊助並參與多項慈善活動。我們之僱員亦參加各種企業社會責任活動。我們亦關心僱員。我們將提供愉快工作環境及良好平台，以確保員工之健康及安全。

我們自二零零七年起獲得由香港社會服務聯會頒發之「商界展關懷」獎項；並於二零一零年獲得由香港青年協會頒發之「心連心公司」獎項。

### 遵守相關法律及法規

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

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

### 環境、社會及管治報告

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第13.91條，本公司將遵照上市規則附錄二十七《環境、社會及管治報告指引》所載的條文，於本年報刊發後三個月內刊發環境、社會及管治報告。

### 與持份者之關係

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

### 感謝

我們向盡職僱員、忠誠客戶、供應商、銀行夥伴及股東之長期支持致以衷心謝意。

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) is committed to maintaining high standards of corporate governance. It believes that high standards of corporate governance provide a framework and solid foundation for the Company and its subsidiaries (collectively, the “Group”) to manage business risks, enhance transparency, maintain high standards of accountability and protect shareholders’ interest in general. The Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) except for CG Code provision A.2.1 for the year ended 31st March 2017 (the “Year”).

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

### CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

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

滙港聯合控股有限公司(「本公司」)之董事會(「董事會」)致力維持高水平之企業管治。本公司相信高水平之企業管治可為本公司及其附屬公司(統稱「本集團」)建立一個架構框架及穩固之基礎，以管理業務風險、增加透明度、維持高水平問責制及保障股東之整體權益。於截至二零一七年三月三十一日止年度內(「本年度」)，本公司已應用香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)之原則，並遵守一切適用守則條文，惟企業管治守則條文第A.2.1條除外。

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

### 董事及相關僱員進行證券交易之守則

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### THE BOARD

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

#### Executive Directors:

Mr. Yao Cho Fai Andrew (*Chairman and Chief Executive Officer*)  
Ms. Luk Pui Yin Grace  
Mr. Lau Chi Chiu

#### Non-executive Director:

Mr. Dong Sai Ming Fernando (*Resigned on 31st March 2017*)

#### Independent Non-executive Directors:

Mr. Tam King Ching Kenny  
Mr. Xu Lin Bao  
Mr. Tse Lung Wa Teddy  
Mr. Yeung Wing Sun Mike

The biographical details of the Directors are set out in the “Profile of Directors and Senior Management” on pages 57 to 60 of this annual report.

### Board Process

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

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

### 董事會

於本報告日期，董事會由三名執行董事及四名獨立非執行董事組成。於本年度及截至本報告日期止，董事會成員組合載列如下：

#### 執行董事：

姚祖輝先生(主席兼首席執行官)  
陸佩然女士  
劉子超先生

#### 非執行董事：

唐世銘先生(於二零一七年三月三十一日辭任)

#### 獨立非執行董事：

譚競正先生  
徐林寶先生  
謝龍華先生  
楊榮樂先生

董事之履歷詳情載於本年報第57頁至第60頁之「董事及高級管理人員履歷」一節內。

### 董事會程序

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

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



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

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

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

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

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

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

Name of Directors 董事姓名	Number of meetings attended/held 出席／舉行會議之次數					
	Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會	General Meeting 股東大會	
<i>Executive Directors:</i> Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer)	執行董事： 姚祖輝先生 (主席兼首席執行官)	4/4	1/1	—	1/1	2/2
Ms. Luk Pui Yin Grace	陸佩然女士	4/4	—	—	—	2/2
Mr. Lau Chi Chiu	劉子超先生	4/4	—	—	—	2/2
<i>Non-executive Director:</i> Mr. Dong Sai Ming Fernando (Note 1)	非執行董事： 唐世銘先生(附註1)	4/4	—	—	—	2/2
<i>Independent Non-executive Directors:</i> Mr. Tam King Ching Kenny	獨立非執行董事： 譚競正先生	4/4	1/1	2/2	1/1	2/2
Mr. Xu Lin Bao	徐林寶先生	4/4	1/1	2/2	1/1	2/2
Mr. Tse Lung Wa Teddy	謝龍華先生	4/4	1/1	2/2	—	2/2
Mr. Yeung Wing Sun Mike (Note 2)	楊榮燊先生(附註2)	4/4	—	2/2	—	2/2
<b>Total Number of Meetings Held</b>	<b>舉行會議總數</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>

Notes:

- Resigned as Non-executive Director on 31st March 2017.
- Appointed as member of Nomination Committee on 23rd June 2016 and no Nomination Committee meeting was held since his appointment up to 31st March 2017.

附註：

- 於二零一七年三月三十一日辭任為非執行董事。
- 於二零一六年六月二十三日獲委任為提名委員會成員，自其委任後至二零一七年三月三十一日止，提名委員會並無舉行會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

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

### DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

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

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

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

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

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

### 董事之持續專業發展

獲委任加入董事會時，各董事均收到一份詳盡就職資料，涵蓋本公司政策及程序以及作為董事在一般、法定及監管規定上所須履行責任之資料，以確保其充分了解其於上市規則及其他相關監管規定下之責任。全體董事均應參與持續專業發展以拓展及更新其知識及技能。

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

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

董事於本年度參與持續專業發展之活動載列如下：

Name of Directors 董事姓名		Reading journals, updates, articles and/or materials 閱覽期刊、最新資訊、文章及／或相關資料	Attending workshops, seminars, conferences and/or forums 出席工作坊、研討會、會議及／或論壇
<i>Executive Directors:</i>	<i>執行董事：</i>		
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer)	姚祖輝先生 (主席兼首席執行官)	✓	✓
Ms. Luk Pui Yin Grace	陸佩然女士	✓	✓
Mr. Lau Chi Chiu	劉子超先生	✓	✓
<i>Non-executive Director:</i>	<i>非執行董事：</i>		
Mr. Dong Sai Ming Fernando (Note 1)	唐世銘先生(附註1)	✓	—
<i>Independent Non-executive Directors:</i>	<i>獨立非執行董事：</i>		
Mr. Tam King Ching Kenny	譚競正先生	✓	✓
Mr. Xu Lin Bao	徐林寶先生	✓	—
Mr. Tse Lung Wa Teddy	謝龍華先生	✓	—
Mr. Yeung Wing Sun Mike	楊榮樂先生	✓	✓

Note:

- Resigned as Non-executive Director on 31st March 2017.

附註：

- 於二零一七年三月三十一日辭任為非執行董事。

## BOARD DIVERSITY

The Board has adopted the Board Diversity Policy in July 2013. Under the Policy, the Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. Selection of candidates will be based on a range of diversity perspectives, which would include but not limited to gender, age, cultural and educational background, professional and industry experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

## 董事會多元化

董事會於二零一三年七月採納董事會多元化政策。根據該政策，本公司明白並深信董事會多元化對提升公司的表現素質裨益良多。甄選人選將基於一系列多元化標準，包括但不限於性別、年齡、文化及教育背景、專業及行業經驗、技能、知識以及服務年期。最終將按人選的長處及可為董事會提供的貢獻而作決定。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

### DIRECTORS' AND OFFICERS' INSURANCE

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

### ROLES OF CHAIRMAN AND CHIEF EXECUTIVE

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

### SPECIFIC TERMS OF NON-EXECUTIVE DIRECTORS

The Company's Non-executive Directors are appointed for a specific term. They (including all other Directors) are subject to retirement by rotation and re-election at the annual general meeting at least once every three years according to the Company's Bye-laws.

### BOARD COMMITTEES

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

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

### 董事及高級人員之保險

本公司已就本集團內之董事及高級人員可能面對之法律行動而作出適當保險安排。

### 主席及行政總裁之角色

董事會主席及首席執行官(即行政總裁)，現為姚祖輝先生。按企業管治守則條文A.2.1條規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。董事會相信賦予姚先生主席及首席執行官之職務會使其繼續為本集團帶來強勁之領導能力、提高資源運用效率並推展計劃、組織及實施本公司之業務策略，令本集團能夠有效地拓展其業務。於姚先生之領導及執行委員會之監督下，管理團隊會繼續負責本集團之日常管理及營運。

### 委任非執行董事之指定任期

本公司之非執行董事有指定委任任期。彼等(包括全部其他董事)需要按本公司之公司細則每三年於股東週年大會上至少輪值告退一次並可膺選連任。

### 董事委員會

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



### Executive Committee

Executive Committee has been in place since March 2006 and now consists of all Executive Directors, being Mr. Yao Cho Fai Andrew as chairman, Ms. Luk Pui Yin Grace and Mr. Lau Chi Chiu as members.

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

The Company has adopted a new terms of reference of the Executive Committee in March 2016 in order to conform with the provisions set out in the CG Code and it is responsible for performing the corporate governance duties as follows:

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

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

### 執行委員會

執行委員會自二零零六年三月成立，現時由所有執行董事組成，即姚祖輝先生為主席、陸佩然女士及劉子超先生為成員。

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

本公司已於二零一六年三月採納了執行委員會之新職權範圍，以符合企業管治守則所載之條文。其負責履行之企業管治職能如下：

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

本年度，執行委員會已根據職權範圍執行本公司之企業管治職責。

### Remuneration Committee

The Remuneration Committee has been in place since July 2005 and now consists of four members, including Mr. Xu Lin Bao (chairman of the Remuneration Committee), Mr. Tam King Ching Kenny and Mr. Tse Lung Wa Teddy, all being Independent Nonexecutive Directors, and Mr. Yao Cho Fai Andrew, being an Executive Director. The Remuneration Committee's role is to make recommendation to the Board on the remuneration policy and structure for Directors and senior management and to ensure that they are fairly rewarded for their individual contribution to the Group's overall performance, having regard to the interests of shareholders.

The Remuneration Committee has adopted the model where it has delegated responsibility to determine the remuneration packages of individual Executive Directors and senior management as well as reviewing and approving management's remuneration proposals with reference to the Board's corporate goals and objectives. The Remuneration Committee also makes recommendation to the Board on the remuneration of the Non-executive Directors. No Director or any of his/her associates may be involved in any decisions as to his/her own remuneration. The Company has adopted a new terms of reference of the Remuneration Committee in March 2016 to conform with the provisions set out in the CG Code. The terms of reference of the Remuneration Committee setting out its authority, duties and responsibilities are available both on the websites of the Company and Hong Kong Exchanges and Clearing Limited (the "HKEx").

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

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

### 薪酬委員會

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

薪酬委員會已採納其獲轉授責任以釐定個別執行董事及高級管理人員薪酬待遇之模式，以及根據董事所訂企業方針及目標檢討及批准管理層之薪酬建議。薪酬委員會亦會就非執行董事之薪酬向董事會提出建議。概無董事或其任何聯繫人士可參與有關其本身薪酬之任何決定。本公司已於二零一六年三月採納了薪酬委員會之新職權範圍，以符合企業管治守則所載之條文。薪酬委員會之職權範圍訂明其授權、職責及責任，其已登載於本公司及香港交易及結算所有限公司（「港交所」）之網頁內。

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

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

### Audit Committee

The Audit Committee has been in place since December 1998 and now consists of four Independent Non-executive Directors, including Mr. Tam King Ching Kenny (chairman of the Audit Committee), Mr. Xu Lin Bao, Mr. Tse Lung Wa Teddy and Mr. Yeung Wing Sun Mike. Mr. Tam King Ching Kenny is an Independent Non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules.

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

Scope of the work of the Audit Committee is defined and approved by the Board in relation to various internal control, risk management and audit issues with a view to further improve the Company's corporate governance. The Company has adopted a new terms of reference of the Audit Committee in March 2016 to conform with the provisions set out in the CG Code. The terms of reference of the Audit Committee setting out its authority, duties and responsibilities are available both on the websites of the Company and the HKEx.

During the Year, the Audit Committee reviewed the remuneration of the external auditor. There was no disagreement between the Board and the Audit Committee on the selection or appointment of the external auditor. The Audit Committee has reviewed the Company's interim and annual consolidated financial statements for the Year and was content that such statements comply with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

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

### 審核委員會

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

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

董事會已制定及核准審核委員會之職權範圍，職權涉及若干內部監控、風險管理及審核事宜，目標為進一步改善本公司的企業管治。本公司已於二零一六年三月採納了審核委員會之新職權範圍，以符合企業管治守則所載之條文，審核委員會之職權範圍訂明其授權、職責及責任，其已登載於本公司及港交所之網頁內。

本年度，審核委員會已審閱外聘核數師之酬金。董事會與審核委員會於外聘核數師之挑選或委任上並無任何爭議。審核委員會已審閱本公司之中期及年度綜合財務報表，認為有關報表乃符合適用之會計準則及法例規定，並作出足夠之披露。

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Nomination Committee

The Nomination Committee has been in place since March 2012 and now consists of four members, includes the Executive Director, being Mr. Yao Cho Fai Andrew (chairman of Nomination Committee) and three Independent Non-executive Directors, being Mr. Xu Lin Bao, Mr. Tam King Ching Kenny and Mr. Yeung Wing Sun Mike. The Nomination Committee is responsible for formulating policy and making recommendations to the Board on nominations, appointment or re-appointment of Directors and Board succession. The principal duties of the Nomination Committee include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy and accessing the independence of Independent Non-executive Directors. The Company has adopted a new terms of reference of the Nomination Committee in March 2016 to conform with the provisions set out in the CG Code. The terms of reference of the Nomination Committee setting out its authority, duties and responsibilities are available both on the websites of the Company and the HKEx.

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

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

### CORPORATE GOVERNANCE FUNCTION

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

### INTERNAL CONTROLS AND RISK MANAGEMENT

The Board and the Audit Committee are responsible for developing and maintaining the system of internal controls of the Group to protect shareholders' interest and to safeguard the Group's assets by setting appropriate policies and reviewing the effectiveness of major control procedures for financial, operational, compliance and risk management areas. The Company has its internal audit function to help enhance the effectiveness of risk management, control and governance processes.

### 提名委員會

提名委員會自二零一二年三月成立，現時由四名成員組成，包括執行董事姚祖輝先生(提名委員會主席)及三名獨立非執行董事徐林寶先生、譚競正先生及楊榮樂先生。提名委員會負責就董事之提名、委任或重新委任及董事會的繼任事宜制訂政策及向董事會作出建議。提名委員會之主要職責包括至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司策略而擬對董事會作出的變動提出建議及評核獨立非執行董事的獨立性。本公司已於二零一六年三月採納了提名委員會之新職權範圍，以符合企業管治守則所載之條文。提名委員會之職權範圍訂明其授權、職責及責任，其已登載於本公司及港交所之網頁內。

本年度，提名委員會已就董事會的多元化、架構、人數及組成，以及董事之委任及重新委任的事宜作出檢討，並就此向董事會提出建議以配合本公司的企業策略。

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

### 企業管治職能

本公司的企業管治職能現時主要由董事會負責，其授權相關責任予執行委員會以確保本公司之企業管治職能獲適切履行。就此，執行委員會之職權範圍包括各項與企業管治事宜有關的職責，該等職責載列於本報告「執行委員會」一節內。

### 內部監控及風險管理

董事會及審核委員會負責透過制定合適之政策及就主要監控程序，包括財務、運作和合規監控以及風險管理職能的效用作出檢討，以發展及維持本集團之內部監控系統，並保障股東之利益及本集團之資產。本公司設有內部審核功能，以助提高風險管理、監控及企業管治的有效性。



During the Year, the Company has engaged an independent professional firm to perform an internal control review of the Group. The Board and the Audit Committee have reviewed the effectiveness of the Group's system of internal controls on all major operations, including financial, operational and compliance controls and risk management functions, and have considered the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial function, and their training programs and budget, by reviewing the internal audit reports prepared by the independent professional firm and management letters submitted by external auditor. Also, the Board and the Audit Committee met with the internal and external auditors and management to discuss findings from their works and recommendations.

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

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

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

The Company has set up a corporate practices committee in May 2013, chaired by Mr. Tse Lung Wa Teddy. The committee is responsible for risk assessment and management in preventing or reducing operational risk that might damage the Group's value. The committee chairman periodically reviews with the Chief Financial Officer and other members of the leadership team about the procurement policy, credit policy and other policies and reports to the Board of any finding, as appropriate. The Director of Financial Planning and Risk Analysis focuses on risk identification and ensures high priority issues are aggressively tackled and cost is effectively managed, thereby minimizing risks and allowing the Group's objectives to be achieved optimally.

The Board and the Audit Committee considered that the system of internal controls and risk management was operating effectively during the Year.

本年度，本公司委聘的獨立專業公司為本集團提供內部審核服務。董事會及審核委員會亦已透過檢討審閱獨立專業公司準備之內部監控報告及外聘核數師所提交之審核情況說明函件，以對所有主要營運，包括財務、運作和合規監控以及風險管理職能之內部監控系統有效性作出檢討，並已考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。此外，董事會及審核委員會已會見內部核數師及外聘核數師以及管理層以討論彼等從工作及分析所得之發現及建議。

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

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

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

本公司已於二零一三年五月成立企業常規委員會，其由謝龍華先生擔任主席。該委員會負責風險評估及管理，以避免或降低可能損害本集團價值之營運風險。委員會主席與集團首席財務總監及領導層團隊其他成員定期檢討有關採購政策、信貸政策及其他政策，並於有需要時向董事會報告。財務規劃及風險管理總監專注於識別風險及確保高度優先事宜獲積極處理，並以具成本效益方式管理，從而盡量降低風險，讓本集團理想地達成目標。

董事會及審核委員會認為內部監控及風險管理之系統於本年度能夠有效地運作。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### AUDITOR'S REMUNERATION

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

Types of services	服務種類	HK\$'000 千港元
Audit fee for the Group	本集團之審核費用	2,340
Taxation services	稅務服務	111
Special engagements	特別項目	1,000
Total	總額	3,451

### RESPONSIBILITY FOR PREPARATION AND REPORTING OF ACCOUNTS

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

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

### INVESTOR RELATIONS AND COMMUNICATION

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

### 核數師酬金

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

### 編製及呈報賬目之責任

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

概無重大不明朗事件或情況可能會嚴重影響本公司持續經營之能力。

### 與投資者之關係與溝通

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

### COMPANY SECRETARY

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

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

### CONSTITUTIONAL DOCUMENTS

At the annual general meeting held on 19th August 2016, a special resolution was passed regarding the adoption of a new Bye-laws of the Company. Summary of the key amendments to the Bye-laws are set out in the circular of the Company dated 19th July 2016.

### SHAREHOLDERS' RIGHTS

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

#### (A) Convening a Special General Meeting by shareholders

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

### 公司秘書

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

林伊芬女士為本公司之公司秘書。彼為本公司之全職僱員，對本公司事務有日常認識。林女士於本年度內接受不少於十五小時之相關專業培訓。

### 憲章文件

於二零一六年八月十九日舉行之股東週年大會就採納新公司細則之特別決議案已獲通過。公司細則之主要修訂概要載於本公司日期為二零一六年七月十九日之通函。

### 股東權利

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

#### (A) 股東召開股東特別大會

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

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

### (B) Putting Forward Proposals at General Meetings

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

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

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

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

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

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

### (B) 於股東大會提呈建議

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

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

向本公司作出以上請求所需之股東數目為：

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

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



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

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

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

### (C) Making Enquiry

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

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

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

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

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

### (C) 提出查詢

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

提呈一名董事人選之程序刊載於本公司網站 (<http://www.hkshalliance.com>)。

# REPORT OF THE DIRECTORS

## 董事會報告

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) are pleased to present their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31st March 2017 (the “Year”).

### PRINCIPAL ACTIVITIES

The Group is principally engaged in stockholding and distribution of construction materials such as steel products; trading of sanitary wares, kitchen cabinets and engineering plastics; steel recycling and property business.

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

### RESULTS AND APPROPRIATIONS

Details of the Group’s results for the year ended 31st March 2017 are set out in the consolidated income statement on page 69 of this annual report.

An interim dividend of HK2.26 cents per ordinary share of HK\$0.10 each in the capital of the Company (the “Share(s)”) was declared and paid during the Year. The Board has recommended the payment of a final dividend of HK2.49 cents per Share for the Year. Total dividend payable for the Year will amount to HK4.75 cents per Share or approximately HK\$30,490,000 (2016: HK\$17,950,000). Subject to shareholders’ approval at the forthcoming annual general meeting of the Company (the “2017 AGM”), the final dividend warrants are expected to be despatched on or about Friday, 8th September 2017 to shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 29th August 2017.

### CLOSURE OF REGISTER OF MEMBERS

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

**(i) For ascertaining the shareholders’ entitlement to attend and vote at the 2017 AGM:**

From Tuesday, 15th August 2017 to Friday, 18th August 2017, both days inclusive, for the purpose of ascertaining the shareholders’ entitlement to attend and vote at the 2017 AGM. In order to be eligible to attend and vote at the 2017 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (the “Branch Share Registrar”) of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 14th August 2017.

滬港聯合控股有限公司(「本公司」)之董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年三月三十一日止年度(「本年度」)之年報及經審核綜合財務報表。

### 主要業務

本集團主要從事存銷及分銷建築材料，例如鋼材產品；潔具、廚櫃及工程塑膠貿易；鋼材回收以及房地產業務。

本集團按業務分部及地區市場之收入及分部資料詳載於隨附之綜合財務報表附註5。

### 業績及分派

本集團截至二零一七年三月三十一日止年度之業績詳載於本年報第69頁之綜合損益表。

本年度已就本公司股本中每股面值0.10港元之普通股股份(「股份」)宣佈及派發中期股息每股2.26港仙。董事會已建議派發本年度末期股息每股股份2.49港仙。本年度應付股息總額為每股股份4.75港仙或約30,490,000港元(二零一六年：17,950,000港元)。預期末期股息之股息單將於二零一七年九月八日(星期五)或前後寄送予二零一七年八月二十九日(星期二)辦公時間結束時名列本公司股東登記冊之股東，惟須待股東於應屆股東週年大會(「二零一七年股東週年大會」)上批准方告作實。

### 暫停辦理股份過戶登記

本公司將於下列時段暫停辦理股份過戶登記手續：

**(i) 釐定有權出席二零一七年股東週年大會並於會上投票之股東身份：**

由二零一七年八月十五日(星期二)至二零一七年八月十八日(星期五)止，包括首尾兩日，暫停辦理股份過戶登記手續，以釐定有權出席二零一七年股東週年大會並於會上投票之股東身份。為合資格出席二零一七年股東週年大會並於會上投票，所有填妥之股份過戶文件連同有關股票須於二零一七年八月十四日(星期一)下午四時三十分前送達本公司股份過戶登記處香港分處，即香港中央證券登記有限公司(「股份過戶登記分處」)，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室，辦理登記手續。

### (ii) For ascertaining the shareholders' entitlement to the final dividend:

From Friday, 25th August 2017 to Tuesday, 29th August 2017, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to the final dividend. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:30 p.m. on Thursday, 24th August 2017.

## BUSINESS REVIEW

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

## SHARE CAPITAL

Details of share capital and share options of the Company are set out in Notes 32 and 33 to the accompanying consolidated financial statements.

## RESERVES AND RETAINED EARNINGS

Movements in reserves and retained earnings of the Group and the Company during the Year are set out in Notes 34 and 40 to the accompanying consolidated financial statements.

As at 31st March 2017, approximately HK\$53,986,000 (2016: HK\$53,986,000) of the Company's reserves and approximately HK\$7,573,000 (2016: HK\$29,930,000) of the Company's retained earnings were available for distribution to its owners.

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

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

## PRE-EMPTIVE RIGHTS

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

### (ii) 釐定股東享有末期股息之權利：

由二零一七年八月二十五日(星期五)至二零一七年八月二十九日(星期二)止，包括首尾兩日，暫停辦理股份過戶登記手續，以釐定股東享有末期股息之權利。為確保享有收取末期股息之權利，所有填妥之股份過戶文件連同有關股票須於二零一七年八月二十四日(星期四)下午四時三十分前送達股份過戶登記分處，辦理登記手續。

## 業務回顧

就公司條例(香港法例第622章)附表5指定，本集團就業務之討論及分析，包括本集團運用財務關鍵表現指標進行的表現分析、本集團之未來業務發展、本集團所面對之主要風險及不明朗因素、本集團之環境政策和表現及其遵守有關法律及規例，已載於本年報「財務摘要」、「主席報告書」以及「管理層討論及分析」中，該等討論及分析為本董事會報告之一部分。

## 股本

有關本公司股本及購股權之詳情載於隨附之綜合財務報表附註32及33。

## 儲備及保留盈利

本集團及本公司於本年度之儲備及保留盈利變動情況載於隨附之綜合財務報表附註34及40。

於二零一七年三月三十一日，本公司可供分派予其擁有人之儲備約為53,986,000港元(二零一六年：53,986,000港元)及保留盈利約為7,573,000港元(二零一六年：29,930,000港元)。

## 購回、出售或贖回本公司上市證券

於本年度，本公司或其附屬公司均無購回、出售或贖回任何本公司之上市證券。

## 優先購買權

本公司之公司細則及百慕達法例均無任何關於優先購買權之規定。

# REPORT OF THE DIRECTORS

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND LAND USE RIGHTS

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

### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Particulars of the Company's subsidiaries, associates and joint ventures are set out in Notes 19, 20 and 21, respectively, to the accompanying consolidated financial statements.

### BORROWINGS

Particulars of borrowings as at 31st March 2017 are set out in Note 31 to the accompanying consolidated financial statements.

### PENSION SCHEMES

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

### CHARITABLE DONATIONS

During the Year, the Group made charitable donations of approximately HK\$488,000 (2016: HK\$408,200).

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the Year and up to the date of this report are as follow:

#### Executive Directors

Mr. Yao Cho Fai Andrew  
(Chairman and Chief Executive Officer)  
Ms. Luk Pui Yin Grace  
Mr. Lau Chi Chiu

#### Non-executive Director

Mr. Dong Sai Ming Fernando (resigned on 31st March 2017)

#### Independent Non-executive Directors

Mr. Tam King Ching Kenny  
Mr. Xu Lin Bao  
Mr. Tse Lung Wa Teddy  
Mr. Yeung Wing Sun Mike

In accordance with Bye-law 84(1) of the Company's Bye-laws, Mr. Yao Cho Fai Andrew, Mr. Tam King Ching Kenny and Mr. Tse Lung Wa Teddy will retire from office by rotation at the 2017 AGM and being eligible, will offer themselves for re-election at such meeting.

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

### 物業、廠房及設備、投資物業及土地使用權

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

### 附屬公司、聯營公司及合營公司

本公司各附屬公司、聯營公司及合營公司之詳情分別載於隨附之綜合財務報表附註19、20及21。

### 借貸

於二零一七年三月三十一日之借貸詳情載於隨附之綜合財務報表附註31。

### 退休金計劃

退休金計劃之詳情載於隨附之綜合財務報表附註8。

### 慈善捐款

於本年度，本集團共捐出慈善捐款約488,000港元(二零一六年：408,200港元)。

### 董事及董事之服務合約

本公司於本年度及截至本報告日期止之董事為：

#### 執行董事

姚祖輝先生  
(主席兼首席執行官)  
陸佩然女士  
劉子超先生

#### 非執行董事

唐世銘先生(於二零一七年三月三十一日辭任)

#### 獨立非執行董事

譚競正先生  
徐林寶先生  
謝龍華先生  
楊榮樂先生

根據本公司之公司細則第84(1)條規定，姚祖輝先生、譚競正先生及謝龍華先生將於二零一七年股東週年大會上輪值退任並合資格於該大會上接受重選。

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



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

As at 31st March 2017, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange, were as follows:

### 董事於股份、相關股份及債權證之權益及淡倉

於二零一七年三月三十一日，董事及本公司之高級行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有之權益及淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司（「聯交所」）（包括根據證券及期貨條例之該等規定被認為或視作擁有之權益及淡倉）；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據聯交所證券上市規則（「上市規則」）附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）必須知會本公司及聯交所之權益及淡倉載列如下：

### Long positions in Shares and options of the Company

### 本公司之股份及購股權之好倉

Name of Directors	Capacity	Attributable interest to the Directors	Number of Shares	Approximate percentage	Number of share options (Note c) 購股權數目 (附註c)	Aggregate Interest
董事姓名	身份	董事應佔權益	股份數目	概約百分比		合計權益
Mr. Yao Cho Fai Andrew 姚祖輝先生	Interest of controlled corporation, Perfect Capital International Corp. (Note a) 受控制公司Perfect Capital International Corp.之權益(附註a)	Deemed interest (indirectly) 被視作擁有之權益(間接)	89,337,806	13.92%	—	89,337,806
	Interest of controlled corporation, Huge Top Industrial Ltd. (Note b) 受控制公司Huge Top Industrial Ltd.之權益(附註b)	Deemed interest (indirectly) 被視作擁有之權益(間接)	190,424,000	29.67%	—	190,424,000
	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	3,918,000	0.61%	—	3,918,000
			283,679,806	44.20%	—	283,679,806
Ms. Luk Pui Yin Grace 陸佩然女士	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	4,493,244	4,493,244

# REPORT OF THE DIRECTORS

## 董事會報告

Name of Directors	Capacity	Attributable interest to the Directors	Number of Shares	Approximate percentage	Number of share options (Note c) 購股權數目 (附註c)	Aggregate Interest
董事姓名	身份	董事應佔權益	股份數目	概約百分比		合計權益
Mr. Lau Chi Chiu 劉子超先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	2,246,622	2,246,622
Mr. Tam King Ching Kenny 譚競正先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,246,622	1,246,622
Mr. Xu Lin Bao 徐林寶先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	5,246,622	0.82%	—	5,246,622
Mr. Tse Lung Wa Teddy 謝龍華先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,246,622	1,246,622

### Notes:

- Mr. Yao Cho Fai Andrew ("Mr. Yao") was beneficially interested in these Shares through his wholly-owned company, Perfect Capital International Corp. ("Perfect Capital"). Mr. Yao is a sole director of Perfect Capital.
- Mr. Yao was deemed to be interested in these Shares through his controlling company, Huge Top Industrial Ltd. ("Huge Top"). Mr. Yao directly held approximately 36.90% and indirectly through his wholly-owned company Perfect Capital owned approximately 42.86% of the issued shares of Huge Top. Mr. Yao is a sole director of Huge Top.
- Details of the interests of the Directors in the share options of the Company are separately disclosed in the section headed "Share Option Scheme" below.

Save as disclosed above, as at 31st March 2017, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (include interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Apart from the foregoing, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under the 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, and no Directors or chief executives of the Company or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

### 附註：

- 姚祖輝先生(「姚先生」)透過其全資擁有之公司Perfect Capital International Corp. (「Perfect Capital」)實益持有該等股份。姚先生乃Perfect Capital之唯一董事。
- 姚先生透過其控制之公司Huge Top Industrial Ltd. (「Huge Top」)被視作持有該等股份。姚先生直接持有約36.90%及透過Perfect Capital間接持有Huge Top已發行股份約42.86%。姚先生乃Huge Top之唯一董事。
- 董事於本公司購股權之權益之詳情已獨立在下節「購股權計劃」披露。

除上文所披露者外，於二零一七年三月三十一日，董事、本公司之高級行政人員及彼等之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所(包括根據證券及期貨條例之該等規定彼等被當作或視作擁有之權益及淡倉)；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據標準守則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

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

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

Other than interests disclosed in the section headed “Directors’ Interests and Short Positions in Shares, Underlying Shares and Debentures” above, as at 31st March 2017, according to the register of interests kept by the Company under Section 336 of the SFO, the following entities had interests or short positions in the Shares and underlying Shares which fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

**根據證券及期貨條例第XV部第2及第3分部擁有須披露權益或淡倉之人士**

除上文「董事於股份、相關股份及債權證之權益及淡倉」一節所披露之權益外，於二零一七年三月三十一日，按本公司根據證券及期貨條例第336條存置於登記冊之記錄，下列實體於股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

Name 名稱／姓名	Capacity 身份	NOTE 附註	Number of Shares 股份數目	Approximate percentage 概約百分比
Perfect Capital	Beneficial owner 實益擁有人	a	89,337,806	13.92%
	Interest of controlled corporation 受控制公司之權益		190,424,000	29.67%
			279,761,806	43.59%
Huge Top	Beneficial owner 實益擁有人		190,424,000	29.67%
Mr. Wong Koon Chi 王冠之先生	Beneficial owner 實益擁有人		38,224,000	5.95%

Note:

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

附註：

a. 該等股份由Huge Top持有。Perfect Capital擁有Huge Top已發行股份約42.86%，因此其被視為持有該等股份。

Save as disclosed above, as at 31st March 2017, the Directors were not aware of any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 Part XV of the SFO.

除上文所披露者外，於二零一七年三月三十一日，董事並不知悉有任何其他人士（董事或本公司高級行政人員除外）於本公司或任何相關法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

### SHARE OPTION SCHEME

The share option scheme adopted since 12th November 2001 (the “2001 Share Option Scheme”) was terminated on 11th August 2011 and a share option scheme had been adopted since 11th August 2011 (the “2011 Share Option Scheme”) at the 2011 annual general meeting of the Company. Upon termination of the 2001 Share Option Scheme, no further options will be granted thereunder but in all other respects the provisions of the 2001 Share Option Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith. The purpose of the 2011 Share Option Scheme is to provide incentives to participants to contribute to the Group and/or to enable the Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the Group. The 2011 Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date (i.e. 11th August 2011) and will expire on 10th August 2021. Details of the terms of the 2011 Share Option Scheme were contained in the Company’s circular dated 8th July 2011.

Details of the movements in the share options granted to the Company’s employees (including Directors) under the 2001 Share Option Scheme and 2011 Share Option Scheme during the Year were as follows:

### 購股權計劃

於二零零一年十一月十二日採納之購股權計劃(「二零零一年購股權計劃」)已於二零一一年八月十一日終止，而一項購股權計劃(「二零一一年購股權計劃」)已於二零一一年八月十一日在本公司之二零一一年股東週年大會上獲採納。二零零一年購股權計劃終止後，本公司將不會再按二零零一年購股權計劃授出購股權，惟其之所有其他條款仍然有效，而於該計劃終止前授出之購股權，將仍然有效及可按條款行使。二零一一年購股權計劃之目的，旨在獎勵參與人士為本集團作出貢獻及／或使本集團得以聘任及／或留用具才幹之僱員，以及吸納可效力本集團之寶貴人力資源。二零一一年購股權計劃之有效期自採納日期(即二零一一年八月十一日)起計，為期十年，並將於二零二一年八月十日屆滿。二零一一年購股權計劃之條款詳情載於本公司日期為二零一一年七月八日之通函。

於本年度，根據二零零一年購股權計劃及二零一一年購股權計劃授予本公司僱員(包括董事)之購股權變動詳情如下：



2001 Share Option Scheme

二零零一年購股權計劃

Name or category of participant 參與者姓名 或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使股	Note 附註	Number of share options 購股權數目					
					Beginning of the Year 本年度初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	End of the Year 本年度末
<b>Directors:</b>										
<b>董事:</b>										
Mr. Yao Cho Fai Andrew 姚祖輝先生	13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	HK\$0.722 0.722港元	1	1,869,932	—	—	(1,869,932)	—	—
Mr. Lau Chi Chiu 劉子超先生	13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	HK\$0.722 0.722港元	1	124,663	—	—	(124,663)	—	—
Mr. Dong Sai Ming Fernando (Resigned on 31st March 2017) 唐世銘先生 (於二零一七年三 月三十一日辭任)	13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	HK\$0.722 0.722港元	1	249,324	—	—	(249,324)	—	—
Mr. Tam King Ching Kenny 譚競正先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.626 0.626港元	1	1,246,622	—	—	—	—	1,246,622
Mr. Xu Lin Bao 徐林寶先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.626 0.626港元	1	1,246,622	—	(1,246,622)	—	—	—
Sub-total 小計					4,737,163	—	(1,246,622)	(2,243,919)	—	1,246,622

# REPORT OF THE DIRECTORS

## 董事會報告

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使股	Note 附註	Number of share options 購股權數目					End of the Year 本年度末
					Beginning of the Year 本年度初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	
<b>Employees:</b>										
<b>僱員:</b>										
In aggregate	18th September 2009	18th September 2009 to 17th September 2019	HK\$0.470	1	937,458	—	—	—	—	937,458
共計	二零零九年九月十八日	二零零九年九月十八日至二零一九年九月十七日	0.470港元							
In aggregate	13th October 2009	13th October 2009 to 12th October 2019	HK\$0.404	1	9,089,528	—	—	—	—	9,089,528
共計	二零零九年十月十三日	二零零九年十月十三日至二零一九年十月十二日	0.404港元							
Sub-total 小計					10,026,986	—	—	—	—	10,026,986
<b>Others:</b>										
<b>其他:</b>										
In aggregate	13th October 2009	13th October 2009 to 12th October 2019	HK\$0.404	1	3,116,553	—	—	—	—	3,116,553
共計	二零零九年十月十三日	二零零九年十月十三日至二零一九年十月十二日	0.404港元							
Total of 2001 Share Option Scheme 二零零一年購股權計劃總計					17,880,702	—	(1,246,622)	(2,243,919)	—	14,390,161

2011 Share Option Scheme

二零一一年購股權計劃

Name or category of participant 參與者姓名 或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使股	Note 附註	Number of share options 購股權數目					End of the Year 本年度末
					Beginning of the Year 本年度初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	
<b>Directors:</b>										
<b>董事:</b>										
Ms. Luk Pui Yin Grace 陸佩然女士	27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日 至 二零二三年十一月二十六日	HK\$1.043 1.043港元	1, 2	2,493,244	—	—	—	—	2,493,244
	20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日 至 二零二五年一月十九日	HK\$0.928 0.928港元	3	2,000,000	—	—	—	—	2,000,000
Mr. Lau Chi Chiu 劉子超先生	16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日 至 二零二二年十一月十五日	HK\$0.537 0.537港元	1, 4	1,246,622	—	—	—	—	1,246,622
	20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日 至 二零二五年一月十九日	HK\$0.928 0.928港元	3	1,000,000	—	—	—	—	1,000,000
Mr. Tse Lung Wa Teddy 謝龍華先生	27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日 至 二零二三年十一月二十六日	HK\$1.043 1.043港元	1	1,246,622	—	—	—	—	1,246,622
Sub-total 小計					7,986,488	—	—	—	—	7,986,488

# REPORT OF THE DIRECTORS

## 董事會報告

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使價	Note 附註	Number of share options 購股權數目					
					Beginning of the Year 本年度初	Granted during the Year 本年度授予	Exercised during the Year 本年度行使	Lapsed during the Year 本年度失效	Cancelled during the Year 本年度註銷	End of the Year 本年度末
<b>Employees:</b>										
<b>僱員:</b>										
In aggregate	16th November 2012	16th November 2012 to 15th November 2022	HK\$0.537	1, 5	6,831,486	—	—	—	—	6,831,486
共計	二零一二年十一月十六日	二零一二年十一月十六日至二零二二年十一月十五日	0.537港元							
In aggregate	27th November 2013	27th November 2013 to 26th November 2023	HK\$1.043	1, 2	5,734,459	—	—	—	—	5,734,459
共計	二零一三年十一月二十七日	二零一三年十一月二十七日至二零二三年十一月二十六日	1.043港元							
In aggregate	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	3	6,800,000	—	—	—	—	6,800,000
共計	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928港元							
In aggregate	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	6	1,000,000	—	—	—	—	1,000,000
共計	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928港元							
Sub-total 小計					20,365,945	—	—	—	—	20,365,945
<b>Others:</b>										
<b>其他:</b>										
In aggregate	7th September 2012	7th September 2012 to 6th September 2022	HK\$0.393	1	1,247	—	—	(1,247)	—	—
共計	二零一二年九月七日	二零一二年九月七日至二零二二年九月六日	0.393港元							
Total of 2011 Share Option Scheme 二零一一年購股權計劃總計					28,353,680	—	—	(1,247)	—	28,352,433



### Notes:

1. The exercise prices and number of share options granted prior to 17th December 2014 under the share option schemes were adjusted for the open offer completed in December 2014.
2. The share options were/will be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 27th of November in the years 2014, 2015, 2016 and 2017 respectively and the years onwards till 26th November 2023.
3. The share options were/will be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 20th of January in the years 2016, 2017, 2018 and 2019 respectively and the years onwards till 19th January 2025.
4. The share options were vested in five tranches, with each tranche covering one-fifth of the relevant options, i.e. exercisable to the extent of one-fifth of the relevant options and with the 1st, 2nd, 3rd, 4th and 5th tranche becoming exercisable from 16th of November in the years 2012, 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022.
5. 4,986,487 share options were vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 16th of November in the years 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022. 1,844,999 share options were vested in five tranches, with each tranche covering one-fifth of the relevant options, i.e. exercisable to the extent of one-fifth of the relevant options and with the 1st, 2nd, 3rd, 4th and 5th tranche becoming exercisable from 16th of November in the years 2012, 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022.
6. The share options were/will be vested in three tranches, with each tranche covering one-third of the relevant options, i.e. exercisable to the extent of one-third of the relevant options and with the 1st, 2nd and 3rd tranche becoming exercisable from 20th of January in the years 2016, 2017 and 2018 respectively and the years onwards till 19th January 2025.

## PERMITTED INDEMNITY PROVISION

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

## DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

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

### 附註:

1. 根據購股權計劃於二零一四年十二月十七日前行使價及授出之股份數目已就於二零一四年十二月完成之公開發售作出調整。
2. 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一(即最多可行使相關購股權的四分之一)，第一、第二、第三及第四期分別於二零一四年、二零一五年、二零一六年及二零一七年的十一月二十七日起可予行使，直至二零二三年十一月二十六日止。
3. 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一(即最多可行使相關購股權的四分之一)，第一、第二、第三及第四期分別於二零一六年、二零一七年、二零一八年及二零一九年的一月二十日起可予行使，直至二零二五年一月十九日止。
4. 購股權分五期歸屬，每一期分別涵蓋相關購股權的五分之一(即最多可行使相關購股權的五分之一)，第一、第二、第三、第四及第五期分別於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。
5. 4,986,487股購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一(即最多可行使相關購股權的四分之一)，第一、第二、第三及第四期分別於二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。1,844,999股購股權分五期歸屬，每一期分別涵蓋相關購股權的五分之一(即最多可行使相關購股權的五分之一)，第一、第二、第三、第四及第五期分別於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。
6. 購股權分三期歸屬，每一期分別涵蓋相關購股權的三分之一(即最多可行使相關購股權的三分之一)，第一、第二及第三期分別於二零一六年、二零一七年及二零一八年的一月二十日起可予行使，直至二零二五年一月十九日止。

## 獲准許的彌償條文

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

## 董事於交易、安排或合約之重大權益

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

# REPORT OF THE DIRECTORS

## 董事會報告

### RELATED PARTY TRANSACTIONS

Details of related party transactions are set out in Note 39 to the accompanying consolidated financial statements.

### COMPETING INTERESTS

For the year ended 31st March 2017, none of the Directors or the controlling shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete directly or indirectly with the businesses of the Group or has any other conflict of interests with the Group.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March 2017, the five largest customers of the Group accounted for less than 15% of the Group's total revenue, while the five largest suppliers of the Group accounted for approximately 40% of the Group's total purchases. In addition, the largest supplier of the Group accounted for approximately 9% of the Group's total purchases.

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

### SUFFICIENCY OF PUBLIC FLOAT

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

### AUDITOR

The accompanying consolidated financial statements were audited by PricewaterhouseCoopers. A resolution for their appointment as the Company's auditor for the ensuing year is to be proposed at the 2017 AGM. There was no change in auditor of the Company in any of the preceding three years.

On behalf of the Board  
**Yao Cho Fai Andrew**  
Chairman

Hong Kong, 23rd June 2017

### 與關聯方之交易

與關聯方之交易詳情載於隨附之綜合財務報表附註39。

### 競爭權益

截至二零一七年三月三十一日止年度，董事或本公司控權股東或其各自之聯繫人士概無於與本集團業務構成或可能構成競爭的業務中擁有權益或對本集團直接或間接構成任何其他利益衝突。

### 主要客戶及供應商

截至二零一七年三月三十一日止年度，本集團首五大客戶佔本集團總收入不足15%，而本集團首五大供應商則佔本集團總採購額約40%。此外，本集團最大之供應商佔本集團總採購額約9%。

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

### 公眾持股量

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

### 核數師

隨附之綜合財務報表由羅兵咸永道會計師事務所審核。本公司將於二零一七年股東週年大會上提呈一項續聘其於來年擔任本公司核數師之決議案。本公司於過去三年間並無任何核數師變更事宜。

代表董事會  
主席  
姚祖輝

香港，二零一七年六月二十三日

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷

### DIRECTORS

#### Executive Directors

##### Mr. Yao Cho Fai Andrew

aged 51, was appointed as an Executive Director in December 1994. He became the Chairman of the Board in July 1999 and served as the Chief Executive Officer of the Company from July 1999 to November 2012. Mr. Yao was re-appointed as the Chief Executive Officer of the Company in November 2015. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. Mr. Yao is an independent non-executive director of Kader Holdings Company Limited which is a company listed on the main board of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) and Shanghai Dazhong Public Utilities (Group) Co., Ltd. which is a company listed on the Shanghai Stock Exchange and the main board of Hong Kong Stock Exchange. Mr. Yao serves as the Hong Kong Deputy to the 12th National People’s Congress of the People’s Republic of China, the chairman of Shanghai Hong Kong Association, the chairman of Hongkong-Shanghai Economic Development Association, the vice-chairman of Shanghai Federation of Industry & Commerce, the deputy chairman of the council of Hong Kong Baptist University and the board member of Fudan University in Shanghai. He was awarded “Young Industrialist Awards of Hong Kong” by Federation of Hong Kong Industries in 2004, Justice of Peace by Hong Kong Special Administrative Region (“HKSAR”) in 2008 and “Bronze Bauhinia Star” by HKSAR in 2016. Mr. Yao graduated from the University of California, Berkeley with a bachelor’s degree in science and Harvard Graduate School of Business with a master in business administration.

### 董事

#### 執行董事

##### 姚祖輝先生

五十一歲，於一九九四年十二月獲委任為本公司執行董事。彼於一九九九年七月成為董事會主席並於一九九九年七月至二零一二年十一月擔任本公司首席執行官。於二零一五年十一月，姚先生重獲委任為本公司首席執行官。彼亦為本公司提名委員會主席及薪酬委員會成員。姚先生為於香港聯合交易所有限公司（「香港聯交所」）主板上市之開達集團有限公司及於上海證券交易所及香港聯交所主板上市之上海大眾公用事業（集團）股份有限公司之獨立非執行董事。姚先生之公職服務包括中華人民共和國第十二屆全國人民代表大會香港代表、上海香港聯會會長、滬港經濟發展協會會長、上海市工商業聯合會副主席、香港浸會大學校董會副主席及上海復旦大學校董。彼於二零零四年榮獲香港工業總會頒發「香港青年工業家獎」、於二零零八年獲香港特區行政區政府（「香港特區政府」）授予太平紳士及於二零一六年榮獲香港特區政府頒發「銅紫荊星獎」。姚先生畢業於柏克萊加州大學並取得理學士學位；及於哈佛商學研究院取得工商管理碩士學位。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷

### Ms. Luk Pui Yin Grace

aged 52, was appointed as an Executive Director of the Company in November 2015. She is also the Chief Financial Officer of the Group. Prior to joining the Group in May 2013, she was the chief operating officer and chief financial officer of North Asia Strategic Holdings Limited (listed on the Growth Enterprise Market of the Hong Kong Stock Exchange). Ms. Luk has over 10 years of private equity experience and more than 25 years of financial management experience in the Greater China region. During the period from 1994 to 2001, Ms. Luk was the director and financial controller of Kleinwort Benson China Management Limited, the investment manager of the London-listed China Investment & Development Fund. She was also the vice president of Dresdner Kleinwort Capital, the private equity arm of Dresdner Bank from 2001 to 2002. Ms. Luk was the department head of the category financial management department at Colgate-Palmolive (H.K.) Limited and was an auditor at Arthur Andersen & Co in Hong Kong from 1988 to 1994. She graduated from the Chinese University of Hong Kong with a bachelor's degree in business administration. Ms. Luk is a fellow of the UK Association of Chartered Certified Accountants and an associate of both the UK Chartered Institute of Management Accountants and the Hong Kong Institute of Certified Public Accountants.

### Mr. Lau Chi Chiu

aged 50, was appointed as an Executive Director of the Company in November 2015. He is also the managing director of Hong Kong Steel and International Trading of the Group. He joined the Group in June 1991. Mr. Lau is responsible for the daily operations of the business of the Group and has held various sales and marketing and supply chain positions in the plastics and steel businesses of the Group. He was the general manager of Group's plastic business from April 2003 to November 2011 and the general manager of the Group's steel business from December 2011 to May 2013. Mr. Lau graduated from Curtin University of Technology in Australia with a bachelor's degree in commerce (marketing and management).

### 陸佩然女士

五十二歲，於二零一五年十一月獲委任為本公司執行董事。彼亦為本集團首席財務總監。於二零一三年五月加入本集團前，彼為北亞策略控股有限公司(在香港聯交所創業板上市)之營運總監及財務總裁。陸女士於大中華地區之私募投資具有逾十年之經驗並於大中華地區之財務管理有超過二十五年之經驗。於一九九四年至二零零一年期間，陸女士為Kleinwort Benson China Management Limited之董事兼財務總監，該公司為倫敦上市基金China Investment & Development Fund之投資經理。彼由二零零一年至二零零二年在Dresdner Bank旗下之私募投資部門Dresdner Kleinwort Capital擔任副總裁。於一九八八年至一九九四年，陸女士為香港高露潔棕欖有限公司之產品財務管理部主管及香港安達信公司核數師。彼於香港中文大學畢業並取得工商管理學學士學位。陸女士為英國特許公認會計師公會資深會員以及英國特許管理會計師公會及香港會計師公會之會員。

### 劉子超先生

五十歲，於二零一五年十一月獲委任為本公司執行董事。彼亦為本集團香港鋼材及國際貿易董事總經理。彼於一九九一年六月加入本集團。劉先生主要負責本集團業務之日常運作，並曾於本集團塑膠及鋼材業務擔任銷售及市場推廣，及供應鏈等多方面要職。彼於二零零三年四月至二零一一年十一月為本集團塑膠業務總經理及於二零一一年十二月至二零一三年五月為本集團鋼材業務總經理。劉先生於澳洲科廷大學(Curtin University of Technology)畢業並取得商學士學位(市場及管理)。



# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷

### Independent Non-executive Directors

#### Mr. Tam King Ching Kenny

aged 68, was appointed as an Independent Non-executive Director in September 2004. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company. Mr. Tam also serves as an independent non-executive director of other listed companies on the main board of the Hong Kong Stock Exchange namely, BeijingWest Industries International Limited, CCT Fortis Holdings Limited, CCT Land Holdings Limited, Kingmaker Footwear Holdings Limited, Shougang Concord Grand (Group) Limited, Starlite Holdings Limited, West China Cement Limited and Wisdom Education International Holdings Company Limited. He is a practising Certified Public Accountant in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam serves as a member of the Restructuring and Insolvency Faculty Executive Committee, the Small and Medium Practitioners Committee and the Insolvency SD Vetting Committee in the Hong Kong Institute of Certified Public Accountants. He was also a Past President of The Society of Chinese Accountants and Auditors.

#### Mr. Xu Lin Bao

aged 68, was appointed as an Independent Non-executive Director of the Company in April 2006. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Xu is currently the vice chairman of the Institute of Real Estate Shanghai Academy of Social Sciences. He served as the standing executive of China Real Estate Association (the 4th and 5th session), the chairman of operation and management professional committee of China Real Estate Association (the 4th and 5th session), the chairman of Shanghai Housing and Land Group, the vice chairman of Shanghai Real Estate Trade Association (the 5th and 6th session) and the chairman of executives of Yi-ju China Real Estate Research Center. He graduated from Fudan University, Shanghai with a degree in EMBA. Mr. Xu is a senior qualified economist.

#### Mr. Tse Lung Wa Teddy

aged 53, was appointed as an Independent Non-executive Director of the Company in August 2012. He is also the chairman of the Corporate Practice Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Tse worked for Cargill Hong Kong Limited since 1989 till March 2012 and his last position was senior vice president of Cargill Ferrous International. Mr. Tse is the vice chairman of Smart Timing Steel Limited since September 2012. He graduated from the University of Hong Kong with a bachelor's degree in art.

### 獨立非執行董事

#### 譚競正先生

六十八歲，於二零零四年九月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席以及薪酬委員會及提名委員會成員。譚先生亦擔任其他於香港聯交所主板上市之公司(即京西重工國際有限公司、中建富通集團有限公司、中建置地集團有限公司、信星鞋業集團有限公司、首長四方(集團)有限公司、星光集團有限公司、中國西部水泥有限公司及睿見教育國際控股有限公司)之獨立非執行董事。彼為香港執業會計師、香港會計師公會之資深會員及加拿大安大略省特許專業會計師公會會員。譚先生現為香港會計師公會重整及破產管理專項學會執行委員會、中小型執業所委員會及破產重整專項資格核准委員會之委員。彼亦為香港華人會計師公會前任會長。

#### 徐林寶先生

六十八歲，於二零零六年四月獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會及提名委員會成員。徐先生現職上海社會科學院房地產業研究中心副理事長。彼亦曾擔任中國房地產業協會(第四屆、第五屆)常務理事、中國房地產業協會經營管理專業委員會(第四屆、第五屆)主任委員、上海房地(集團)有限公司董事長、上海市房地產行業協會(第五屆、第六屆)副會長及易居(中國)房地產研發中心理事長。彼於上海復旦大學畢業並取得高級管理人員工商管理碩士專業學位。徐先生為高級經濟師。

#### 謝龍華先生

五十三歲，於二零一二年八月獲委任為本公司獨立非執行董事。彼亦為本公司企業常規委員會主席以及審核委員會及薪酬委員會成員。謝先生於一九八九年至二零一二年三月於嘉吉香港有限公司工作，最後任職嘉吉鋼鐵及原材料國際貿易的高級副總裁。自二零一二年九月起，謝先生擔任峻時鋼鐵有限公司副主席一職。彼於香港大學畢業並取得榮譽文學士學位。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷

### Mr. Yeung Wing Sun Mike

aged 64, was appointed as an Independent Non-executive Director of the Company in March 2014. He is also a member of the Audit Committee and the Nomination Committee of the Company. Mr. Yeung is an independent non-executive director of UMP Healthcare Holdings Limited, a company listed on the main board of the Hong Kong Stock Exchange. He has over 40 years' working experience in the banking industry. Mr. Yeung began his career with the HSBC Group in 1972 and advanced himself in the organisation by taking up different positions under various business streams including personal banking, sales and marketing, branch operation and trade service. Since 2001, Mr. Yeung was relocated to Shanghai and took up the role of branch manager of HSBC Shanghai. In June 2006, he was seconded to Hang Seng Bank (China) Limited and appointed as the head of personal financial service and wealth management. Mr. Yeung assumed the role of deputy chief executive and head of retail banking and wealth management in May 2007. He retired from HSBC Group in January 2014. Mr. Yeung is a member of Chinese People's Political Consultative Conference Committee in Shanghai and the Honorary President of Hong Kong Chamber of Commerce in Shanghai. He was awarded the "Magnolia Gold Award" presented by the Shanghai Municipal government. He was also awarded The Hong Kong Institute of Directors' Professional Diploma in Company Direction in April 2017.

### SENIOR MANAGEMENT

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

### 楊榮榮先生

六十四歲，於二零一四年三月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及提名委員會成員。楊先生為於香港聯交所主板上市之聯合醫務集團有限公司之獨立非執行董事。彼擁有超過四十年銀行工作經驗。楊先生於一九七二年加入滙豐集團，於該機構之不同業務領域，包括個人理財、銷售及市場、分行營運及貿易服務擔任職務，拓展個人事業。自二零零一年起，楊先生移師到上海，並擔任滙豐上海分行行長一職。彼於二零零六年六月調任到恒生銀行(中國)有限公司，獲委任為個人理財及財富管理業務主管。楊先生於二零零七年五月擔任副行政總裁及零售及財富管理業務主管。彼於二零一四年一月卸任滙豐集團。楊先生現為中國人民政治協商會議上海市政協委員及中國香港(地區)商會上海榮譽會長。彼獲上海市政府頒授「白玉蘭榮譽獎」。彼於二零一七年四月亦獲香港董事學會頒發公司董事專業文憑。

### 高級管理人員

上述執行董事為本集團高級管理人員的成員。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

### OPINION

#### What we have audited

The consolidated financial statements of Hong Kong Shanghai Alliance Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 69 to 176, which comprise:

- the consolidated statement of financial position as at 31st March 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

#### Our opinion

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

致滬港聯合控股有限公司股東  
(於百慕達註冊成立的有限公司)

### 意見

#### 我們已審計的內容

滬港聯合控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第69至176頁的綜合財務報表，包括：

- 於二零一七年三月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面損益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

#### 我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會(以下簡稱「香港會計師公會」)頒佈的《香港財務報告準則》(以下簡稱「香港財務報告準則」)真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the “Audit of the Consolidated Financial Statements” section of our report.

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

### Independence

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

### KEY AUDIT MATTERS

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

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

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

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(以下簡「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 獨立性

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

### 關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

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



### KEY AUDIT MATTERS (Continued)

#### Key Audit Matters

#### 關鍵審計事項

#### Valuation of an investment property

#### 一項投資物業的估值

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

請參閱綜合財務報表附註4(a)及15

As at 31st March 2017, the carrying amount of the Group's investment property in the People's Republic of China ("PRC") was approximately HK\$1,222.7 million and a fair value gain of approximately HK\$272.0 million was recognised in the consolidated income statement during the year. The Group engaged an independent professional valuer to perform valuation on the investment property as at 31st March 2017 based on income capitalisation approach and direct comparison approach.

於二零一七年三月三十一日，貴集團在中華人民共和國（以下簡稱「中國」）的投資物業的賬面值約為1,222,700,000港元，而約272,000,000港元的公允價值收益於本年度的綜合損益表中確認。貴集團聘請一名獨立專業估值師按收入資本化法及直接比較法對於二零一七年三月三十一日的投資物業進行評估。

We focus on this area because the valuation is dependent on certain key assumptions including market rent, term, reversionary yield and implied unit rates, which require significant management judgement.

我們專注於該領域，因為評估乃取決於若干關鍵假設，包括市場租金、期限、收益率及隱含單位率，這需要管理層的重大判斷。

#### 關鍵審計事項（續）

#### How our audit addressed the Key Audit Matters

#### 我們的審計如何處理關鍵審計事項

Our procedures in relation to management's valuation of the investment property included:

我們就管理層對投資物業的估值評估進行的程序包括：

- Evaluating the competence, capabilities and objectivity of the independent external valuer;
- 評估獨立外部估值師的資格、能力及客觀程度；
- Assessing the methodologies used and the key assumptions with the assistance from our in-house valuation specialist; and
- 在我們內部估值專家的協助下，評估估值所使用的方法及主要假設；及
- Assessing the reasonableness of the key assumptions, including market rent, term and reversionary yield and implied unit rates, adopted by the valuer by comparing with relevant market data, comparable market transactions and industry research.
- 通過比較相關市場數據、可資比較市場交易及行業研究，評估估值師所使用的主要假設的合理性，包括市場租金、期限、收益率及隱含單位率。

We found the key assumptions were supportable by the available and comparable market evidence.

我們發現主要假設獲現有及可比較的市場證據支持。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Key Audit Matters (Continued)

##### 關鍵審計事項(續)

#### Onerous contract provision relating to unfulfilled rebar sales contracts

與未履行的鋼筋銷售訂單有關之有償契約撥備

Refer to notes 4(b) and 30 to the consolidated financial statements

參閱綜合財務報表附註4(b)及30

As at 31st March 2017, the Group had certain unfulfilled rebar sales contracts. If these sales contracts were fulfilled by purchases at prices higher than the contracted selling prices, the Group would incur a loss. As a result, management assessed if any provision for these onerous contracts is required to be made based on the expected purchase prices of inventories and forecasted delivery schedules.

於二零一七年三月三十一日，貴集團有若干未履行的鋼筋銷售訂單。倘該等銷售訂單的購貨價格以高於訂單的銷售價格完成，貴集團將產生虧損。因此，管理層評估該等有償契約是否需要根據存貨之預期購買價及預計交付時間作出任何撥備。

Accordingly, management recognised an onerous contract provision of HK\$14.0 million as at 31st March 2017.

因此，管理層於二零一七年三月三十一日確認有償契約撥備14,000,000港元。

The estimate of the provision requires the estimation of expected purchase prices of inventories to fulfil rebar sales contracts and the expected dates of deliveries for these sales contracts.

估計撥備需要估計達成鋼筋銷售訂單的預期購買存貨的價值及該等銷售訂單之預期交付日期。

#### 關鍵審計事項(續)

#### How our audit addressed the Key Audit Matters (Continued)

##### 我們的審計如何處理關鍵審計事項(續)

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

我們就管理層對有償契約撥備之評估所進行的程序包括：

- Evaluating the basis adopted by management for determining onerous contract provision relating to unfulfilled rebar sales contracts;
- 評估管理層就釐定未履行的鋼筋銷售訂單有關之有償契約撥備所採納之基準；
- Obtaining management analysis and calculation of onerous contract provision and assessing the key assumptions adopted in the analysis, including comparing the expected purchase prices of inventories with the latest unit purchase price and comparing the forecasted delivery schedules with the historical trend and recent delivery;
- 取得管理層對有償契約撥備之分析及計算，以及評估分析中所採納之主要假設，包括比較預期購買存貨的單價與最新購買單價以及比較預計交付時間與過往交付傾向及近期交付；
- Checking, on a sample basis, the accuracy of the pre-agreed contractually stated selling prices and the quantity of goods in the unfulfilled sales contracts; and
- 以抽樣方式檢查預先協定及合約中規定之售價及未履行銷售訂單中貨品數量的準確性；及
- Checking, on a sample basis, the management's computation of provision recognised for these onerous contracts.
- 以抽樣方式檢查管理層對該等有償契約所確認撥備之計算。

We obtained management's assessment of onerous contract provision and considered it is supportable by the available evidence.

我們取得管理層對有償契約撥備之評估，且認為可獲得證據支持。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Key Audit Matters (Continued)

##### 關鍵審計事項(續)

#### Recognition of deferred income tax assets

##### 遞延所得稅資產確認

Refer to notes 4(c) and 22 to the consolidated financial statements

參閱綜合財務報表附註4(c)及22

As at 31st March 2017, the Group has recognised deferred income tax assets of HK\$26.4 million in relation to the cumulative tax losses of certain subsidiaries of the Company in different jurisdictions.

於二零一七年三月三十一日，貴集團就貴公司位於不同司法管轄區之若干附屬公司之累計稅項虧損確認遞延所得稅資產共約26,400,000港元。

The recognition involved management's judgement on the estimation of whether there would be sufficient taxable profits in future periods to utilise the tax losses. Key assumptions adopted in management assessment included forecasted revenue growth rates and forecasted operating margins.

確認遞延所得稅資產涉及管理層就估計未來期間是否有足夠應課稅溢利以利用稅務虧損作出判斷。管理層評估所採納之主要假設包括預測收入增長率及預測經營毛利。

#### 關鍵審計事項(續)

#### How our audit addressed the Key Audit Matters (Continued)

##### 我們的審計如何處理關鍵審計事項(續)

Our procedures in relation to management's assessment on recognition of deferred income tax assets included: 我們就確認遞延所得稅資產之管理層評估所進行的程序包括：

- Obtaining management's profit forecast and discussing with management about the key assumptions considered in the profit forecast;
- 取得管理層之溢利預測及與管理層討論於溢利預測所考慮之主要假設；
- Assessing the reliability of management's profit forecast by comparing the actual results for the current year to prior year profit forecast; and
- 通過比較本年度實際業績對過往年度溢利預測，評估管理層對溢利預測的可靠性；及
- Assessing the key assumptions applied in the management assessment as to whether there will be sufficient taxable profits in future periods to support the recognition of deferred tax assets, including comparing the forecasted revenue growth rates and operating margins to historical and recent performance.
- 評估管理層就未來期間是否將有足夠應課稅溢利支持確認遞延所得稅資產採用的主要假設，包括將預測收入增長率及經營毛利與過往及近期業績作出比較。

We consider management's judgement in the recognition of deferred income tax assets to be supportable by the available information.

我們認為管理層就遞延所得稅資產確認之判斷獲可得資料支持。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 其他信息

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

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

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

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

### 董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督貴集團的財務報告過程。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

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

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

### 核數師就審計綜合財務報表承擔的責任

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

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

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



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Chow Shiu Hay, Antonio.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 23rd June 2017

### 核數師就審計綜合財務報表承擔的責任 (續)

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

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

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

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

出具本獨立核數師報告的審計項目合夥人為周兆熙先生。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零一七年六月二十三日

# CONSOLIDATED INCOME STATEMENT

## 綜合損益表

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

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	5	<b>3,022,923</b>	3,380,161
Cost of sales	銷售成本	7	<b>(2,687,782)</b>	(2,964,591)
<b>Gross profit</b>	<b>毛利</b>		<b>335,141</b>	415,570
Selling and distribution expenses	銷售及分銷支出	7	<b>(129,277)</b>	(78,624)
General and administrative expenses	一般及行政支出	7	<b>(295,061)</b>	(302,866)
Other gains/(losses) — net	其他收益／(虧損) — 淨額	6	<b>217,961</b>	(21,059)
Fair value gain on an investment property	投資物業之公允價值收益	15	<b>271,985</b>	199,514
<b>Operating profit</b>	<b>經營溢利</b>		<b>400,749</b>	212,535
Finance income	財務收入	10	<b>1,964</b>	2,065
Finance costs	財務費用	10	<b>(119,085)</b>	(65,404)
Share of results of associates — net	應佔聯營公司之業績 — 淨額	20	<b>—</b>	(7,364)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	21	<b>(36,511)</b>	4,437
<b>Profit before income tax</b>	<b>除稅前溢利</b>		<b>247,117</b>	146,269
Income tax expense	所得稅支出	11	<b>(147,981)</b>	(75,005)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>99,136</b>	71,264
Profit attributable to:	應佔溢利：			
Owners of the Company	本公司擁有人		<b>101,776</b>	70,105
Non-controlling interests	非控制性權益		<b>(2,640)</b>	1,159
			<b>99,136</b>	71,264
<b>Earnings per ordinary share attributable to owners of the Company for the year</b>	<b>本公司擁有人應佔年內每股普通股盈利</b>			
Basic earnings per share	每股基本盈利	13	<b>HK15.86 cents</b> 港仙	HK10.95 cents 港仙
Diluted earnings per share	每股攤薄盈利	13	<b>HK15.63 cents</b> 港仙	HK10.72 cents 港仙

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

附註為該等綜合財務報表整體之一部分。

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面損益表

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Profit for the year</b>	年度溢利	<b>99,136</b>	71,264
<b>Other comprehensive income/(loss):</b>	其他全面收入／(虧損)：		
<b>Items that have been reclassified or may be subsequently reclassified to profit or loss:</b>	已重新分類或其後可重新分類為損益之項目：		
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之財務資產之公允價值變動(附註23)	<b>19</b>	(99)
Currency translation differences	貨幣匯兌差額	<b>(109,890)</b>	(43,438)
Realisation of translation reserve upon disposal of subsidiaries	出售附屬公司後之匯兌儲備變現	<b>87,383</b>	—
<b>Other comprehensive loss for the year</b>	年度其他全面虧損	<b>(22,488)</b>	(43,537)
<b>Total comprehensive income for the year</b>	年度全面收入總額	<b>76,648</b>	27,727
<b>Total comprehensive income/(loss) attributable to:</b>	應佔全面收入／(虧損)總額：		
— Owners of the Company	— 本公司擁有人	<b>79,310</b>	26,568
— Non-controlling interests	— 非控制性權益	<b>(2,662)</b>	1,159
		<b>76,648</b>	27,727

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

附註為該等綜合財務報表整體之一部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31st March 2017 於二零一七年三月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註		
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	163,489	220,536
Investment property	投資物業	15	1,222,682	1,311,600
Land use rights	土地使用權	16	9,518	44,536
Intangible assets	無形資產	17	—	80,178
Investments in joint ventures	於合營公司之投資	21	110,631	148,108
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	27	52,860	286,316
Deferred income tax assets	遞延所得稅資產	22	21,370	18,456
Available-for-sale financial asset	可供出售之財務資產	23	506	487
			<b>1,581,056</b>	2,110,217
<b>Current assets</b>	<b>流動資產</b>			
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	27	165,281	147,541
Inventories	存貨	25	395,628	175,634
Amounts due from joint ventures	應收合營公司賬款	21	34,360	15,593
Trade and bill receivables	應收賬款及票據	26	495,033	461,717
Financial assets at fair value through profit or loss	按公允價值計入損益之財務資產	24	15,500	15,630
Pledged bank deposits	已抵押銀行存款	28	68,659	59,166
Cash and cash equivalents	現金及現金等值	28	628,382	546,261
			<b>1,802,843</b>	1,421,542
<b>Total assets</b>	<b>資產總額</b>		<b>3,383,899</b>	3,531,759

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

## 綜合財務狀況表 (續)

As at 31st March 2017 於二零一七年三月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Share capital	股本	32	<b>64,188</b>	64,064
Reserves	儲備	34	<b>1,045,323</b>	995,360
			<b>1,109,511</b>	1,059,424
<b>Non-controlling interests</b>	<b>非控制性權益</b>		<b>21,387</b>	2,079
<b>Total equity</b>	<b>權益總額</b>		<b>1,130,898</b>	1,061,503
<b>Liabilities</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Accrued liabilities and other payables	應計負債及其他應付賬款	30	<b>7,223</b>	10,755
Deferred income tax liabilities	遞延所得稅負債	22	<b>69,638</b>	200,438
Borrowings	借貸	31	<b>509,190</b>	1,140,423
			<b>586,051</b>	1,351,616
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and bill payables	應付賬款及票據	29	<b>143,604</b>	132,581
Receipts in advance	預收款項		<b>28,696</b>	36,688
Accrued liabilities and other payables	應計負債及其他應付賬款	30	<b>163,688</b>	83,233
Amount due to a joint venture	應付合營公司賬款	21	<b>49,900</b>	—
Current income tax liabilities	當期所得稅負債		<b>67,916</b>	14,177
Borrowings	借貸	31	<b>1,213,146</b>	851,961
			<b>1,666,950</b>	1,118,640
<b>Total liabilities</b>	<b>負債總額</b>		<b>2,253,001</b>	2,470,256
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>3,383,899</b>	3,531,759

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

附註為該等綜合財務報表整體之一部分。

The consolidated financial statements were approved by the Board of Directors on 23rd June 2017 and were signed on its behalf.

綜合財務報表已於二零一七年六月二十三日獲董事會批准，並代表簽署。

**Yao Cho Fai Andrew**

姚祖輝  
Chairman  
主席

**Luk Pui Yin Grace**

陸佩然  
Executive Director  
執行董事



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔				Non- controlling interest 非控制性 權益	Total equity 權益總額
		Share capital 股本 HK\$'000 千港元 (Note 32) (附註32)	Other reserves 其他儲備 HK\$'000 千港元 (Note 34) (附註34)	Retained earnings 保留盈利 HK\$'000 千港元 (Note 34) (附註34)	Total 總額 HK\$'000 千港元		
<b>As at 1st April 2015</b>	於二零一五年四月一日	63,227	596,266	411,688	1,071,181	920	1,072,101
Profit for the year	年度溢利	—	—	70,105	70,105	1,159	71,264
<b>Other comprehensive (loss)/income</b>	<b>其他全面(虧損)/收入</b>						
— Change in fair value of available-for-sale financial asset (Note 23)	— 可供出售之財務資產之 公允價值變動 (附註23)	—	(99)	—	(99)	—	(99)
— Currency translation differences	— 貨幣匯兌差額	—	(43,438)	—	(43,438)	—	(43,438)
<b>Total comprehensive (loss)/income</b>	<b>全面(虧損)/收入總額</b>	—	(43,537)	70,105	26,568	1,159	27,727
<b>Transactions with owners in their capacity as owners</b>	<b>擁有人以其擁有人身份 進行的交易</b>						
Appropriation of statutory reserves	提撥法定儲備	—	(81)	81	—	—	—
Lapse of share options	失效之購股權	—	(141)	141	—	—	—
Share-based payment	以股份為基礎之支付	—	1,859	—	1,859	—	1,859
Exercise of share options	行使購股權	837	2,542	—	3,379	—	3,379
Dividends paid to owners of the Company	已付本公司擁有人 之股息						
— 2015 final dividend	— 二零一五年末期股息	—	—	(32,032)	(32,032)	—	(32,032)
— 2016 interim dividend	— 二零一六年中期股息	—	—	(11,531)	(11,531)	—	(11,531)
<b>Total transactions with owners in their capacity as owners</b>	<b>擁有人以其擁有人身份 進行的交易總額</b>	837	4,179	(43,341)	(38,325)	—	(38,325)
<b>As at 31st March 2016</b>	於二零一六年三月三十一日	64,064	556,908	438,452	1,059,424	2,079	1,061,503

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

## 綜合權益變動表 (續)

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

		Attributable to owners of the Company 本公司擁有人應佔				Non-controlling interest 非控制性權益	Total equity 權益總額
		Share capital 股本	Other reserves 其他儲備	Retained earnings 保留盈利	Total 總額		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(Note 32) (附註32)	(Note 34) (附註34)	(Note 34) (附註34)			
<b>As at 1st April 2016</b>	於二零一六年四月一日	<b>64,064</b>	<b>556,908</b>	<b>438,452</b>	<b>1,059,424</b>	<b>2,079</b>	<b>1,061,503</b>
Profit/(loss) for the year	年度溢利/(虧損)	—	—	<b>101,776</b>	<b>101,776</b>	<b>(2,640)</b>	<b>99,136</b>
<b>Other comprehensive income/(loss)</b>	<b>其他全面收入/(虧損)</b>						
— Change in fair value of available-for-sale financial asset (Note 23)	— 可供出售之財務資產之公允價值變動 (附註23)	—	<b>19</b>	—	<b>19</b>	—	<b>19</b>
— Currency translation differences	— 貨幣匯兌差額	—	<b>(109,868)</b>	—	<b>(109,868)</b>	<b>(22)</b>	<b>(109,890)</b>
— Realisation of translation reserve upon disposal of subsidiaries (Note 36)	— 出售附屬公司後之匯兌儲備變現 (附註36)	—	<b>87,383</b>	—	<b>87,383</b>	—	<b>87,383</b>
Total comprehensive (loss)/income	全面(虧損)/收入總額	—	<b>(22,466)</b>	<b>101,776</b>	<b>79,310</b>	<b>(2,662)</b>	<b>76,648</b>
<b>Transactions with owners in their capacity as owners</b>	<b>擁有人以其擁有的身份進行的交易</b>						
Appropriation of statutory reserves	提撥法定儲備	—	<b>160</b>	<b>(160)</b>	—	—	—
Lapse of share options	失效之購股權	—	<b>(345)</b>	<b>345</b>	—	—	—
Share-based payment	以股份為基礎之支付	—	<b>1,060</b>	—	<b>1,060</b>	—	<b>1,060</b>
Exercise of share options	行使購股權	<b>124</b>	<b>656</b>	—	<b>780</b>	—	<b>780</b>
Change on ownership interest in a subsidiary without change of control (Note 37)	於一間附屬公司之擁有權權益變動而控制權不變 (附註37)	—	<b>(10,137)</b>	—	<b>(10,137)</b>	<b>21,970</b>	<b>11,833</b>
Dividends paid to owners of the Company	已付本公司擁有人之股息						
— 2016 final dividend	— 二零一六年末期股息	—	—	<b>(6,419)</b>	<b>(6,419)</b>	—	<b>(6,419)</b>
— 2017 interim dividend	— 二零一七年中期股息	—	—	<b>(14,507)</b>	<b>(14,507)</b>	—	<b>(14,507)</b>
Total transactions with owners in their capacity as owners	擁有人以其擁有的身份進行的交易總額	<b>124</b>	<b>(8,606)</b>	<b>(20,741)</b>	<b>(29,223)</b>	<b>21,970</b>	<b>(7,253)</b>
<b>As at 31st March 2017</b>	於二零一七年三月三十一日	<b>64,188</b>	<b>525,836</b>	<b>519,487</b>	<b>1,109,511</b>	<b>21,387</b>	<b>1,130,898</b>

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

附註為該等綜合財務報表整體之一部分。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營活動之現金流量</b>			
Cash (used in)/generated from operations	經營(所用)/產生之現金	35(a)	(254,310)	256,359
Interest received	已收利息		1,715	2,065
Interest paid	已付利息		(99,075)	(60,364)
Hong Kong profits tax paid	已付香港利得稅		(13,145)	(15,718)
China corporate income tax paid	已付中國企業所得稅		(11,883)	(6,707)
Net cash (outflow)/inflow from operating activities	經營活動(流出)/流入之現金淨額		(376,698)	175,635
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>			
Purchase of property, plant and equipment	購置物業、廠房及設備		(5,581)	(149,245)
Proceeds received from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	35(b)	2,003	598
Deposit paid for acquisition of an investment property	收購一項投資物業之已付按金	27	—	(259,231)
Purchase of an investment property	購置一項投資物業		(735,668)	—
Capital expenditures for investment properties	投資物業之資本開支	15	(16,990)	(28,710)
Net proceeds received from disposal of subsidiaries	已收出售附屬公司所得款項淨值	36	704,510	—
Investment in a joint venture	合營公司投資	21	(13,784)	(19,500)
Purchase of available-for-sale financial asset	購置可供出售之財務資產	23	—	(128)
Net purchase of financial assets at fair value through profit or loss	購置按公允價值計入損益之財務資產淨額		—	(4,670)
Net cash outflow from investing activities	投資活動流出之現金淨額		(65,510)	(460,886)
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>			
Proceeds from bank loans	銀行貸款之所得款項		615,681	964,069
Repayment of bank loans	償還銀行貸款		(462,253)	(358,112)
Net increase/(decrease) in trust receipt bank loans	信託收據銀行貸款之淨增加/(減少)		395,003	(62,731)
Increase in pledged bank deposits	已抵押銀行存款增加		(9,493)	(20,290)
Consideration received from non-controlling interests	從非控股權益收到之代價	37	11,833	—
Dividends paid to owners of the Company	已付本公司擁有人之股息		(20,926)	(43,563)
Exercise of share options	行使購股權		780	3,379
Net cash inflow from financing activities	融資活動流入之現金淨額		530,625	482,752
Net increase in cash and cash equivalents	現金及現金等值之增加		88,417	197,501
Cash and cash equivalents, beginning of the year	年初之現金及現金等值		546,261	354,997
Currency translation differences	貨幣匯兌差額		(6,296)	(6,237)
Cash and cash equivalents, end of the year	年終之現金及現金等值		628,382	546,261

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

附註為該等綜合財務報表整體之一部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1 General information

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

The Company and its subsidiaries (the “Group”) are principally engaged in stockholding and distribution of construction materials such as steel products; trading of sanitary wares, kitchen cabinets and engineering plastics; steel recycling and property business.

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

### 2 Summary of significant accounting policies

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

#### 2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies Ordinance Cap. 622. They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial asset, financial assets at fair value through profit or loss and investment property, which are carried at fair value.

The preparation of these consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The 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.

### 1 一般資料

滬港聯合控股有限公司(前稱萬順昌集團有限公司)(「本公司」)於一九九四年一月十二日在百慕達註冊成立為有限公司，並根據百慕達一九八一年公司法，成為一間豁免公司。自一九九四年二月十八日起，本公司股份於香港聯合交易所有限公司主板上市。其註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司及其附屬公司(「本集團」)主要從事存銷及分銷建築材料，例如鋼材產品；潔具、廚櫃及工程塑膠貿易；鋼材回收以及房地產業務。

除另有說明外，該等綜合財務報表以港元(「港元」)列示。

### 2 主要會計政策概要

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

#### 2.1 編製基準

本綜合財務報表依照香港財務報告準則(「香港財務報告準則」)及香港《公司條例》(第622章)之規定編製，且按歷史成本慣例編製，並已就重估可供出售財務資產、按公允價值計入損益之財務資產及投資物業作出修訂。

編製該等符合香港財務報告準則之綜合財務報表需要使用若干關鍵性會計推算。此亦需要管理層在應用本集團會計政策之過程中行使其判斷。涉及高度之判斷或高度複雜性之範疇，或涉及對綜合財務報表屬重大假設及推算之範疇已在附註4中披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Summary of significant accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

- (a) The Group has adopted the following new, revised and amended standards and interpretations to existing standards (“new HKFRSs”) that have been issued and are effective for the Group’s accounting year beginning on or after 1st April 2016:

HKAS 1 (Amendment)	Disclosure Initiative
HKAS 7 (Amendment)	Disclosure Initiative
HKAS 12 (Amendment)	Recognition of Deferred Tax Assets for Unrealised Losses
HKAS 16 and HKAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation
HKAS 16 and HKAS 41 (Amendment)	Agriculture: Bearer Plants
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment Entities: Applying the Consolidation Exception
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts
Annual Improvements 2012–2014 Cycle	Annual Improvements to HKFRSs issued in October 2014

The adoption of these new HKFRSs did not result in substantial changes to the accounting policies of the Group and had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented.

### 2 主要會計政策概要(續)

#### 2.1 編製基準(續)

- (a) 本集團已採納下列已頒佈且於二零一六年四月一日或之後開始之會計年度生效之新訂、經修訂及經修改準則及對現有準則之詮釋(「新香港財務報告準則」)：

香港會計準則第1號(修訂)	披露方式
香港會計準則第7號(修訂)	披露方式
香港會計準則第12號(修訂)	就未變現虧損確認遞延稅項資產
香港會計準則第16號及香港會計準則第38號(修訂)	釐清折舊及攤銷之可接納方法
香港會計準則第16號及香港會計準則第41號(修訂)	農業：生產性植物
香港會計準則第27號(修訂)	獨立財務報表之權益法
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(修訂)	投資實體：應用綜合入賬之例外情況
香港財務報告準則第11號(修訂)	收購於合營業務權益之會計處理
香港財務報告準則第14號	監管遞延賬目
二零一二年至二零一四年週期之年度改善	對於二零一四年十月頒佈之香港財務報告準則進行之年度改善

採納上述新香港財務報告準則並不導致本集團的會計政策出現重大變動及並無對如何編製及呈列當前或過往會計期間之業績及財務狀況造成重大影響。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Summary of significant accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group:

### 2 主要會計政策概要(續)

#### 2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：

		<b>Effective for accounting periods beginning on or after</b>
		於以下日期或之 後開始之 會計期間生效
HKFRS 2 (Amendment) 香港財務報告準則第2號 (修訂)	Classification and Measurement of Share-based Payment Transactions 以股份為基礎之付款交易之分類及計量	1st January 2018 二零一八年一月一日
HKFRS 9 香港財務報告準則第9號	Financial Instruments 金融工具	1st January 2018 二零一八年一月一日
HKFRS 10 and HKAS 28 (Amendment) 香港財務報告準則第10號 及香港會計準則第28號 (修訂)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營公司間之 資產出售或注資	To be determined 待釐定
HKFRS 15 香港財務報告準則第15號	Revenue from Contracts with Customers 來自客戶合約之收益	1st January 2018 二零一八年一月一日
HKFRS 15 (Amendment) 香港財務報告準則第15號 (修訂)	Clarifications to HKFRS 15 對香港財務報告準則第15號之澄清	1st January 2018 二零一八年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1st January 2019 二零一九年一月一日

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group: (Continued)

#### **HKFRS 9 'Financial Instruments'**

HKFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. Classification is driven by the entity's business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognised in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

## 2 主要會計政策概要(續)

### 2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：(續)

#### **香港財務報告準則第9號「金融工具」**

香港財務報告準則第9號就債務工具投資訂有三項金融資產分類類別：按攤銷成本、按公允價值計入其他全面收益(「其他全面收益」)、按公允價值計入損益。分類依據企業管理債務工具經營模式及其合同現金流量特徵決定。權益工具投資始終以公允價值計量。然而，管理層可以不可撤銷地選擇在其他全面收益中呈列公允價值變動，惟有關工具不得持作買賣用途。如果權益工具持作買賣，則公允價值變動計入損益。金融負債分為兩類：攤銷成本和公允價值變動計入損益。非經常性金融負債以公允價值計量且計入損益，因負債本身之信貸風險變動而產生的公允價值變動計入其他全面收益，除非該公允價值變動會在損益造成會計錯配，在這種情況下，所有公允價值變動計入損益。隨後毋須將有關金額從其他全面收益調整至損益。對於金融負債持作買賣(含衍生金融負債)，所有公允價值變動計入損益。

### 2 Summary of significant accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group: (Continued)

##### **HKFRS 9 'Financial Instruments' (Continued)**

HKFRS 9 introduces a new model for the recognition of impairment losses — the expected credit losses (“ECL”) model, which constitutes a change from the incurred loss model in HKAS 39. HKFRS 9 contains a ‘three stage’ approach, which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. The new rules mean that on initial recognition of a non-credit impaired financial asset carried at amortised cost a day-1 loss equal to the 12-month ECL is recognised in profit or loss. In the case of accounts receivables this day-1 loss will be equal to their lifetime ECL. Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

HKFRS 9 applies to all hedging relationships, with the exception of portfolio fair value hedges of interest rate risk. The new guidance better aligns hedge accounting with the risk management activities of an entity and provides relief from the more ‘rule-based’ approach of HKAS 39.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group’s disclosures about its financial instruments particularly in the year of the adoption of the new standard.

### 2 主要會計政策概要 (續)

#### 2.1 編製基準 (續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：(續)

##### **香港財務報告準則第9號「金融工具」(續)**

香港財務報告準則第9號為確認減值虧損引入新模式 — 預期信貸虧損(「預期信貸虧損」)模式，包括由香港會計準則第39號已產生虧損的變化組成。香港財務報告準則第9號包含「三個階段」之方法，根據金融資產初始確認後之信用質量變化計算。資產在信用變化之三個階段中進行，階段決定實體如何衡量減值虧損並採用實際利率法。新規則意味著，初始確認按攤銷成本之未信貸減值金融資產，相當於12個月內的預期信貸虧損於首日損失確認為損益。在應收賬的情況下，首天的損失將等於其整個期限之預期信貸虧損。如果信貸風險顯著上升，則使用整個期限的預期信貸虧損而非12個月的預期信貸虧損計量減值。

香港財務報告準則第9號適用於所有對沖關係，惟投資組合公允價值套期保值的利率風險除外。新指引使對沖會計處理更能配合實體的風險管理活動，並為香港會計準則第39號更為「以規則為本」的方針給予舒緩。

新標準還引入擴大的披露要求和改變呈列方式。這預期會改變本集團有關金融工具披露的性質及範圍，尤其於採納新準則的年度內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group: (Continued)

#### **HKFRS 15 'Revenue from Contracts with Customers'**

HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach:

- (1) Identify the contract(s) with customer;
- (2) Identify separate performance obligations in a contract;
- (3) Determine the transaction price;
- (4) Allocate transaction price to performance obligations; and
- (5) Recognise revenue when performance obligation is satisfied.

The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an earnings processes to an 'asset-liability' approach based on transfer of control.

## 2 主要會計政策概要(續)

### 2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：(續)

#### **香港財務報告準則第15號「來自與客戶合約的收益」**

香港財務報告準則第15號透過五個步驟法建立全面架構，用以釐定確認收益時間及數額：

- (1) 識別與客戶訂立之合約；
- (2) 識別合約中之各自履約責任；
- (3) 釐定交易價；
- (4) 將交易價分配至合約中各履約責任；及
- (5) 於完成履約責任時確認收入。

此財務報告準則之核心原則為，公司應確認收入以述明向客戶轉讓承諾貨品或服務，而有關收入金額能反映該公司預期就交換該等貨品或服務取得之代價。其將基於收益過程的收入確認模式轉移到基於控制權轉移的「資產—負債」方法。

### 2 Summary of significant accounting policies (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group: (Continued)

##### **HKFRS 15 'Revenue from Contracts with Customers' (Continued)**

HKFRS 15 provides specific guidance on capitalisation of contract cost and license arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Management is currently assessing the impact of applying HKFRS 15 on the Group's financial statements by identifying the separate performance obligations in the contracts with customers and allocating the transactions price, which could affect the timing of the revenue recognition. Management will make more detailed assessments of the impact over the next twelve months.

##### **HKFRS 16 'Leases'**

HKFRS 16, 'Leases' addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from HKFRS 16 is that most operating leases will be accounted for on balance sheet for lessees. The standard replaces HKAS 17 'Leases', and related interpretations.

Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

### 2 主要會計政策概要(續)

#### 2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：(續)

##### **香港財務報告準則第15號「來自與客戶合約的收入」(續)**

香港財務報告準則第15號就合約成本資本化和特許權安排提供具體指引。亦包括對實體與客戶的合同產生的收入和現金流量的性質、數量、時間和不確定性設定作一致性披露要求。

管理層正在評估應用香港財務報告準則第15號對本集團財務報表的影響，識別與客戶簽訂的合同中的獨立履行義務，及分配交易價格，這可能影響收入確認的時間。管理層將對於未來十二個月的影響進行更詳細的評估。

##### **香港財務報告準則第16號「租賃」**

香港財務報告準則第16號「租賃」列明租賃的定義，其確認和計量，並就向租戶和出租人的租賃活動確定原則，以對財務報表使用者提供有用的資訊。香港財務報告準則第16號產生的重大變化為大部分經營租賃將在承租人的資產負債表中記入。該標準取代了香港會計準則第17號「租賃」及相關詮釋。

根據新訂準則，確認資產(使用租賃項目之權利)和支付租金的財務責任。惟短期和低值租賃被豁免。對出租人的會計不會有重大變化。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group: (Continued)

#### **HKFRS 16 'Leases' (Continued)**

The standard will affect primarily the accounting for Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$96,313,000 (Note 38(a)(ii)). However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

Apart from aforementioned HKFRS 9, HKFRS 15 and HKFRS 16, the directors of the Company are in the process of assessing the financial impact of the adoption of the above new standards, amendments to standards. The directors of the Company will adopt the new standards and amendments to standards when they become effective.

## 2 主要會計政策概要(續)

### 2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：(續)

#### **香港財務報告準則第16號「租賃」 (續)**

該標準主要影響本集團經營租賃的會計處理。於報告日期，本集團不可撤銷經營租賃承擔為96,313,000港元(附註38(a)(ii))。然而，本集團尚未確定該等承擔導致確認資產和將來支付的負債影響程度，以及如何影響本集團的溢利及現金流量分類。

部分承擔可能包括在短期和低值租賃的豁免情況，而根據香港財務報告準則第16號，部分承擔可能不符合租賃條件約定。

除上述香港財務報告準則第9號、香港財務報告準則第15號及香港財務報告準則第16號外，本公司董事正在評估上述新標準、修訂及準則的財務影響。本公司董事將於新準則及修訂生效後予以採納。

### 2 Summary of significant accounting policies (Continued)

#### 2.2 Subsidiaries

##### (a) Consolidation

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

##### (i) Business combinations

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

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill (Note 2.8(a)). If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

### 2 主要會計政策概要(續)

#### 2.2 附屬公司

##### (a) 合併

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

##### (i) 業務合併

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

收購相關成本於產生時列為開支。

所轉讓代價、被收購方的任何非控制性權益金額及任何先前於被收購方的股本權益於收購日的公允價值超出所收購可辨認資產淨額的公允價值的部分，以商譽列賬(附註2.8(a))。倘所轉讓代價、已確認非控股性權益及先前持有之權益之總額低於在收購議價情況下收購之附屬公司的資產淨值之公允價值，其差額於綜合損益表中直接確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.2 Subsidiaries (Continued)

#### (a) Consolidation (Continued)

##### (i) Business combinations (Continued)

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

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

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

##### (iii) Disposal of subsidiaries

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

## 2 主要會計政策概要(續)

### 2.2 附屬公司(續)

#### (a) 合併(續)

##### (i) 業務合併(續)

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

##### (ii) 於一間附屬公司之擁有權益變動而控制權不變

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

##### (iii) 出售附屬公司

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Summary of significant accounting policies (Continued)

#### 2.2 Subsidiaries (Continued)

##### (b) *Separate financial statements*

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

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

#### 2.3 Associates

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

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

### 2 主要會計政策概要(續)

#### 2.2 附屬公司(續)

##### (b) *獨立財務報表*

於附屬公司之投資按成本扣除減值列賬。成本包括投資直接應佔之成本。附屬公司之業績由本公司已收股息及應收賬款基準入賬。

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

#### 2.3 聯營公司

聯營公司是指凡本集團對其有重大影響力但無控制權之實體，一般附帶20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始以成本確認，於收購日期後，其賬面金額會增加或減少，以確認投資者於被投資公司之應佔溢利或虧損。本集團於聯營公司之投資包括收購時已識別之商譽。

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.3 Associates (Continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to “share of results of associates — net” in the consolidated income statement.

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

### 2.4 Joint arrangements

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

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

## 2 主要會計政策概要(續)

### 2.3 聯營公司(續)

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

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

### 2.4 合營安排

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

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



### 2 Summary of significant accounting policies (Continued)

#### 2.4 Joint arrangements (Continued)

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

#### 2.5 Segment reporting

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

#### 2.6 Foreign currency translation

##### (a) Functional and presentation currency

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

##### (b) Transactions and balances

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

### 2 主要會計政策概要(續)

#### 2.4 合營安排(續)

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

#### 2.5 分部報告

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

#### 2.6 外幣換算

##### (a) 功能及呈列貨幣

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

##### (b) 交易及結餘

外幣交易採用交易或估值(重新計量項目)當日之匯率，換算為功能貨幣。結算此等交易及將外幣計值之貨幣資產及負債以年終匯率換算，而產生之滙兌收益及虧損於綜合損益表中確認。所有滙兌收益及虧損於綜合損益表「其他收益/(虧損) – 淨額」內呈列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.6 Foreign currency translation (Continued)

#### (b) Transactions and balances (Continued)

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

#### (c) Group companies

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

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

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

## 2 主要會計政策概要(續)

### 2.6 外幣換算(續)

#### (b) 交易及結餘(續)

非貨幣財務資產及負債(例如按公允價值計入損益之所持權益)之換算差額於損益中確認為公允價值盈虧之一部份。非貨幣財務資產(例如分類為可供出售之權益)之換算差額則計入其他全面收入。

#### (c) 集團公司

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

- (i) 各財務狀況表呈列之資產及負債均以該財務狀況表結算日之收市匯率換算；
- (ii) 各收益表之收支均按平均匯率換算(除非該平均值並非於交易日匯率累計影響之合理近似值，在此情況下，收支乃按交易日之匯率換算)；及
- (iii) 所有由此產生之滙兌差額確認為其他全面收入之獨立組成部分。

收購境外實體時產生之商譽及公允價值調整乃作為該境外實體之資產及負債處理，並以收市匯率換算。貨幣滙兌差額於其他全面收入中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Summary of significant accounting policies (Continued)

#### 2.6 Foreign currency translation (Continued)

##### (d) *Disposal of foreign operation and partial disposal*

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

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

#### 2.7 Property, plant and equipment

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

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

### 2 主要會計政策概要(續)

#### 2.6 外幣換算(續)

##### (d) 出售海外業務及部分出售

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

對於出售一家附屬公司(包括海外業務)部分權益而沒有導致本集團失去對附屬公司的控制權時,相應比例的累計滙兌差額重新撥入非控股股東權益,但並不會於損益確認。至於其他部分出售(即部分出售聯營公司或合營安排而沒有導致本集團失去重大影響力或失去共同控制權),相應比例的累計滙兌差額重新分類至損益。

#### 2.7 物業、廠房及設備

除在建工程外,物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購項目直接應佔之開支。

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.7 Property, plant and equipment (Continued)

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

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

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

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

Construction in progress represents a plant under construction, which is stated at cost less any impairment loss, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

## 2 主要會計政策概要(續)

### 2.7 物業、廠房及設備(續)

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

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

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

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

在建工程指正在興建中之廠房，按成本扣除任何減值虧損列賬且不予折舊。成本包括直接建設成本。在建工程於完成並準備投入使用時，重新分類為適當類別之物業、廠房及設備項目。

### 2 Summary of significant accounting policies (Continued)

#### 2.8 Intangible assets

##### (a) Goodwill

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

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

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

##### (b) Distribution rights

Distribution rights acquired in a business combination are recognised at fair values at the acquisition date. Distribution rights have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of distribution rights over their estimated useful life of 10 years.

##### (c) Favorable lease terms (i.e. use right of car park)

Use right of car park acquired in a business combination is recognised at fair values at the acquisition date. Use right of car park has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of use right of car park over its estimated useful life of 20 years.

### 2 主要會計政策概要(續)

#### 2.8 無形資產

##### (a) 商譽

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

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

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

##### (b) 分銷權

在業務合併中購入之分銷權按收購日之公允價值確認。分銷權有限定之可使用年期及按成本減累計攤銷列賬。攤銷使用直線法按估計可使用年期十年分攤分銷權之成本計算。

##### (c) 有利租賃條款(即停車場使用權)

在業務合併中購入之停車場使用權按收購日之公允價值確認。停車場使用權有限定之可使用年期及按成本減累計攤銷列賬。攤銷利用直線法計算，按估計可使用年期二十年分配停車場使用權之成本。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.9 Land use rights

The up-front prepayments made for land use rights are accounted for as operating leases. They are recognised in the consolidated income statement on a straight-line basis over the periods of the land use rights, or when there is impairment, the impairment is recognised in the consolidated income statement.

### 2.10 Investment property

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. In such case, the operating lease concerned is accounted for as if it were a finance lease.

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

### 2.11 Impairment of non-financial assets

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

## 2 主要會計政策概要(續)

### 2.9 土地使用權

土地使用權之前期預付款項以營業租約列賬。其按土地使用權期間以直線基準於綜合損益表中確認，或當出現減值時，於綜合損益表中確認減值。

### 2.10 投資物業

投資物業(主要包括租賃土地及樓宇)乃持有作長期租金回報或資本升值或二者兼有，且並非由本集團之公司佔用。以營業租約持有之土地，如符合投資物業其餘定義，則按投資物業分類及記賬。在此情況下，營業租約猶如其為融資租賃而記賬。

投資物業最初按其成本計量，包括相關交易成本。在初步確認後，投資物業按公允價值列賬，即於各報告日由外部估值師釐定之公開市值。公允價值以活躍市場價格為基準，如有需要就特定資產之性質、地點或狀況之任何差異作出調整。如並無此項資料，本集團須使用其他估值方法，例如較不活躍市場之近期價格或貼現現金流量預測法。公允價值變動於綜合損益表中列賬，作為「其他收益／(虧損) — 淨額」中估值收益或虧損之一部份。

### 2.11 非財務資產之減值

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

### 2 Summary of significant accounting policies (Continued)

#### 2.12 Financial assets

##### (a) Classification

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

##### (i) *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 also categorised 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.

##### (ii) *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 the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and bill receivables", "deposits and other receivables", "amounts due from joint ventures", "pledged bank deposits" and "cash and cash equivalents" in the consolidated statement of financial position.

##### (iii) *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 the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

### 2 主要會計政策概要(續)

#### 2.12 財務資產

##### (a) 分類

本集團將其財務資產分為以下類別：按公允價值計入損益、貸款及應收賬款以及可供出售。其分類乃取決於收購財務資產之目的。管理層會於初步確認時釐定其財務資產分類。

##### (i) 按公允價值計入損益之財務資產

按公允價值計入損益之財務資產為持作買賣之財務資產。如所收購之財務資產主要目的為在短期內出售，則分類為此類別。衍生工具亦會被分類為持作買賣，惟被指定為對沖項目則除外。此類別資產若預期在十二個月內結算，則分類為流動；否則分類為非流動。

##### (ii) 貸款及應收賬款

貸款及應收賬款具固定或可釐定付款，以及並無在活躍市場報價之非衍生財務資產。此等項目包括在流動資產內，而已償付或預期於報告期末起計超過十二個月後方償付之金額(分類為非流動資產)則除外。本集團之貸款及應收賬款包括於綜合財務狀況表之「應收賬款及票據」、「按金及其他應收賬款」、「應收合營公司」、「已抵押銀行存款」及「現金及現金等值」。

##### (iii) 可供出售之財務資產

可供出售之財務資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非該投資到期或管理層擬於報告期末後十二個月內處置該投資，否則此等資產包括在非流動資產內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.12 Financial assets (Continued)

#### (b) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. 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 consolidated 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 asset and financial assets at fair value through profit or loss are subsequently carried at fair values. Loans and receivables are subsequently 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 recognised in the consolidated income statement, within “other gains/(losses) — 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 gains/(losses) — net” when the Group’s right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

#### (c) Offsetting financial instruments

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

## 2 主要會計政策概要(續)

### 2.12 財務資產(續)

#### (b) 確認及計量

經常性買賣財務資產在交易當日(即本集團承諾購買或出售資產之日)確認。投資初步以公允價值加所有非按公允價值計入損益列賬之財務資產交易成本確認。按公允價值計入損益列賬之財務資產初步按公允價值確認，交易成本則於綜合損益表支銷。倘從投資收取現金流量之權利已過期或已轉移及本集團已轉移擁有權之絕大部分風險及回報，財務資產將被剔除入賬。可供出售之財務資產及按公允價值計入損益之財務資產其後以公允價值列賬。貸款及應收賬款其後採用實際利息方法，以攤銷成本列賬。

「按公允價值計入損益之財務資產」類別之公允價值變動所產生之收益或虧損在產生期間於綜合損益表「其他收益／(虧損) — 淨額」中確認。按公允價值計入損益之財務資產產生之股息收入於本集團確立收取付款之權利時，在收益表中確認為「其他收益／(虧損) — 淨額」之一部份。

分類為可供出售之貨幣及非貨幣性證券公允價值變動，於其他全面收入中確認。

#### (c) 抵銷金融工具

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

### 2 Summary of significant accounting policies (Continued)

#### 2.13 Impairment of financial assets

##### (a) *Assets carried at amortised cost*

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. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor’s credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

### 2 主要會計政策概要 (續)

#### 2.13 財務資產之減值

##### (a) *以攤銷成本列賬之資產*

本集團於每個報告期末評估是否存在客觀證據證明某一財務資產或某一財務資產組合出現減值。只有當存在客觀證據顯示於初步確認資產後發生一宗或多宗事件導致出現減值(「虧損事項」)，而該宗(或該等)虧損事項對財務資產或財務資產組合之估計未來現金流量構成之影響能可靠地估計，則有關財務資產或財務資產組合出現減值及產生減值虧損。

減值證據可包括債務人或一組債務人遭遇嚴重財政困難、逾期或拖欠償還利息或本金、債務人很有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量減少，例如與違約有關連之拖欠情況或經濟狀況改變。

對於貸款及應收賬款類別，虧損金額按資產賬面金額與按財務資產原實際利率貼現之估計未來現金流量(不包括仍未產生之未來信用虧損)現值兩者間之差額計量。資產之資產賬面金額予以削減，而虧損金額則在綜合損益表中確認。

如其後期間，減值虧損金額減少，而此減少可客觀與確認減值後發生之事件(例如債務人之信用評級有所改善)有關連，則之前已確認之減值虧損可在綜合損益表中確認撥回。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.13 Impairment of financial assets (Continued)

#### (b) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial asset, 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 profit or loss — is reclassified from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

### 2.14 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Since the derivative instruments entered into by the Group do not qualify for hedge accounting, changes in the fair value of these derivative instruments are recognised immediately in the consolidated income statement within “other gains/(losses) — net”.

### 2.15 Inventories

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

## 2 主要會計政策概要(續)

### 2.13 財務資產之減值(續)

#### (b) 分類為可供出售之資產

本集團在每個報告期末評估是否有客觀證據證明某一財務資產或某一財務資產組合出現減值。對於分類為可供出售之股本投資，倘證券之公允價值大幅或持續跌至低於其成本，亦視為資產減值之證據。倘可供出售之財務資產存在此等證據，累計虧損 — 按收購成本與當時公允價值之差額，減該財務資產之前在損益確認之任何減值虧損計量 — 自權益中重新分類並在損益中確認。在綜合損益表內股本工具確認之減值虧損不會透過綜合損益表撥回。

### 2.14 衍生金融工具

衍生工具於訂立衍生工具合約之日按公允價值初步確認，其後按公允價值重新計量。確認由此產生之收益或虧損方法，視乎該衍生工具是否被指定為對沖工具，倘被指定為對沖工具，則視乎受對沖項目之性質而定。由於本集團訂立之衍生工具不合資格採用對沖會計法處理，該等衍生工具之公允價值變動會即時於綜合損益表「其他收益／(虧損) — 淨額」中確認。

### 2.15 存貨

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



## 2 Summary of significant accounting policies (Continued)

### 2.16 Trade and other receivables

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

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### 2.17 Cash and cash equivalents

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

### 2.18 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.

### 2.19 Trade and other payables

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

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

## 2 主要會計政策概要(續)

### 2.16 應收賬款及其他應收賬款

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

應收賬款及其他應收賬款初步按公允價值確認,其後則採用實際利率法按已攤銷成本減減值撥備計量。

### 2.17 現金及現金等值

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

### 2.18 股本

普通股分類為權益。

發行新股份或購股權直接應佔的新增成本在權益中列為所得款項的減少(扣除稅項)。

### 2.19 應付賬款及其他應付賬款

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.20 Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.21 Borrowing costs

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

All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

## 2 主要會計政策概要(續)

### 2.20 借貸

借貸初步按公允價值扣除已產生之交易成本確認，其後則按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期使用實際利率法於綜合損益表中確認。

在貸款將很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，費用遞延至提取發生為止。倘並無任何證據顯示該融資很有可能將獲部份或全部提取，則該費用撥充資本作為流動資金服務之預付款項，並於其相關融資期間予以攤銷。

除非本集團有無條件權利於報告期末後延遲償還負債最少十二個月，否則借貸分類為流動負債。

### 2.21 借貸成本

因收購、建造或生產合資格資產(指需要相當長時間準備作擬定用途或出售之資產)而直接產生之借貸成本乃計入該等資產成本，直至該等資產大致上已準備就緒作擬定用途或出售。

所有其他借貸成本均於產生期間於綜合損益表中確認。

### 2 Summary of significant accounting policies (Continued)

#### 2.22 Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to item recognised directly in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

##### (a) Current income tax

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

##### (b) Deferred income tax

###### *Inside basis differences*

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

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.

### 2 主要會計政策概要(續)

#### 2.22 當期及遞延所得稅

期內稅項支出包括當期及遞延所得稅。稅項於綜合損益表中確認，惟與直接在其他全面收入或直接在權益確認之項目有關者除外。在該情況下，稅項亦分別在其他全面收入或直接在權益中確認。

##### (a) 當期所得稅

當期所得稅支出根據本公司之附屬公司及聯營公司營運及產生應課稅收入之國家於報告日已頒佈或實質頒佈之稅務法規計算。管理層就適用稅務法規詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

##### (b) 遞延所得稅

###### *內在差異*

遞延所得稅使用負債法就資產與負債之稅基與其於綜合財務報表之賬面金額兩者產生之短暫差異確認。然而，倘遞延稅項負債來自對商譽之初始確認，則不予確認。倘遞延所得稅來自在交易(不包括業務合併)中對資產或負債之初步確認，而在交易時不影響會計或應課稅溢利或虧損，則不作記賬。遞延所得稅採用在報告日已頒佈或實質頒佈之稅率(及法例)，並在變現有關遞延所得稅資產或償付遞延所得稅負債時預期將會適用而釐定。

遞延所得稅資產在很有可能將未來應課稅溢利與可動用之短暫差異抵銷情況下確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.22 Current and deferred income tax (Continued)

#### (b) *Deferred income tax (Continued)*

##### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates and joint ventures. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associates and joint ventures' undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint ventures only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

#### (c) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## 2 主要會計政策概要(續)

### 2.22 當期及遞延所得稅(續)

#### (b) *遞延所得稅(續)*

##### *外在差異*

遞延所得稅負債就於附屬公司、聯營公司及合營公司之投資所產生之應課稅短暫差異作出撥備，惟倘本集團可以控制短暫差異之撥回時間，及很有可能在可預見未來不會撥回該短暫差異之遞延所得稅負債除外。一般而言，本集團無法控制聯營公司及合營公司的暫時性差異的撥回。惟當有協議賦予本集團於可預見未來有能力控制短暫差異之撥回時，聯營公司及合營公司之未分派溢利所產生有關應課稅短暫差異之遞延稅項負債將不予確認。

就附屬公司、聯營公司及合營公司投資產生的可扣減短暫差異確認遞延所得稅資產，但只限於短暫差異很可能在將來撥回，並有充足的應課稅利潤抵銷可用的短暫差異。

#### (c) *抵銷*

倘有合法執行權利以當期稅項資產抵銷當期稅項負債，以及當遞延所得稅資產及負債涉及由同一稅務機關就應課稅實體或有意以淨額基準結算結餘之不同應課稅實體徵收所得稅，遞延所得稅資產與負債則互相抵銷。

### 2 Summary of significant accounting policies (Continued)

#### 2.23 Employee benefits

##### (a) Pension obligation

The Group operates defined contribution plan. The schemes are generally funded through payments to insurance companies or trustee-administered funds.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### (b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

##### (c) Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 2 主要會計政策概要(續)

#### 2.23 僱員福利

##### (a) 退休金責任

本集團設有界定供款計劃。此等計劃一般透過向保險公司或受託管理基金付款而注資。

界定供款計劃為本集團向一間獨立實體支付固定供款之退休福利計劃。倘基金不具備足夠資產，無法就本期及過往期間之僱員服務向所有僱員支付福利，則本集團並無法律或推定責任作進一步供款。

本集團以強制、合約或自願基準向公開或私人管理之退休保險計劃作出供款。本集團作出供款後，即無進一步付款責任。供款於到期應付時確認為僱員福利支出。預付供款在出現現金退款或可扣減未來付款情況下確認為資產。

##### (b) 終止僱傭福利

終止僱傭福利於本集團在正常退休日期前終止僱用，或當僱員接受自願遣散以換取此等福利時支付。本集團在能證明以下終止承諾時確認辭退福利：該實體根據一項詳細之正式計劃終止現有僱員之僱用而並無撤回之可能。倘提出一項方案以鼓勵自願遣散，終止僱傭福利將按預期接受方案之僱員數目計算。在報告期末後超過十二個月支付之福利應貼現至其現值。

##### (c) 花紅計劃

本集團就花紅確認負債及支出。當於合約規定或由過往慣例產生推定責任時，本集團會確認撥備。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.23 Employee benefits (Continued)

#### (d) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

#### (e) Long service payments

The Group's net obligation in respect of long service payments to its employees upon termination of their employment or retirement when the employees fulfill certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group.

### 2.24 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

## 2 主要會計政策概要(續)

### 2.23 僱員福利(續)

#### (d) 僱員應享假期

僱員應享年假於應計予僱員時確認。僱員於截至報告日因提供服務應享之年假估計負債已計提撥備。僱員應享病假及分娩假期於支取時方才確認。

#### (e) 長期服務金

當僱員在符合香港僱傭條例之若干情況下終止僱傭關係或退休時，本集團須承擔支付長期服務金予其僱員之責任，而所承擔之責任淨額為僱員於現時及過往期間提供服務所得之日後福利金額。所承擔金額扣減根據本集團退休計劃所享有本集團供款之應佔金額。

### 2.24 以股份為基礎之支付

本集團設有多項以權益償付、以股份為基礎之補償計劃，據此，實體獲取僱員服務，作為本集團股本工具(購股權)之代價。為換取購股權授出而獲取之僱員服務公允價值確認為支出。將予支銷之總金額參考授予之購股權公允價值釐定：

- 包括任何市場表現條件(例如實體之股價)；
- 不包括任何服務及非市場表現歸屬條件(例如盈利能力、銷售增長目標及實體於特定時期餘下之僱員)之影響；及
- 包括任何非歸屬條件(例如僱員保存規定)之影響。

### 2 Summary of significant accounting policies (Continued)

#### 2.24 Share-based payments (Continued)

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the Company of options over its equity instruments to the employees of subsidiary in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary, with a corresponding credit to equity in the parent entity accounts.

### 2 主要會計政策概要(續)

#### 2.24 以股份為基礎之支付(續)

非市場表現及服務條件計入關於預期歸屬之購股權數目之假設。支出總額於歸屬期間(即所有特定歸屬條件獲滿足之期間)內確認。

此外，在某些情況下，僱員可在授出日期之前提供服務，因此授出日期之公允價值乃就確認服務開始期與授出日期之期內開支作出估計。

在每個報告期末，本集團會根據非市場表現及服務條件修訂其預期歸屬之購股權數目之估計。本集團在綜合損益表內確認原估算修訂(如有)之影響，並對權益作出相應調整。

當購股權獲行使時，本公司將發行新股。所收取之所得款項(扣除任何直接應佔交易成本)計入股本(面值)及股份溢價中。

本公司向本集團附屬公司之僱員授予其股本工具之購股權，被視為資本投入。所獲取僱員服務的公允價值，參考授出日期之公允價值計量，並在歸屬期內確認，作為對附屬公司投資之增加，並相應計入母公司賬目之權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.25 Provision

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

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax 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.

### 2.26 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities as described below. 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 主要會計政策概要(續)

### 2.25 撥備

當本集團因過往事件而產生現有法律或推定責任；很有可能須流出資源以償付責任；且金額已可靠估計，則會就環境復原、重組成本及法律索償確認撥備。重組撥備包括租賃終止罰款及僱員離職付款。不會就未來經營虧損確認撥備。

如有多項類似責任，則考慮責任之整體類別釐定其須在償付中流出資源之可能性。即使在同一類別責任所包含之任何一個項目資源流出之可能性極低，仍須確認撥備。

撥備按預期清償債務責任所需開支以稅前比率計算之現值計量，該比率反映市場當時對貨幣時間價值之評估及該責任之獨有風險。因時間流逝而產生之撥備增加確認為利息開支。

### 2.26 收入確認

收入按已收或應收代價之公允價值計算，並相當於供應貨品之應收金額，扣除折扣、退貨及增值稅後列賬。當收入數額能夠可靠計量、未來經濟利益有可能流入實體，而本集團各項活動均符合具體條件時(如下文所述)，本集團則會確認收入。本集團根據其往績並考慮客戶類別、交易種類及各項安排之特點作出估計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 Summary of significant accounting policies (Continued)

#### 2.26 Revenue recognition (Continued)

Revenue is recognised as follows:

##### (a) Sales of goods

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

##### (b) Service income

For sales of services, revenue is recognised in accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of actual services provided as a proportion of the total service to be provided.

##### (c) Rental income

Rental income from investment property is recognised in consolidated income statement on a straight-line basis over the period of the relevant leases.

#### 2.27 Interest income

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

#### 2.28 Dividend income

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

### 2 主要會計政策概要 (續)

#### 2.26 收入確認 (續)

收入確認如下：

##### (a) 貨品銷售

當集團實體已將產品交付予客戶，客戶對銷售產品之渠道及價格擁有完全決定權，且並無未履行之責任可影響客戶接受產品時，會確認貨品銷售。當產品已付運予至指定地點，陳舊及虧損之風險已轉讓予客戶，而客戶已根據銷售合約接收產品、或接收條款已作廢，或本集團有客觀證據顯示所有接收標準已獲達成後，貨品交付才算產生。

##### (b) 服務收入

對於服務銷售，收入經參考特定交易之完成階段並按已提供實際服務佔將予提供之總服務比例評估後，在提供服務之會計期內確認。

##### (c) 租金收入

投資物業之租金收入按直線法於相關租賃期間在綜合損益表中確認。

#### 2.27 利息收入

利息收入按實際利率法確認。倘貸款及應收賬款出現減值，本集團將賬面金額減至可收回金額，即估計未來現金流量按該工具之原實際利率貼現，及繼續將貼現計算並確認為利息收入。已減值貸款及應收賬款之利息收入按原實際利率確認。

#### 2.28 股息收入

股息收入於確定有權收取款項時確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 Summary of significant accounting policies (Continued)

### 2.29 Operating leases

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 incentives received from the lessor), are charged to the consolidated income statement on a straight-line basis over the period of the leases.

### 2.30 Dividend distribution

Dividend distribution to the Company's owners is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

## 3 Financial risk management

### 3.1 Financial risk factors

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

Risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

## 2 主要會計政策概要(續)

### 2.29 營業租約

擁有權之重大部分風險和回報由出租人保留之租約分類為營業租約。在營業租約內支付之款項(扣除自出租人收取之任何獎勵金後)，於租賃期內以直線法在綜合損益表中扣除。

### 2.30 股息分派

向本公司擁有人分派之股息，在股息於期內獲得本公司股東或董事(倘適當)批准並於本集團及本公司之財務報表確認為負債。

## 3 財務風險管理

### 3.1 財務風險因素

本集團之經營活動面對各種財務風險：市場風險(包括價格風險、外匯風險及現金流量及公允價值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於財務市場之難預測性及尋求減低對本集團財務表現之潛在不利影響。

風險管理由中央司庫部(集團司庫)按照董事會批准之政策執行。本集團司庫透過與集團經營單位之緊密合作，負責確定、評估和對沖財務風險。董事會為整體風險管理訂定書面原則及書面政策，涵蓋外匯風險、利率風險及信貸風險等特定領域。



### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk

##### (i) Price risk

The Group is subject to commodity price risk because certain subsidiaries of the Group are engaged in the trading of steel products. As at 31st March 2017, the Group had committed sales orders for steel products of approximately 156,000 metric tonnes (2016: 295,000 metric tonnes), for which the selling price is fixed, which exceeded the aggregate amount of on-hand inventories. Over the coming year, the Group had committed sale orders for steel product exceed the aggregate amount of on-hand inventories. As the prices of steel products can fluctuate materially, the Group's results may be affected significantly by future fluctuations in steel prices (Note 4 (b)). To manage its commodity price risk arising from committed sales orders, the Group is closely monitoring the market price of steel products and adjusting its procurement strategy accordingly.

The Group is exposed to price risk because of investments in listed corporate notes held by the Group and classified on the consolidated statement of financial position as financial assets at fair value through profit or loss. To manage its price risk arising from investments in corporate notes, the Group diversifies its portfolio. Diversification of the portfolio is managed in listed accordance with the internal limits set by the Group. As at 31st March 2017, if the price of these investments in listed corporate notes increase/decrease by 5%, profit before income tax for the year would increase/decrease by approximately HK\$775,000 (2016: HK\$775,000) mainly as a result of a fair value gain/(loss) on these investments.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險

##### (i) 價格風險

由於本集團之若干附屬公司從事鋼材產品貿易，故此本集團面對商品價格風險。於二零一七年三月三十一日，本集團確定其固定售價之鋼材產品銷售訂單約156,000公噸(二零一六年：295,000公噸)已超過手頭存貨。來年，本集團已確定鋼材產品之銷售定單超過累積手頭存貨。由於鋼材產品之價格可大幅波動，本集團之業績將可能面對重大未來鋼材價格波動之影響(附註4(b))。本集團密切監察鋼材產品之市價及相應調整其採購策略，以管理已確定銷售訂單產生之商品價格風險。

由於本集團所持於上市公司票據之投資及有關投資於綜合財務狀況表中分類為按公允價值計入損益之財務資產，故本集團面對價格風險。為管理其於上市公司票據之投資所產生之價格風險，本集團分散其投資組合。分散投資組合乃根據本集團設定之內部限制而管理。於二零一七年三月三十一日，倘該等於上市公司票據之投資之價格上升/下跌5%，則本年度除稅前溢利將增加/減少約775,000港元(二零一六年：775,000港元)，乃主要由於該等投資之公允價值收益/(虧損)所致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

###### (ii) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar (“US\$”) and the Chinese Renminbi (“RMB”). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency.

The Group has certain investments in foreign operations, of which the net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31st March 2017, if HK\$ had strengthened/weakened by 3% against RMB with all other variables held constant, profit before income tax would have been approximately HK\$546,000 higher/lower (2016: HK\$892,000 lower/higher), mainly as a result of foreign exchange (losses)/gains on translation of RMB-denominated monetary assets and liabilities.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

###### (ii) 外匯風險

本集團業務跨越多國，因此面對源於各種貨幣之外匯風險，主要涉及美元(「美元」)及人民幣(「人民幣」)。外匯風險源於未來商業交易、已確認資產及負債及外國業務淨投資。

管理層已訂立政策，要求集團公司管理對其功能貨幣有關之外匯風險。

本集團持有若干境外經營投資，其資產淨額承受外幣滙兌風險。來自本集團境外經營資產淨額所產生之貨幣風險，主要以相關外幣計值之借貸進行管理。

於二零一七年三月三十一日，假若港元兌人民幣上升／下跌3%，而所有其他可變因素維持不變，則除稅前溢利應增加／減少約546,000港元(二零一六年：減少／增加892,000港元)，乃主要由於兌換以人民幣計值之貨幣資產及負債之滙兌(虧損)／收益所致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

###### (iii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets except for cash and bank deposits, which earn low interest rate. The Group's interest rate risk arises mainly from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates.

At 31st March 2017, if interest rates on floating rate borrowings had been 100 basis points higher/lower with all other variables held constant, profit before income tax for the year would have been approximately HK\$17,223,000 lower/higher (2016: HK\$19,924,000 lower/higher), mainly as a result of higher/lower interest expenses on floating rate borrowings.

##### (b) Credit risk

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Credit risk arises from cash and cash equivalents, financial assets at fair value through profit or loss, amounts due from joint ventures and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a high credit rating are accepted.

The Group has policies in place to ensure that sales are made to reputable and creditworthy customers with an appropriate financial strength, credit history and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 市場風險 (續)

###### (iii) 現金流量及公允價值利率風險

由於本集團除賺取低息率之現金及銀行存款外概無重大付息借貸資產，本集團之收入及經營現金流量實質上不受市場利率變動所影響。本集團之利率風險主要來自借貸。浮息借貸使本集團面對現金流量利率風險，該風險部份受到按浮動利率持有之現金所抵銷。

於二零一七年三月三十一日，倘浮息借貸之利率增加／減少100個基點，而所有其他可變因素維持不變，則本年度除稅前溢利將減少／增加約17,223,000港元（二零一六年：減少／增加19,924,000港元），乃主要由於浮息借貸之利息支出增加／減少所致。

##### (b) 信貸風險

信貸風險是按照組合方式管理，有關應收賬款餘額之信貸風險除外。信貸風險來自現金及現金等值、按公允價值計入損益之財務資產、應收合營公司及於銀行及財務機構之存款，以及面對客戶之信貸風險，包括未償還之應收賬款及已確定之交易。對於銀行及財務機構，只有具較高信貸評級之獨立評級機構才會被接納。

本集團具備政策以確保只銷售予聲譽及信譽良好且具備適當財政實力、信貸記錄及押付恰當比例訂金之客戶，亦訂有其他監測程序，以確保執行跟進工作，索回逾期債務。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

As at 31st March 2017, the Group has a concentration of credit risk given that the top 10 customers account for approximately 24% (2016: 20%) of the Group's total year end trade and bill receivables balance. Management considers that the credit risk in respect of these customers is currently low after considering the financial position and past experience with these customers. The Group's historical experience in collection of trade and bill receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible trade and bill receivables has been made.

##### (c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 31) at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio of the consolidated statement of financial position targets.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

於二零一七年三月三十一日，考慮到頭十名客戶佔本集團截至年終應收賬款及票據結餘總額當中之約24%(二零一六年：20%)，本集團具集中信貸風險。管理層經考慮該等客戶之財務狀況及交易往績後，認為有關該等客戶之信貸風險目前為低。本集團在收回應收賬款及票據方面所收回之金額之往績經驗，均在記錄撥備之範疇內，而董事認為，已就不可收回之應收賬款及票據作足夠之撥備。

##### (c) 流動資金風險

現金流量預測是在本集團之各經營實體執行，並由集團財務總計。本集團財務監察本集團流動資金需求之滾動預測，確保有足夠現金應付經營需要，亦同時始終維持充足之未提取承諾借貸融資(附註31)，以使本集團不違反任何借貸限額或任何借貸融資契諾。此等預測考慮到本集團債務融資計劃、契諾合規及符合內部綜合財務狀況表比率目標。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in time deposits, marketable securities, and choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group held cash and cash equivalents of approximately HK\$628,382,000 (2016: HK\$546,261,000) (Note 28) and trade and bill receivables, net, of approximately HK\$495,033,000 (2016: HK\$461,717,000) (Note 26) that are expected to readily generate cash inflows for managing liquidity risk.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 31st March 2017	於二零一七年 三月三十一日				
Trade and bill payables	應付賬款及票據	143,604	—	—	143,604
Other payables	其他應付賬款	103,695	1,000	6,223	110,918
Amount due to a joint venture	應付合營公司賬款	49,900	—	—	49,900
Borrowings	借貸	1,213,673	60,040	450,417	1,724,130
Interest payable	應付利息	71,967	27,043	41,529	140,539
		<b>1,582,839</b>	<b>88,083</b>	<b>498,169</b>	<b>2,169,091</b>
At 31st March 2016	於二零一六年 三月三十一日				
Trade and bill payables	應付賬款及票據	132,581	—	—	132,581
Other payables	其他應付賬款	42,853	2,000	8,755	53,608
Borrowings	借貸	856,078	407,013	749,194	2,012,285
Interest payable	應付利息	62,885	36,632	19,673	119,190
		1,094,397	445,645	777,622	2,317,664

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (c) 流動資金風險 (續)

當經營實體持有之剩餘現金超過營運資本管理所需餘額時，會轉撥至本集團司庫。本集團司庫將剩餘現金投資於定期存款及有價證券，並透過選擇上述預測所決定具有適當到期日或足夠流動性之工具，提供充足空間。於報告日，本集團持有現金及現金等值約628,382,000港元(二零一六年：546,261,000港元)(附註28)及應收賬款及票據淨額約495,033,000港元(二零一六年：461,717,000港元)(附註26)，預期可即時產生現金流入以管理流動資金風險。

下表載列本集團之財務負債，按有關到期組別根據於報告日至合約屆滿日之餘下期間進行分析。下表披露之金額為合約未貼現現金流。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.2 Capital risk management

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

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

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less pledged bank deposits and cash and cash equivalents. Total capital is calculated as equity (excluding non-controlling interests), as shown in the consolidated statement of financial position, plus net debt.

The gearing ratios at 31st March 2017 and at 31st March 2016 were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Borrowings (Note 31)	借貸(附註31)	<b>1,722,336</b>	1,992,384
Less: Cash and cash equivalents and pledged bank deposits (Note 28)	減：現金及現金等值以及已抵押銀行存款(附註28)	<b>(697,041)</b>	(605,427)
Net debt	淨負債	<b>1,025,295</b>	1,386,957
Total equity (excluding non-controlling interests)	權益總額(不包括非控制性權益)	<b>1,109,511</b>	1,059,424
Total capital	資本總額	<b>2,134,806</b>	2,446,381
Gearing ratio	資本負債比率	<b>48%</b>	57%

Net debt includes borrowings that were subject to external financial covenants. As at 31st March 2016 and 2017, there was no breach in conditions as specified in the covenants.

### 3 財務風險管理(續)

#### 3.2 資金風險管理

本集團管理資金之目標為保障本集團持續經營之能力，以為股東提供回報及為其他持份者提供利益，並保持一個最佳資本架構以減少資本成本。

為維持或調節資本架構，本集團可調節向股東派付之股息金額、退回資本予股東、發行新股份或出售資產以減債。

為與同業一致，本集團根據資本負債比率監察資本。該比率乃以淨負債除以資本總額計算得出。淨負債乃以借貸總額減已抵押銀行存款以及現金及現金等值計算。如綜合財務狀況表所示，資本總額以權益(不包括非控制性權益)加淨負債計算。

於二零一七年三月三十一日及二零一六年三月三十一日之資本負債比率如下：

淨負債包括受限於外部財務契諾之借貸。於二零一六年及二零一七年三月三十一日，概無違反契諾中訂明之條件。

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation

The tables below analyses the Group's financial instruments carried at fair value as at 31st March 2016 and 2017, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

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

See Note 15 for disclosures of the investment property that are measured at fair value.

### 3 財務風險管理(續)

#### 3.3 公允價值估算

下表利用計量公允價值之估值技術之輸入數據水平分析本集團於二零一六年及二零一七年三月三十一日按公允價值入賬之金融工具。有關輸入，於公允價值等級分類為以下三層：

- 相同資產或負債在活躍市場之報價(未經調整)(第一層)。
- 除包括在第一層可觀察資產或負債之報價外輸入，可為直接(即例如價格)或間接(即源自價格)(第二層)。
- 資產或負債並非依據可觀察市場數據之輸入(即非可觀察輸入)(第三層)。

按公允價值計量之投資物業之披露見附註15。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation (Continued)

The following table presents the Group's assets that are measured at fair value at 31st March 2017.

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through profit or loss	按公允價值計入損益之財務資產				
– Investments in listed corporate notes	– 上市公司票據之投資	15,500	–	–	15,500
Available-for-sale financial asset	可供出售之財務資產				
– Shares listed on the Stock Exchange of Hong Kong Limited	– 於香港聯合交易所有限公司上市之股份	506	–	–	506
<b>Total</b>	<b>總額</b>	<b>16,006</b>	<b>–</b>	<b>–</b>	<b>16,006</b>

The following table presents the Group's assets that are measured at fair value at 31st March 2016.

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through profit or loss	按公允價值計入損益之財務資產				
– Investments in listed corporate notes	– 上市公司票據之投資	15,500	–	–	15,500
– Iron ore future contracts	– 鐵鑛石期貨合約	130	–	–	130
Available-for-sale financial asset	可供出售之財務資產				
– Shares listed on the Stock Exchange of Hong Kong Limited	– 於香港聯合交易所有限公司上市之股份	487	–	–	487
<b>Total</b>	<b>總額</b>	<b>16,117</b>	<b>–</b>	<b>–</b>	<b>16,117</b>

There were no transfers among levels 1, 2 and 3 during the year.

### 3 財務風險管理(續)

#### 3.3 公允價值估算(續)

下表顯示本集團於二零一七年三月三十一日按公允價值計量之資產。

下表顯示本集團於二零一六年三月三十一日按公允價值計量之資產。

於本年度，第一層、第二層及第三層之間並無轉撥。

### 3 Financial risk management (Continued)

#### 3.3 Fair value estimation (Continued)

##### *Financial instruments in level 1*

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity investment classified as available-for-sale, future contracts and investments in listed corporate notes classified as financial assets at fair value through profit or loss.

### 4 Critical accounting estimates and judgements

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

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

#### (a) Valuation of investment property

The Group carries its investment property at fair value with changes in the fair value recognised in the consolidated income statement. The fair value of investment property was determined by using valuation technique and management updates their assessment of the fair value of each property, taking into account the key valuation assumptions, including adjusted market yield. Details of the judgments and assumptions have been disclosed in Note 15.

### 3 財務風險管理 (續)

#### 3.3 公允價值估算 (續)

##### *於第一層之金融工具*

於活躍市場買賣之金融工具之公允價值乃按於報告日之市場報價釐定。倘交易所、交易商、經紀、行業組織、報價公司或監管當局可隨時及定時報價，且有關價格反映按公平基準實際及經常進行之市場交易，則有關市場被視為活躍。本集團所持財務資產之市場報價為當前買入價。該等工具列入第一層。列入第一層之工具主要包括分類為可供出售之股本投資、期貨合約，以及分類為按公允價值計入損益之財務資產之上市公司票據之投資。

### 4 重要會計推算及判斷

根據過往經驗及其他因素(包括在現況下相信為未來事件之合理預期)持續對推算及判斷作出評估。

本集團就未來作出推算及假設。顧名思義，由此而生之會計推算極少與相關實際結果相同。下文論述具有會導致須對下一個財政年度之資產及負債之賬面金額作出重大調整之重大風險推算及假設。

#### (a) 投資物業的估值

本集團按公允價值持有之投資物業，其公允價值變動於綜合損益表內確認列賬。投資物業之公允價值乃根據估值方法，管理層更正對各物業公允價值的評估而釐定，其中經考慮主要估值假設，包括經調整市場收益率。判斷及假設之詳情已於附註15披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 Critical accounting estimates and judgements (Continued)

#### (b) Onerous contract provision

As at 31st March 2017, the Group had committed sales orders which exceeded the aggregate amount of on-hand inventories and committed purchase orders. If the cost of certain future purchases to fulfil these sales orders exceeds the contracted selling prices of the sales orders, a provision for onerous contracts would be made. In estimating the amount by which the cost of purchases are expected to exceed sales prices of committed sales orders, management takes into account the cost of on-hand inventory and the forecast market price of future purchases where this can be reliably estimated.

As at 31st March 2017, provision for onerous contract of HK\$14,000,000 was recognised by the Group (2016: HK\$12,000,000).

#### (c) Recognition of deferred income tax assets

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

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred income tax assets and income tax charges in the period in which such estimates have been changed.

### 4 重要會計推算及判斷(續)

#### (b) 有償契約之撥備

於二零一七年三月三十一日，本集團已確定之銷售訂單已超過手頭存貨及已確定之購貨訂單總額。倘用以履行此等銷售訂單之若干未來採購成本比銷售訂單所訂約之售價為高，則會就有償契約作出撥備。在推算預期採購成本超出已確定銷售訂單之售價金額時，管理層會計及手頭存貨之成本及按可靠推算之期貨採購之市場預測價格。

於二零一七年三月三十一日，本集團已確認有償契約撥備14,000,000港元(二零一六年：12,000,000港元)。

#### (c) 遞延所得稅資產確認

本集團主要須繳納香港及中國內地之所得稅。在釐定全球所得稅撥備時，需要作出重大判斷。於日常業務過程中，許多交易及計算之最終稅項釐定尚未確定。本集團按日後會否須繳納額外稅項，從而對預期稅務審核確認負債。倘該等事宜之最終稅務結果與最初記錄之金額不符，有關差異將影響該釐定期間內之所得稅及遞延所得稅撥備。

倘管理層認為可動用未來應課稅溢利以對銷短暫差異或稅項虧損，則會確認若干短暫差異及稅項虧損有關之遞延所得稅資產。倘預期結果與原先之推算不同，該差異將會對遞延所得稅資產確認及有關推算出現變動期間內之所得稅費用構成影響。



### 4 Critical accounting estimates and judgements (Continued)

#### (d) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.8. The recoverable amounts of CGUs have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 17).

#### (e) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer demand and competitor actions in response to severe industry cycle. Management reassesses the estimations at each reporting date.

#### (f) Provision for impairment of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and the current market condition. Management reassesses the provision at each reporting date.

#### (g) Useful lives and depreciation expenses for property, plant and equipment

The Group's management determines the estimated useful lives, and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore depreciation expense in future periods.

### 4 重要會計推算及判斷(續)

#### (d) 商譽減值推算

本集團根據附註2.8所述會計政策，每年就商譽進行減值測試。現金產生單位之可收回金額透過計算使用價值決定。此等計算需要使用推算(附註17)。

#### (e) 存貨之可變現淨值

存貨之可變現淨值為日常業務過程中之推算售價減推算完成成本及可變銷售支出。該等推算乃基於現時市況以及銷售類似性質產品之過往經驗。其可因客戶之需求轉變及競爭對手為應付嚴峻行業週期採取之行動而大幅改變。管理層會於每個報告日重估該等推算。

#### (f) 應收賬款及其他應收賬款減值撥備

本集團之管理層根據應收賬款之可收回程度評估釐定應收賬款及其他應收賬款之減值撥備。該評估乃基於其客戶及其他債務人之信貸歷史以及現時市況。管理層會於每個報告日重估撥備。

#### (g) 物業、廠房及設備之可使用年期及折舊支出

本集團之管理層釐定其物業、廠房及設備之估計可使用年期，以及有關折舊費用。該估計乃根據功能及性質類似之物業、廠房及設備之實際可使用年期之過往經驗計算。實際經濟年期或與估計可使用年期不同。定期檢討可導致可使用年期改變，未來期間之折舊支出亦因而出現變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Revenue and segment information

The Group's revenue consists of the following:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sales of goods	貨品銷售	<b>2,917,768</b>	3,302,846
Service income	服務收入	<b>42,333</b>	29,375
Rental income	租金收入	<b>62,822</b>	47,940
Total revenue	收入總額	<b>3,022,923</b>	3,380,161

The Group's businesses are managed according to the nature of their operations and the products and services they provide.

Management has determined the operating segments based on the reports reviewed by the Group's CODM that are used to make strategic decisions. The CODM considers the Group operates predominantly in four operating segments:

- (i) Construction materials business;
- (ii) Building & design solutions ("BDS") business;
- (iii) Engineering plastics business; and
- (iv) Property business.

The Group's CODM assesses the performance of operating segments based on a measure of profit before income tax.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated financial statements.

During the year ended 31st March 2017, the Group reclassified the corporate operating expenses for its office building in Tsing Yi, which is for corporate use starting from the current year, from the Construction Materials segment to unallocated expenses. Prior year's results by segments were restated accordingly.

### 5 收入及分部資料

本集團之收入包括如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sales of goods	貨品銷售	<b>2,917,768</b>	3,302,846
Service income	服務收入	<b>42,333</b>	29,375
Rental income	租金收入	<b>62,822</b>	47,940
Total revenue	收入總額	<b>3,022,923</b>	3,380,161

本集團按其營運性質及所提供之產品及服務管理其業務。

管理層已釐定其營運分部，乃根據由本集團之主要營運決策者所審閱用以制定策略性決定之報告釐定。主要營運決策者認為本集團主要經營四個營運分部：

- (i) 建築材料業務；
- (ii) 建築產品及設計方案業務；
- (iii) 工程塑膠業務；及
- (iv) 房地產業務。

本集團之主要營運決策者按除稅前溢利之計量評估營運分部表現。

向主要營運決策者匯報源自對外人士之收入之計量方法與綜合財務報表一致。

於截至二零一七年三月三十一日止年度，由本年度開始本集團將其位於青衣之辦公樓宇來自建築材料分部之企業經營開支作企業用途重新分類為未分配開支。過往年度按業務分部之業績已作出相應重列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Revenue and segment information (Continued)

Analysis of the Group's results by business segment for the year ended 31st March 2017 is as follows:

### 5 收入及分部資料(續)

本集團於截至二零一七年三月三十一日止年度按業務分部之業績分析如下：

		Construction materials business 建築材料業務 HK\$'000 千港元	BDS business 建築產品及設計方案業務 HK\$'000 千港元	Engineering plastics business 工程塑膠業務 HK\$'000 千港元	Property business 房地產業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	2,132,550	490,653	296,786	72,929	30,005	3,022,923
Operating profit/(loss)	經營溢利/(虧損)	32,809	41,454	3,628	408,622	(85,764)	400,749
Finance income	財務收入	917	7	98	364	578	1,964
Finance costs	財務費用	(22,187)	(2,928)	(342)	(89,536)	(4,092)	(119,085)
Share of results of joint ventures – net	應佔合營公司之業績 – 淨額	(22,721)	–	–	(13,790)	–	(36,511)
Profit/(loss) before income tax	除稅前溢利/(虧損)	(11,182)	38,533	3,384	305,660	(89,278)	247,117
Other gains/(losses) – net (Note (i))	其他收益/(虧損) – 淨額(附註(i))	37,099	(15,439)	(3,742)	200,186	(143)	217,961
Fair value gain on an investment property	一項投資物業之公允價值收益	–	–	–	271,985	–	271,985
Depreciation and amortisation	折舊及攤銷	(3,439)	(2,374)	(37)	(2,679)	(36,153)	(44,682)

Note:

(i) Gain on disposal of subsidiaries of HK\$229,023,000 was included in "other gains/(losses) – net" under property business.

附註：

(i) 出售附屬公司之收益229,023,000港元已計入房地產業務中「其他收益/(虧損) – 淨額」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Revenue and segment information (Continued)

Analysis of the Group's results by business segment for the year ended 31st March 2016 is restated as follows:

		Construction materials business 建築材料業務 HK\$'000 千港元	BDS business 建築產品及設計方案業務 HK\$'000 千港元	Engineering plastics business 工程塑膠業務 HK\$'000 千港元	Property business 房地產業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	2,450,300	488,897	365,153	60,287	15,524	3,380,161
Operating profit/(loss)	經營溢利/(虧損)	127,735	8,957	(3,423)	186,142	(106,876)	212,535
Finance income	財務收入	1,367	23	177	165	333	2,065
Finance costs	財務費用	(24,415)	(4,243)	(769)	(34,632)	(1,345)	(65,404)
Share of results of associates – net	應佔聯營公司之業績 – 淨額	(7,357)	–	–	(7)	–	(7,364)
Share of results of joint ventures – net	應佔合營公司之業績 – 淨額	(10,562)	–	–	14,999	–	4,437
Profit/(loss) before income tax	除稅前溢利/(虧損)	86,768	4,737	(4,015)	166,667	(107,888)	146,269
Other gains/(losses) – net	其他收益/(虧損) – 淨額	14,334	(480)	(4,467)	(31,269)	823	(21,059)
Fair value gain on an investment property	一項投資物業之公允價值收益	–	–	–	199,514	–	199,514
Depreciation and amortisation	折舊及攤銷	(4,935)	(2,714)	(126)	(2,828)	(11,307)	(21,910)

The Company is domiciled in Hong Kong and Mainland China. Analysis of the Group's revenue by geographical market is as follows:

### 5 收入及分部資料(續)

本集團於截至二零一六年三月三十一日止年度按業務分部之業績分析經重列如下：

本公司於香港及中國內地營運。本集團之收入按地區市場分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	1,666,458	2,046,820
Mainland China	中國內地	1,356,465	1,333,341
		<b>3,022,923</b>	3,380,161

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 Revenue and segment information (Continued)

Non-current assets, other than financial instruments and deferred income tax assets by geographical market is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	322,713	371,031
Mainland China	中國內地	1,232,306	1,715,971
		<b>1,555,019</b>	2,087,002

### 6 Other gains/(losses) – net

Provision for onerous contracts	有償契約之撥備	<b>(2,000)</b>	(12,000)
Unrealised fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益之財務資產之未變現公允價值收益	—	2,578
Realised (loss)/gain on financial assets at fair value through profit or loss	按公允價值計入損益之財務資產之已變現(虧損)/收益	<b>(103)</b>	841
Net exchange loss	淨滙兌虧損	<b>(42,429)</b>	(46,380)
Gain on disposal of subsidiaries (Note 36)	出售附屬公司之收益(附註36)	<b>229,023</b>	—
Impairment of goodwill and intangible assets (Note 17)	商譽及無形資產減值(附註(17))	<b>(14,284)</b>	—
Compensation received in relation to a litigation – net (Note (i))	有關一宗訴訟已收之賠償—淨額(附註(i))	—	30,583
Compensation in relation to an unfulfilled contract (Note (ii))	有關一項未完成合約之賠償(附註(ii))	<b>38,860</b>	—
Sundry income	雜項收入	<b>8,894</b>	3,319
		<b>217,961</b>	(21,059)

Notes:

- (i) The amount represented the compensation received during the year ended 31st March 2016 from a rebar supplier for its failure to meet the obligation to deliver in year 2009.
- (ii) The amount represented the compensation from a supplier for an unfulfilled contract during the year ended 31st March 2017.

### 5 收入及分部資料(續)

除金融工具及遞延所得稅資產以外，按地區市場分類之非流動資產如下：

### 6 其他收益/(虧損) — 淨額

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	<b>(2,000)</b>	(12,000)
	—	2,578
	<b>(103)</b>	841
	<b>(42,429)</b>	(46,380)
	<b>229,023</b>	—
	<b>(14,284)</b>	—
	—	30,583
	<b>38,860</b>	—
	<b>8,894</b>	3,319
	<b>217,961</b>	(21,059)

附註：

- (i) 該金額指因一名鋼筋供應商未能於二零零九年履行其責任而於截至二零一六年三月三十一日止年度內向其收取之賠償。
- (ii) 該金額指因一名供應商一項未完成合約而於截至二零一七年三月三十一日止年度內向其收取之賠償。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 7 Expenses by nature

Expenses included in “cost of sales”, “selling and distribution expenses” and “general and administrative expenses” are analysed as follows:

### 7 按性質劃分之支出

包括在「銷售成本」、「銷售及分銷支出」與「一般及行政支出」內支出之分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of finished goods sold	製成品銷售成本	<b>2,626,722</b>	2,887,336
(Write-back of)/provision for impairment of inventories	存貨減值(撥回)/撥備	<b>(987)</b>	3,897
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備之折舊 (附註14)	<b>42,199</b>	18,873
(Gain)/loss on disposals of property, plant and equipment (Note 35(b))	出售物業、廠房及設備之 (收益)/虧損(附註35(b))	<b>(531)</b>	1,809
Amortisation of land use rights (Note 16)	土地使用權之攤銷(附註16)	<b>1,522</b>	1,607
Amortisation of intangible assets (Note 17)	無形資產之攤銷(附註17)	<b>961</b>	1,430
Employee benefit expenses (Note 8)	僱員福利支出(附註8)	<b>145,416</b>	145,210
Operating lease rental expenses in respect of retail outlets, offices and warehouses	零售商舖、辦公室及貨倉 營業租約租金支出	<b>52,203</b>	39,942
Property tax for investment properties	投資物業之物業稅	<b>11,465</b>	6,677
Provision for impairment of trade receivables — net (Note 26)	應收賬款減值撥備 — 淨額 (附註26)	<b>4,966</b>	7,529
Commission paid to a joint venture (Note 39(a))	已付合營企業佣金 (附註39(a))	<b>53,502</b>	—
Auditor's remuneration — Audit services	核數師酬金 — 核數服務	<b>2,340</b>	2,432
Legal and professional fees	法律及專業費用	<b>7,316</b>	47,086
Freight charges — inbound	購貨運費	<b>53,219</b>	62,940
Freight charges — outbound	銷售運費	<b>52,079</b>	58,469
Storage and handling charges	存儲及處理費	<b>7,160</b>	10,639
Others	其他	<b>52,568</b>	50,205
Total cost of sales, selling and distribution expenses and general and administrative expenses	銷售成本、銷售及分銷支出與 一般及行政支出總額	<b>3,112,120</b>	3,346,081

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 8 Employee benefit expenses (including directors' emoluments)

### 8 僱員福利支出(包含董事酬金)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	88,876	94,646
Bonus	花紅	38,043	30,830
Pension costs — defined contribution plans	退休金成本 — 界定供款計劃	8,476	9,948
Share-based payment	以股份為基礎之支付	1,060	1,859
Welfare and benefits	福利及利益	8,961	7,927
		<b>145,416</b>	<b>145,210</b>

The Group maintains two defined contribution pension schemes for its employees in Hong Kong, the ORSO Scheme and the MPF Scheme. The assets of these schemes are held separately from those of the Group under independently administered funds.

Under the ORSO Scheme, each of the Group and its employees make monthly contribution to the scheme at 5% of the employees' salary. The unvested benefits of employees who have terminated employment could be utilised by the Group to reduce its future contributions.

Under the MPF Scheme, each of the Group and its employees make monthly contributions to the scheme at 5% of the employee's relevant income, as defined in the Hong Kong Mandatory Provident Fund Scheme Ordinance. Both the Group's and the employee's contributions are subject to a cap of HK\$1,500 per month. The contributions are fully and immediately vested for the employees.

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement plans for employees of its subsidiaries established in Mainland China. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The Group has no further obligations for the actual payment of pensions or post-retirement benefits beyond these contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

During the year ended 31st March 2017, the aggregate amount of the Group's contributions to the aforementioned pension schemes was approximately HK\$8,476,000 (2016: HK\$9,948,000), net of forfeited contributions of approximately HK\$54,000 (2016: HK\$179,000). As at 31st March 2016 and 2017, there is no unutilised forfeited contribution which could be utilised to reduce future contributions of the Group.

本集團維持兩個界定退休金供款計劃予位於香港之僱員，公積金計劃及強積金計劃。此兩個計劃之資產均與本集團之資產分開持有，並由獨立基金管理。

根據公積金計劃，本集團及其僱員須各自按該僱薪金之5%向該計劃作每月供款。終止僱用之僱員未歸屬之利益均由本集團用作減少未來供款。

根據強積金計劃，本集團及其僱員須各自按香港強制性公積金計劃條例所界定按該僱員有關收入之5%向該計劃作每月供款。本集團及其僱員之供款上限為每月1,500港元(供款悉數及即時歸屬予僱員)。

誠如中國內地規則及法規所規定，本集團須為其設立於中國內地之附屬公司僱員提供國家資助退休計劃供款。僱員有權獲得退休金，金額參照僱員退休時之基本薪金及服務年期按有關政府法規計算得出。除該等供款外，本集團毋須另行支付任何實際退休金或退休後福利。該等國家資助退休計劃須負責向退休僱員支付全部退休金。

截至二零一七年三月三十一日止年度，本集團對上述退休金計劃作出之供款總額約為8,476,000港元(二零一六年：9,948,000港元)，扣除沒收供款約54,000港元(二零一六年：179,000港元)。於二零一六年及二零一七年三月三十一日，並無未動用已沒收供款可用作減少本集團未來之供款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 Directors' and senior management's emoluments

### 9 董事及高級管理人員酬金

#### (a) Directors' emoluments

The remuneration of every Director for the year ended 31st March 2017 is set out below:

#### (a) 董事酬金

截至二零一七年三月三十一日止年度，每位董事薪酬如下：

Name	Fees	Salary and allowance	Discretionary bonus <sup>(vi)</sup>	Share-based payment <sup>(vi)</sup>	Employer's contribution to a retirement benefit scheme	Total
名稱	酬金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	酌情花紅 <sup>(vi)</sup> HK\$'000 千港元	以股份為基礎之支付 <sup>(vi)</sup> HK\$'000 千港元	僱主對退休福利計劃之供款 HK\$'000 千港元	總額 HK\$'000 千港元
<b>Executive directors</b> 執行董事						
Mr. Yao Cho Fai Andrew, 姚祖輝先生 Chairman and Chief Executive Officer (主席及首席執行官)	—	1,950	8,244	—	18	10,212
Ms. Luk Pui Yin Grace 陸佩然女士	—	1,887	3,469	165	94	5,615
Mr. Lau Chi Chiu 劉子超先生	—	1,236	714	54	61	2,065
<b>Non-executive directors</b> 非執行董事						
Mr. Dong Sai Ming Fernando <sup>o</sup> 唐世銘先生 <sup>o</sup>	465	—	—	—	—	465
Mr. Tam King Ching Kenny 譚競正先生	225	—	—	—	—	225
Mr. Xu Lin Bao 徐林寶先生	207	—	—	—	—	207
Mr. Tse Lung Wa Teddy 謝龍華先生	450	—	—	—	—	450
Mr. Yeung Wing Sun Mike 楊榮燊先生	180	—	—	—	—	180
	1,527	5,073	12,427	219	173	19,419
<b>Aggregate emoluments paid or payable to directors in respect of their services as directors, whether of the Company or its subsidiary undertaking</b> 就董事(不論為本公司或其附屬公司之董事)擔任董事所提供之服務而已付或應付其之酬金總額 HK\$'000 千港元						
<b>Aggregate emoluments paid or payable to directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking</b> 就董事管理本公司或其附屬公司事務所提供之其他服務而已付或應付其之酬金總額 HK\$'000 千港元						
	19,419		—			19,419

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 Directors' and senior management's emoluments (Continued)

#### (a) Directors' emoluments (Continued)

The remuneration of every Director for the year ended 31st March 2016 is set out below:

Name	Fees	Salary and allowance	Discretionary bonus <sup>(vi)</sup>	Share-based payment <sup>(vi)</sup>	Employer's contribution to a retirement benefit scheme 僱主對退休福利計劃之供款	Total
名稱	酬金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	酌情花紅 <sup>(vi)</sup> HK\$'000 千港元	以股份為基礎之支付 <sup>(vi)</sup> HK\$'000 千港元	HK\$'000 千港元	總額 HK\$'000 千港元
<b>Executive directors 執行董事</b>						
Mr. Yao Cho Fai Andrew, Chairman and Chief Executive Officer <sup>(vi)</sup>	姚祖輝先生 (主席及首席 執行官) <sup>(vi)</sup>	—	1,950	1,950	18	3,918
Mr. Frank Muñoz <sup>(vi)</sup>	Frank Muñoz先生 <sup>(vi)</sup>	—	2,665	1,156	12	4,498
Ms. Luk Pui Yin Grace <sup>(vi)</sup>	陸佩然女士 <sup>(vi)</sup>	—	657	—	33	787
Mr. Lau Chi Chiu <sup>(vi)</sup>	劉子超先生 <sup>(vi)</sup>	—	431	—	22	485
<b>Non-executive directors 非執行董事</b>						
Mr. Dong Sai Ming Fernando	唐世銘先生	482	—	—	—	482
Mr. Tam King Ching Kenny	譚競正先生	225	—	—	—	225
Mr. Xu Lin Bao	徐林寶先生	207	—	—	—	207
Mr. Tse Lung Wa Teddy	謝龍華先生	480	—	—	—	480
Mr. Yeung Wing Sun Mike	楊榮燊先生	180	—	—	—	180
		1,574	5,703	3,106	85	11,262

Aggregate emoluments paid or payable to directors in respect of their services as directors, whether of the Company or its subsidiary undertaking 就董事(不論為本公司或其附屬公司之董事)擔任董事所提供之服務而已付或應付其之酬金總額 HK\$'000 千港元	Aggregate emoluments paid or payable to directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就董事管理本公司或其附屬公司事務所提供之其他服務而已付或應付其之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
11,262	—	11,262

### 9 董事及高級管理人員酬金(續)

#### (a) 董事酬金(續)

截至二零一六年三月三十一日止年度，每位董事薪酬如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 Directors' and senior management's emoluments (Continued)

#### (a) Directors' emoluments (Continued)

Notes:

- (i) Mr. Dong Sai Ming Fernando resigned as a non-executive director of the Company on 31st March 2017. The amounts represent emoluments paid or payable in respect of his services as a director of the Company.
- (ii) Mr. Yao Cho Fai Andrew was appointed as the chief executive officer of the Company on 25th November 2015. The amounts represent emoluments paid or payable in respect of his services as a director of the Company.
- (iii) Mr. Frank Muñoz resigned as chief executive officer and executive director of the Company on 25th November 2015. The amounts represent emoluments paid or payable in respect of his services as a director of the Company.
- (iv) Ms. Luk Pui Yin Grace and Mr. Lau Chi Chiu were appointed as executive directors of the Company on 25th November 2015. The amounts represent emoluments paid or payable in respect of their services as directors of the Company.
- (v) The executive directors are entitled to discretionary bonuses which are determined with reference to the financial performance of different business units of the Group.
- (vi) Share-based payment represents charges to the consolidated income statement of the fair value of the share options under the share option schemes adopted on 12th November 2001 and 11th August 2011, measured at the respective grant dates, regardless of whether the share options would be exercised or not.

No incentive payment (2016: Nil) as an inducement for joining the Group or compensation for loss of office was paid to any director during the years ended 31st March 2016 and 2017.

#### (b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the years ended 31st March 2016 and 2017.

#### (c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31st March 2016 and 2017.

#### (d) Consideration provided to third parties for making available directors' services

During the years ended 31st March 2016 and 2017, no consideration was paid by the Company to third parties for making available directors' services.

### 9 董事及高級管理人員酬金(續)

#### (a) 董事酬金(續)

附註：

- (i) 唐世銘先生於二零一七年三月三十一日辭任本公司非執行董事，金額指有關其擔任本公司董事之服務而已付或應付其之酬金。
- (ii) 姚祖輝先生於二零一五年十一月二十五日獲委任為本公司首席執行官。金額指有關其擔任本公司董事之服務而已付或應付其之酬金。
- (iii) Frank Muñoz先生於二零一五年十一月二十五日辭任本公司首席執行官及執行董事。金額指有關其擔任本公司董事之服務而已付或應付其之酬金。
- (iv) 陸佩然女士及劉子超先生於二零一五年十一月二十五日獲委任為本公司執行董事。金額指有關其擔任本公司董事之服務而已付或應付其之酬金。
- (v) 執行董事可收取酌情花紅，花紅參考本集團不同業務單位之財務表現釐定。
- (vi) 以股份為基礎之支付指二零一一年十一月十二日及二零一一年八月十一日採納的購股權計劃下於各授出日期計量並於綜合損益表列作開支之購股權公允價值，而不論購股權是否獲行使。

於截至二零一六年及二零一七年三月三十一日止年度，概無(二零一六年：無)已付酬金予任何董事以作鼓勵加入本集團或離職補償。

#### (b) 董事退休福利

概無董事於截至二零一六年及二零一七年三月三十一日止年度已收取或將收取任何退休福利。

#### (c) 董事終止僱傭福利

概無董事於截至二零一六年及二零一七年三月三十一日止年度已收取或將收取任何終止僱傭福利。

#### (d) 就獲提供之董事服務向第三方支付之代價

於截至二零一六年及二零一七年三月三十一日止年度，概無就獲提供之董事服務向第三方支付代價。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 Directors' and senior management's emoluments (Continued)

#### (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the years ended 31st March 2016 and 2017, there were no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by any connected entities with such directors.

#### (f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of 31st March 2016 and 2017 or at any time during the years ended 31st March 2016 and 2017.

#### (g) Five highest paid individuals

The five individuals with highest emoluments in the Group include two directors (2016: three) whose emoluments are reflected in the analysis presented in Note 9(a) above. The emoluments paid/payable to the remaining three (2016: two) individuals during the year are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	9,247	4,000
Bonus	花紅	9,297	1,336
		<b>18,544</b>	<b>5,336</b>

The emoluments fell within the following bands:

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
— HK\$2,000,001 to HK\$3,000,000	— 2,000,001港元至3,000,000港元	1	2
— HK\$7,000,001 to HK\$8,000,000	— 7,000,001港元至8,000,000港元	1	—
— HK\$8,000,001 to HK\$9,000,000	— 8,000,001港元至9,000,000港元	1	—

No emoluments were paid/payable to the five highest paid individuals as an inducement to join the Group or as compensation for loss of office during the year.

### 9 董事及高級管理人員酬金(續)

#### (e) 有關以董事、受該等董事控制之法人團體及該等董事之關聯實體為受益人之貸款、準貸款及其他交易之資料

於截至二零一六年及二零一七年三月三十一日止年度，概無有關以董事、受該等董事控制之法人團體及該等董事之關聯實體為受益人之貸款、準貸款及其他交易安排。

#### (f) 董事於交易、安排或合約中之重大權益

本集團概無就其業務訂立本公司為其中訂約方及本公司董事直接或間接擁有重大權益而於二零一六年及二零一七年三月三十一日結束時或截至二零一六年及二零一七年三月三十一日止年度內任何時間仍然存續之重大交易、安排及合約。

#### (g) 五名最高薪人士

本集團五名最高酬金人士包括兩位董事(二零一六年：三位)，彼等之酬金於上文附註9(a)所列分析中反映。本年度已付／應付其餘三位(二零一六年：兩位)人士之酬金如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	9,247	4,000
Bonus	花紅	9,297	1,336
		<b>18,544</b>	<b>5,336</b>

酬金介乎以下範圍：

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
— HK\$2,000,001 to HK\$3,000,000	— 2,000,001港元至3,000,000港元	1	2
— HK\$7,000,001 to HK\$8,000,000	— 7,000,001港元至8,000,000港元	1	—
— HK\$8,000,001 to HK\$9,000,000	— 8,000,001港元至9,000,000港元	1	—

本年度並無支付／應付任何酬金予五名最高薪人士以作鼓勵加入本集團或作離職補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 10 Finance income and costs

### 10 財務收入及費用

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finance income	財務收入		
Interest income:	利息收入：		
— short-term bank deposits	— 短期銀行存款	1,715	2,065
— shareholder's loan to a joint venture (Note 39(a))	— 給予一間合營企業之 股東貸款(附註39(a))	249	—
		<b>1,964</b>	2,065
Finance costs	財務費用		
Interest expenses:	利息支出：		
— bank borrowings	— 銀行借貸	(113,021)	(58,803)
Bank charges	銀行費用	(6,064)	(6,601)
		<b>(119,085)</b>	(65,404)
Net finance costs	淨財務費用	<b>(117,121)</b>	(63,339)

### 11 Income tax expense

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit for the year.

During the year, subsidiaries established in Mainland China are subject to China corporate income tax at 25% (2016: 25%).

The amount of income tax expense recorded in the consolidated income statement represents:

### 11 所得稅支出

海外溢利之稅項已按本集團經營所在國家之現行稅率就年內估計應課稅溢利計算。

香港利得稅乃根據本年度估計應課稅溢利按稅率16.5%(二零一六年：16.5%)作出撥備。

本年度，於中國內地成立之附屬公司按稅率25%(二零一六年：25%)繳付中國企業所得稅。

於綜合損益表中列賬之所得稅支出包括：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current income tax	當期所得稅		
— Hong Kong profits tax	— 香港利得稅	2,248	14,283
— China corporate income tax	— 中國企業所得稅	15,307	7,895
Deferred income tax (Note 22)	遞延所得稅(附註22)	65,876	53,205
Withholding tax arising on disposal of subsidiaries (Note 36)	出售附屬公司產生之預扣稅 (附註36)	64,342	—
Under/(over) provision in prior years	過往年度之撥備不足/(超額撥備)	208	(378)
		<b>147,981</b>	75,005

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 11 Income tax expense (Continued)

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除稅前溢利	<b>247,117</b>	146,269
Tax calculated at domestic tax rates applicable to profit in the respective countries	按個別國家之溢利所適用之當地稅率計算之稅項	<b>67,377</b>	53,322
Income not subject to tax	毋須課稅之收入	<b>(1,288)</b>	(483)
Expenses not deductible for tax purposes	不可扣稅之支出	<b>13,579</b>	16,524
Tax losses not recognised as deferred income tax assets	並無確認遞延所得稅資產之稅項虧損	<b>2,371</b>	6,005
Deferred income tax liabilities in respect of withholding tax on Mainland China unremitted earnings	就中國內地未分派盈利之預扣稅遞延所得稅負債	<b>1,769</b>	15
Withholding tax arising on disposal of subsidiaries	出售附屬公司產生之預扣稅	<b>64,342</b>	—
Utilisation of previously unrecognized tax loss	使用先前未確認的稅務虧損	<b>(377)</b>	—
Under/(over) provision in prior years	過往年度之撥備不足/(超額撥備)	<b>208</b>	(378)
Income tax expense	所得稅支出	<b>147,981</b>	75,005

For the year ended 31st March 2017, the weighted average applicable tax rate was 27.3% (2016: 36.5%).

### 11 所得稅支出(續)

本集團除稅前溢利之稅項與按綜合實體溢利適用之加權平均稅率計算之理論金額有所差異，詳情如下：

截至二零一七年三月三十一日止年度，加權平均適用稅率為27.3%(二零一六年：36.5%)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 Dividends

### 12 股息

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interim dividend of HK2.26 cents (2016: HK1.80 cents) per ordinary share	中期股息每股普通股2.26港仙 (二零一六年：1.80港仙)	<b>14,507</b>	11,531
Proposed final dividend of HK2.49 cents (2016: HK1.00 cent) per ordinary share	建議末期股息每股普通股2.49港仙 (二零一六年：1.00港仙)	<b>15,983</b>	6,419
		<b>30,490</b>	17,950

A final dividend for the year ended 31st March 2017 of HK2.49 cents (2016: HK1.00 cent) per ordinary share, totalling approximately HK\$15,983,000 (2016: HK\$6,419,000) has been recommended by the Board for approval at the forthcoming annual general meeting of the Company. The proposed final dividend has not been dealt with as dividend payable as at 31st March 2017.

董事會於本公司應屆之股東週年大會上建議截至二零一七年三月三十一日止年度末期股息每股普通股2.49港仙(二零一六年：1.00港仙)，合共約15,983,000港元(二零一六年：6,419,000港元)。建議末期股息並無於二零一七年三月三十一日之賬目中列為應付股息。

The proposed final dividend for the year ended 31st March 2017 in the amount of approximately HK\$15,983,000 is calculated on the basis of 641,882,674 shares in issue as at 23rd June 2017.

截至二零一七年三月三十一日止年度之建議末期股息約15,983,000港元，乃按於二零一七年六月二十三日已發行641,882,674股股份計算。

### 13 Earnings per ordinary share

### 13 每股普通股盈利

#### (a) Basic

#### (a) 基本

Basic earnings per ordinary share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

每股普通股基本盈利乃按本公司擁有人應佔溢利除以本年度已發行普通股之加權平均數計算。

		2017 二零一七年	2016 二零一六年
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	<b>101,776</b>	70,105
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數 (千股)	<b>641,883</b>	640,012
Basic earnings per ordinary share (HK cents)	每股普通股基本盈利(港仙)	<b>15.86</b>	10.95

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 13 Earnings per ordinary share (Continued)

#### (b) Diluted

Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares arising from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

### 13 每股普通股盈利(續)

#### (b) 攤薄

每股普通股攤薄盈利乃按假設具潛在攤薄性質之普通股獲全數轉換而相應調整發行在外普通股之加權平均數計算。本公司具潛在攤薄性質之普通股因購股權而產生，其計算根據尚未行使購股權所附認購權之貨幣價值作出，用以釐定原應以公允價值(釐定為本公司股份之全年平均市場股價)購得之股份數目。上文計算得出之股份數目與假設購股權獲行使而已發行之股份數目作比較。

		2017 二零一七年	2016 二零一六年
Profit attributable to owners of the Company and used to determine diluted earnings per ordinary share (HK\$'000)	本公司擁有人應佔溢利及用以釐定每股普通股攤薄盈利(千港元)	<b>101,776</b>	70,105
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千股)	<b>641,883</b>	640,012
Adjustment for share options ('000)	調整購股權(千股)	<b>9,371</b>	14,022
Weighted average number of ordinary shares for diluted earnings per ordinary share ('000)	每股普通股攤薄盈利之普通股加權平均數(千股)	<b>651,254</b>	654,034
Diluted earnings per ordinary share (HK cents)	每股普通股攤薄盈利(港仙)	<b>15.63</b>	10.72

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 14 Property, plant and equipment

### 14 物業、廠房及設備

		Buildings	Leasehold improvement, furniture and equipment 租賃物業 裝修、傢俬 及設備	Machinery	Motor vehicles and vessels	Construction in progress	Total
		樓宇 HK\$'000 千港元	及設備 HK\$'000 千港元	機器 HK\$'000 千港元	汽車及船舶 HK\$'000 千港元	在建工程 HK\$'000 千港元	總額 HK\$'000 千港元
At 1st April 2015	二零一五年四月一日						
Cost	成本	19,460	55,782	17,638	19,995	18,432	131,307
Accumulated depreciation	累計折舊	(1,851)	(40,198)	(6,799)	(8,639)	—	(57,487)
Net book amount	賬面淨額	17,609	15,584	10,839	11,356	18,432	73,820
Year ended 31st March 2016	截至二零一六年 三月三十一日止年度						
Opening net book amount	期初賬面淨額	17,609	15,584	10,839	11,356	18,432	73,820
Transfer to inventories	轉至存貨	—	(556)	(20)	—	—	(576)
Additions	添置	5,104	5,960	22,564	2,368	133,532	169,528
Disposals	出售	—	(1,648)	(598)	(161)	—	(2,407)
Depreciation	折舊	(7,789)	(5,768)	(3,305)	(2,011)	—	(18,873)
Transfers	轉撥	151,964	—	—	—	(151,964)	—
Currency translation differences	貨幣滙兌差額	(696)	(209)	—	(51)	—	(956)
Closing net book amount	期終賬面淨額	166,192	13,363	29,480	11,501	—	220,536
At 31st March 2016	於二零一六年 三月三十一日						
Cost	成本	175,771	57,500	37,716	20,591	—	291,578
Accumulated depreciation	累計折舊	(9,579)	(44,137)	(8,236)	(9,090)	—	(71,042)
Net book amount	賬面淨額	166,192	13,363	29,480	11,501	—	220,536
Year ended 31st March 2017	截至二零一七年 三月三十一日止年度						
Opening net book amount	期初賬面淨額	166,192	13,363	29,480	11,501	—	220,536
Transfer to inventories	轉至存貨	—	—	(162)	(11)	—	(173)
Additions	添置	1,001	2,067	1,431	1,082	—	5,581
Disposals	出售	—	(2,215)	(4,329)	(115)	—	(6,659)
Disposal of subsidiaries (Note 36)	出售附屬公司 (附註36)	(11,552)	(633)	—	—	—	(12,185)
Depreciation	折舊	(31,454)	(5,269)	(3,516)	(1,960)	—	(42,199)
Currency translation differences	貨幣滙兌差額	(1,079)	(244)	—	(89)	—	(1,412)
Closing net book amount	期終賬面淨額	123,108	7,069	22,904	10,408	—	163,489
At 31st March 2017	於二零一七年 三月三十一日						
Cost	成本	162,159	53,599	32,759	20,902	—	269,419
Accumulated depreciation	累計折舊	(39,051)	(46,530)	(9,855)	(10,494)	—	(105,930)
Net book amount	賬面淨額	123,108	7,069	22,904	10,408	—	163,489



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 14 Property, plant and equipment (Continued)

Depreciation expense of approximately HK\$2,028,000 (2016: HK\$2,357,000) was charged to “cost of sales” and approximately HK\$40,171,000 (2016: HK\$16,516,000) to “general and administrative expenses” in the consolidated income statement.

As at 31st March 2016, the Group’s property, plant and equipment of approximately HK\$13,014,000 were pledged as collaterals for the Group’s long-term bank loans (Note 31).

### 14 物業、廠房及設備(續)

折舊支出約2,028,000港元(二零一六年：2,357,000港元)及約40,171,000港元(二零一六年：16,516,000港元)分別於綜合損益表之「銷售成本」及「一般及行政支出」中扣除。

於二零一六年三月三十一日，本集團之物業、廠房及設備約13,014,000港元已抵押作為本集團長期銀行貸款之抵押品(附註31)。

### 15 Investment property

### 15 投資物業

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At fair value	按公允價值		
At beginning of year	於年初	1,311,600	1,144,634
Additions	添置	994,899	—
Capitalised subsequent expenditure	其後開支撥充資本	16,990	28,710
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	(1,239,814)	—
Fair value gain on investment property	投資物業之公允價值收益	271,985	199,514
Currency translation differences	貨幣滙兌差額	(132,978)	(61,258)
At end of year	於年末	1,222,682	1,311,600

Amount recognised in consolidated income statement for investment properties as follows:

於綜合損益表中確認之投資物業金額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Rental income	租金收入	62,822	47,682
Direct operating expenses from properties that generated rental income	來自產生租金收入之物業之直接經營開支	(18,121)	(7,477)
		44,701	40,205

As at 31st March 2017, an investment property of approximately HK\$1,222,682,000 (2016: HK\$1,311,600,000) was stated at open market value based on valuations assessed by an independent professional qualified valuer and reviewed by the directors. The investment property was pledged as collaterals for certain of the Group’s bank borrowings of approximately HK\$480,471,000 (2016: HK\$816,597,000) (Note 31).

於二零一七年三月三十一日，約1,222,682,000港元(二零一六年：1,311,600,000港元)之一項投資物業由董事按獨立及專業合資格估值師所評估之估值審閱之公開市值列賬。投資物業已作抵押，作為本集團若干銀行借貸約480,471,000港元(二零一六年：816,597,000港元)之抵押品(附註31)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 Investment property (Continued)

The following table analyses the investment properties carried at fair value, by valuation method.

#### Fair value hierarchy

Description 描述		Fair value measurement at 31st March 2017 using 於二零一七年三月三十一日使用下列項目 進行之公允價值計量		
		Quoted prices in active markets for identical assets 於活躍市場 可識別資產 之報價 (Level 1) 第一層 HK\$'000 千港元	Significant other observable inputs 重大 其他可觀察 輸入數據 (Level 2) 第二層 HK\$'000 千港元	Significant unobservable inputs 重大 不可觀察 輸入數據 (Level 3) 第三層 HK\$'000 千港元
Recurring fair value measurement	經常性公允價值計量			
— Commercial units	— 商業單元			
— Mainland China	— 中國內地	—	—	1,222,682

Description 描述		Fair value measurement at 31st March 2016 using 於二零一六年三月三十一日使用下列項目 進行之公允價值計量		
		Quoted prices in active markets for identical assets 於活躍市場 可識別資產 之報價 (Level 1) 第一層 HK\$'000 千港元	Significant other observable inputs 重大 其他可觀察 輸入數據 (Level 2) 第二層 HK\$'000 千港元	Significant unobservable inputs 重大 不可觀察 輸入數據 (Level 3) 第三層 HK\$'000 千港元
Recurring fair value measurement	經常性公允價值計量			
— Commercial units	— 商業單元			
— Mainland China	— 中國內地	—	—	1,311,600

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 Investment property (Continued)

#### Fair value measurement using significant unobservable inputs (Level 3)

### 15 投資物業(續)

#### 使用重大不可觀察輸入之公允價值計量(第三層)

		Mainland China 中國內地 HK\$'000 千港元
As at 1st April 2016	於二零一六年四月一日	<b>1,311,600</b>
Additions	添置	<b>994,899</b>
Capitalised subsequent expenditure	其後開支撥充資本	<b>16,990</b>
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	<b>(1,239,814)</b>
Fair value gain on an investment property	投資物業之公允價值收益	<b>271,985</b>
Currency translation differences	貨幣滙兌差額	<b>(132,978)</b>
As at 31st March 2017	於二零一七年三月三十一日	<b>1,222,682</b>
Total unrealised gains for the year included in the consolidated income statement for asset held at 31st March 2017	於二零一七年三月三十一日 所持資產於本年度計入 綜合損益表之未變現收益總額	<b>271,985</b>
As at 1st April 2015	於二零一五年四月一日	<b>1,144,634</b>
Capitalised subsequent expenditure	其後開支撥充資本	<b>28,710</b>
Fair value gain on an investment property	投資物業之公允價值收益	<b>199,514</b>
Currency translation differences	貨幣滙兌差額	<b>(61,258)</b>
As at 31st March 2016	於二零一六年三月三十一日	<b>1,311,600</b>
Total unrealised gains for the year included in the consolidated income statement for asset held at 31st March 2016	於二零一六年三月三十一日 所持資產於本年度計入 綜合損益表之未變現收益總額	<b>199,514</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 Investment property (Continued)

#### Fair value measurement using significant unobservable inputs (Level 3) (Continued)

Information about fair value measurements using significant unobservable input (Level 3) as follows:

Description	Fair value	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
描述	公允價值 (HK\$'000) (千港元)	估值技術	不可觀察輸入數據	不可觀察輸入 數據範圍	不可觀察輸入數據與 公允價值之關係
As at 31st March 2017 於二零一七年 三月三十一日					
Investment property — Mainland China	1,222,682	Income capitalisation approach and direct comparison approach	Adjusted market yield	5.25%	The higher the weighted average adjusted market yield, the higher the fair value
投資物業 — 中國內地		收益資本化法及直接比較法	經調整市場收益率		加權平均經調整市場收益率越高，公允價值越高

Description	Fair value	Valuation technique	Unobservable inputs	Range of unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
描述	公允價值 (HK\$'000) (千港元)	估值技術	不可觀察輸入數據	不可觀察輸入 數據範圍 (加權平均)	不可觀察輸入數據與 公允價值之關係
As at 31st March 2016 於二零一六年 三月三十一日					
Investment property — Mainland China	1,311,600	Income capitalisation approach	Adjusted market yield	5.75% to 6.75% (5.91%)	The higher the weighted average adjusted market yield, the higher the fair value
投資物業 — 中國內地		收益資本化法	經調整市場收益率		加權平均經調整市場收益率越高，公允價值越高

### 15 投資物業(續)

#### 使用重大不可觀察輸入之公允價值計量(第三層)(續)

有關使用重大不可觀察輸入(第三層)之公允價值計量之資料如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 Investment property (Continued)

#### Valuation processes of the investment property

The Group engages external, independent and qualified valuer to determine the fair value of the investment property at the end of every financial year. As at 31st March 2016 and 2017, the fair value of the investment property was determined by Knight Frank Petty Limited.

The Group's finance department reviews the valuations performed by Knight Frank Petty Limited for financial reporting purpose. These valuation results are then reported to the Group's management for discussions and review in relation to the valuation processes and the reasonableness of valuation results.

The main Level 3 input used by the Group is derived and evaluated as follows:

#### Adjusted market yield

The adjusted market yield has been determined by making reference to recent sales and rental transactions with adjustments to reflect the differences between the comparables and the investment property, in terms of location, building quality and other factors.

### 16 Land use rights

The Group's interests in land use rights represent prepaid operating lease payments and their net book amounts are analysed as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	於年初	44,536	47,977
Amortisation	攤銷	(1,522)	(1,607)
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	(31,412)	—
Currency translation differences	貨幣滙兌差額	(2,084)	(1,834)
At end of year	於年末	9,518	44,536

Amortisation of land use rights has been included in "general and administrative expenses" in the consolidated income statement.

As at 31st March 2016, the Group's land use rights of approximately HK\$34,817,000 were pledged as collaterals for the Group's long-term bank loans (Note 31).

### 15 投資物業(續)

#### 投資物業之估值程序

本集團委聘外部獨立及合資格估值師釐定於各財政年度末投資物業之公允價值。於二零一六年及二零一七年三月三十一日，投資物業之公允價值已由萊坊測計師行有限公司釐定。

本集團之財務部門會為財務報告目的所需而檢討由萊坊測計師行有限公司作出之評估。有關估值結果其後將向本集團管理層滙報，以就估值程序及估值結果的合理性進行討論及檢討。

本集團使用的主要第三層輸入來源及評估於如下：

#### 經調整市場收益率

經調整市場收益率乃經參考近期銷售及租金交易(經調整以反映可比較物業與投資物業所在位置、樓宇質量及其他因素方面之差異)予以釐定。

### 16 土地使用權

本集團於土地使用權之權益包括預付營業租約款項及其賬面淨額分析如下：

土地使用權之攤銷已計入綜合損益表之「一般及行政支出」。

於二零一六年三月三十一日，本集團之土地使用權約34,817,000港元已抵押作為本集團長期銀行貸款之抵押品(附註31)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 17 Intangible assets

### 17 無形資產

		Goodwill 商譽 HK\$'000 千港元	Distribution rights 分銷權 HK\$'000 千港元	Favourable lease terms 有利租賃條款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2015	於二零一五年四月一日				
Cost	成本	68,375	8,348	12,618	89,341
Accumulated amortisation	累計攤銷	—	(2,728)	(827)	(3,555)
Net book amount	賬面淨額	68,375	5,620	11,791	85,786
Year ended 31st March 2016	截至二零一六年 三月三十一日止年度				
Opening net book amount	期初賬面淨額	68,375	5,620	11,791	85,786
Amortisation	攤銷	—	(814)	(616)	(1,430)
Currency translation differences	貨幣滙兌差額	(3,359)	(255)	(564)	(4,178)
Closing net book amount	期終賬面淨額	65,016	4,551	10,611	80,178
At 31st March 2016	於二零一六年 三月三十一日				
Cost	成本	65,016	7,939	11,997	84,952
Accumulated amortisation	累計攤銷	—	(3,388)	(1,386)	(4,774)
Net book amount	賬面淨額	65,016	4,551	10,611	80,178
Year ended 31st March 2017	截至二零一七年 三月三十一日止年度				
Opening net book amount	期初賬面淨額	<b>65,016</b>	<b>4,551</b>	<b>10,611</b>	<b>80,178</b>
Amortisation	攤銷	—	<b>(383)</b>	<b>(578)</b>	<b>(961)</b>
Impairment	減值	<b>(10,282)</b>	<b>(4,002)</b>	—	<b>(14,284)</b>
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	<b>(51,045)</b>	—	<b>(9,355)</b>	<b>(60,400)</b>
Currency translation differences	貨幣滙兌差額	<b>(3,689)</b>	<b>(166)</b>	<b>(678)</b>	<b>(4,533)</b>
Closing net book amount	期終賬面淨額	—	—	—	—
At 31st March 2017	於二零一七年 三月三十一日				
Cost	成本	—	—	—	—
Accumulated amortisation	累計攤銷	—	—	—	—
Net book amount	賬面淨額	—	—	—	—

Amortisation expense of distribution rights and favourable lease terms have been included in the “general and administrative expenses” in the consolidated income statement.

分銷權及有利租賃條款攤銷支出已計入綜合損益表之「一般及行政支出」。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 17 Intangible assets (Continued)

#### Impairment tests for goodwill

Goodwill is allocated to the Group's CGUs as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Building and design solutions	建築及設計方案		
— Wuhan ("Wuhan BDS")	— 武漢(「武漢建築產品及設計方案」)	—	6,529
— Changsha ("Changsha BDS")	— 長沙(「長沙建築產品及設計方案」)	—	4,135
Property business in Shanghai	於上海之房地產業務	—	54,352
		—	65,016

Notes:

During the year ended 31st March 2017, management has performed impairment assessments for the CGUs of Wuhan BDS and Changsha BDS and concluded the value-in-use of the CGUs of Wuhan BDS and Changsha BDS were below their carrying amounts. Accordingly, impairment of goodwill and intangible assets of HK\$10,282,000 and HK\$4,002,000 were recognised in the consolidated income statement.

On 31st March 2017, the Group completed the disposal of 100% equity interest in Eastlink International Investment Inc. and its subsidiaries (the "Eastlink Group"), which was principally engaged in property business in the PRC. Accordingly, upon the completion of the disposal, goodwill of HK\$51,045,000 and intangible assets in relation to the use right of car park of HK\$9,355,000 were derecognised. See Note 36 for further details regarding the disposal.

The recoverable amount of the CGUs is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering the budget period. Key assumptions used for value-in-use calculations:

		<b>Key assumptions as at 31st March 2017</b>	
		於二零一七年三月三十一日之 重要假設	
		Wuhan BDS 武漢建築 產品及 設計方案	Changsha BDS 長沙建築 產品及 設計方案
Growth rate of revenue	收入增長率	10%	9%
Operating profit margin	經營利潤率	2%-3%	2%-3%
Pre-tax discount rate	稅前貼現率	20%	20%
Gross margin	毛利率	10%	15%

Management determined the average annual growth rate of revenue based on past performance and its expectations of market development. The discount rates used reflect specific risks relating to the relevant segments.

### 17 無形資產(續)

#### 商譽減值測試

商譽被分配至本集團之現金產生單位如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Building and design solutions	建築及設計方案		
— Wuhan ("Wuhan BDS")	— 武漢(「武漢建築產品及設計方案」)	—	6,529
— Changsha ("Changsha BDS")	— 長沙(「長沙建築產品及設計方案」)	—	4,135
Property business in Shanghai	於上海之房地產業務	—	54,352
		—	65,016

附註：

於二零一七年三月三十一日止年度內，管理層對武漢建築產品及設計方案及長沙建築產品及設計方案之現金產生單位進行減值評估及總結，武漢建築產品及設計方案及長沙建築產品及設計方案之現金產生單位的使用價值低於其賬面值。據此，商譽及無形資產之減值為10,282,000港元和4,002,000港元於綜合損益表中確認。

於二零一七年三月三十一日，本集團完成出售東聯國際投資有限公司及其附屬公司(「東聯集團」)之100%權益，該集團主要於中國從事房地產業務。因此，在完成此出售後，51,045,000港元的商譽與停車場使用權利相關的無形資產9,355,000港元已被終止確認。有關此出售的詳情見附註36。

現金產生單位之可收回金額透過可使用價值釐定。此計算由管理層批准利用現金流量預測法涵蓋財務預算期計算得出。計算使用價值所用之重要假設：

		<b>Key assumptions as at 31st March 2017</b>	
		於二零一七年三月三十一日之 重要假設	
		Wuhan BDS 武漢建築 產品及 設計方案	Changsha BDS 長沙建築 產品及 設計方案
Growth rate of revenue	收入增長率	10%	9%
Operating profit margin	經營利潤率	2%-3%	2%-3%
Pre-tax discount rate	稅前貼現率	20%	20%
Gross margin	毛利率	10%	15%

管理層根據過往表現及其對市場發展之預期釐定年均收入增長率。所用貼現率反映與相關分部有關之特定風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 18 Financial instruments by category

### 18 金融工具分類

		Loan and receivables 貸款及 應收賬款 HK\$'000 千港元	Fair value through profit or loss 計入損益之 公允價值 HK\$'000 千港元	Available- for-sale 可供出售 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>As at 31st March 2017</b>	於二零一七年 三月三十一日				
<b>Assets as per consolidated statement of financial position</b>	綜合財務狀況表內 之資產				
Available-for-sale financial asset	可供出售之財務資產	—	—	506	506
Amount due from a joint venture	應收合營公司款項	34,360	—	—	34,360
Trade and other receivables (excluding non-financial assets)	應收賬款及 其他應收賬款 (不包括非財務資產)	594,770	—	—	594,770
Financial assets at fair value through profit or loss	按公允價值計入損益 之財務資產	—	15,500	—	15,500
Pledged bank deposits	已抵押銀行存款	68,659	—	—	68,659
Cash and cash equivalents	現金及現金等值	628,382	—	—	628,382
<b>Total</b>	<b>總額</b>	<b>1,326,171</b>	<b>15,500</b>	<b>506</b>	<b>1,342,177</b>

			At amortised cost 按攤銷成本 HK\$'000 千港元
<b>As at 31st March 2017</b>	於二零一七年三月三十一日		
<b>Liabilities as per consolidated statement of financial position</b>	綜合財務狀況表內之負債		
Borrowings	借貸		1,722,336
Trade and bill payables	應付賬款及票據		143,604
Amount due to a joint venture	應付合營公司賬款		49,900
Other payables (excluding non-financial liabilities)	其他應付賬款(不包括非財務負債)		110,918
<b>Total</b>	<b>總額</b>		<b>2,026,758</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 18 Financial instruments by category (Continued)

### 18 金融工具分類(續)

		Loan and receivables 貸款及 應收賬款 HK\$'000 千港元	Fair value through profit or loss 計入損益之 公允價值 HK\$'000 千港元	Available- for-sale 可供出售 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>As at 31st March 2016</b>	於二零一六年 三月三十一日				
<b>Assets as per consolidated statement of financial position</b>	綜合財務狀況表內 之資產				
Available-for-sale financial asset	可供出售之財務資產	—	—	487	487
Amounts due from joint ventures	應收合營公司	15,593	—	—	15,593
Trade and other receivables (excluding non-financial assets)	應收賬款及 其他應收賬款 (不包括非財務資產)	779,880	—	—	779,880
Financial assets at fair value through profit or loss	按公允價值計入損益 之財務資產	—	15,630	—	15,630
Pledged bank deposits	已抵押銀行存款	59,166	—	—	59,166
Cash and cash equivalents	現金及現金等值	546,261	—	—	546,261
<b>Total</b>	總額	1,400,900	15,630	487	1,417,017

				At amortised cost 按攤銷成本 HK\$'000 千港元
<b>As at 31st March 2016</b>	於二零一六年三月三十一日			
<b>Liabilities as per consolidated statement of financial position</b>	綜合財務狀況表內之負債			
Borrowings	借貸			1,992,384
Trade and bill payables	應付賬款及票據			132,581
Other payables (excluding non-financial liabilities)	其他應付賬款(不包括非財務負債)			53,608
<b>Total</b>	總額			2,178,573

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Subsidiaries

Details of the principal subsidiaries as at 31st March 2017 are as follows:

### 19 附屬公司

於二零一七年三月三十一日之主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本／ 註冊股本之詳情	Percentage of equity interest attributable to the Group (i) 本集團應佔股本 權益百分比(i)		Principal activities and place of operations 主要業務及經營地點
			2017 二零一七年	2016 二零一六年	
Asia Infrastructure Resources Group Limited 亞洲基建資源集團有限公司	Cayman Islands, limited liability company 開曼群島，有限責任公司	HK\$0.2 0.2港元	100%	100%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
Fit Team Holdings Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$4 4美元	100%	100%	Investment holding in Hong Kong 於香港投資控股
He Tai Steel Co., Limited 和泰鋼鐵有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$35,000,000 35,000,000港元	100%	100%	Trading of recycling steel in Hong Kong 於香港買賣回收鋼材
Hongkong and Shanghai Land Group Limited 滙港地產集團有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$1 1美元	100%	100%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
HSL China Metropolitan Fund I (GP) Ltd.	Cayman Islands, limited liability company 開曼群島，有限責任公司	US\$1 1美元	60%	60%	Investment holding in Mainland China 於中國內地投資控股
Shanghai Bao Shun Chang International Trading Co., Ltd.* 上海寶順昌國際貿易有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB55,000,000 人民幣55,000,000元	80.9% (Note 37) (附註37)	100%	Stockholding and trading of steel in Mainland China 於中國內地存銷及買賣鋼材
Van Shung Chong (B.V.I.) Limited (i)	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	US\$6 6美元	100%	100%	Investment holding in Hong Kong and Mainland China 於香港及中國內地投資控股
Van Shung Chong Hong Limited 萬順昌行有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2,000 ordinary and HK\$10,000,000 non-voting deferred 2,000港元普通股 及10,000,000港元 無投票權遞延股份	100%	100%	Provision of management services in Hong Kong 於香港提供管理服務
VSC (China) Investments Limited 萬順昌(中國)投資有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Investment holding in Mainland China 於中國內地投資控股

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Subsidiaries (Continued)

Details of the principal subsidiaries as at 31st March 2017 are as follows (Continued):

### 19 附屬公司(續)

於二零一七年三月三十一日之主要附屬公司之詳情如下：(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊股本之詳情	Percentage of equity interest attributable to the Group (i) 本集團應佔股本 權益百分比(i)		Principal activities and place of operations 主要業務及經營地點
			2017 二零一七年	2016 二零一六年	
VSC Building Products Company Limited 萬順昌建築材料有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Trading of sanitary wares, kitchen cabinets and kitchen cabinet installation in Hong Kong 於香港買賣潔具、廚櫃及 安裝廚櫃
VSC Plastics Company Limited 萬順昌塑膠有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Trading of engineering plastics in Hong Kong 於香港買賣工程塑膠
VSC Steel Company Limited 萬順昌鋼鐵有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$38,000 ordinary and HK\$20,000,000 non-voting deferred 38,000港元普通股 及20,000,000港元 無投票權遞延股份	100%	100%	Stockholding and trading of steel in Hong Kong 於香港存銷及買賣鋼材
VSC Steel Processing Holdings Limited 萬順昌鋼材加工控股有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$1 1港元	100%	100%	Investment holding in Hong Kong and provision of logistic and management service 於香港投資控股及提供物流及 管理服務
VSC Steel Processing Limited 萬順昌鋼材加工有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$1 1港元	100%	100%	Principally engaged in the operation of the land situated in Tsing Yi 主要經營位於青衣之土地
上海个盈置業有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB429,130,000 人民幣429,130,000元	100%	100%	Property business in Mainland China 於中國內地之房地產業務
上海北盈置業有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB84,480,000 人民幣84,480,000元	100%	100%	Property business in Mainland China 於中國內地之房地產業務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 Subsidiaries (Continued)

Details of the principal subsidiaries as at 31st March 2017 are as follows (Continued):

### 19 附屬公司(續)

於二零一七年三月三十一日之主要附屬公司之詳情如下：(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital/ registered capital 已發行股本/ 註冊股本之詳情	Percentage of equity interest attributable to the Group (i) 本集團應佔股本 權益百分比(i)		Principal activities and place of operations 主要業務及經營地點
			2017 二零一七年	2016 二零一六年	
上海新施房地產經紀有限公司	Mainland China, limited liability company 中國內地，有限責任公司	US\$500,000 500,000美元	100%	100%	Property agent in Mainland China 於中國內地為物業代理
利尚派國際貿易(上海)有限公司	Mainland China, limited liability company 中國內地，有限責任公司	US\$6,500,000 6,500,000美元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣潔具
長沙錦派建材有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB8,000,000 人民幣8,000,000元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣潔具
武漢三金建材有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB10,000,000 人民幣10,000,000元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣潔具
銀運貿易(上海)有限公司	Mainland China, limited liability company 中國內地，有限責任公司	RMB35,440,694 人民幣35,440,694元	100%	100%	Trading of engineering plastics in Mainland China 於中國內地買賣工程塑膠
萬順昌(上海)企業管理有限公司	Mainland China, limited liability company  中國內地，有限責任公司	US\$7,280,000 7,280,000美元	100%	100%	Provision of management service and trading of sanitary wares and kitchen cabinets in Mainland China 於中國內地提供管理服務及買 賣潔具及廚櫃

Note:

(i) The shares of Van Shung Chong (B.V.I.) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.

\* For identification only

附註：

(i) Van Shung Chong (B.V.I.) Limited之股份由本公司直接持有。其他附屬公司之股份則間接持有。

\* 僅供識別



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 20 Investments in associates

The movements of investments in associates are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	於年初	—	7,696
Share of results of associates — net	應佔聯營公司之業績 — 淨額	—	(7,364)
Currency translation differences	貨幣滙兌差額	—	(332)
At end of year	於年末	—	—

Set out below are the associates of the Group as at 31st March 2017. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

Details of the principal investments in associates as at 31st March 2017 are as follows:

Name of entity 實體名稱	Place of business/ country of incorporation 營業地/註冊成立所在國家	% of ownership interest 擁有權權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2017	2016		
		二零一七年	二零一六年		
China Able Limited ("China Able")	Mainland China/ British Virgin Islands 中國內地/英屬處女群島	33.33%	33.33%	Note i 附註i	Equity method 權益法
Changshu Baoshunchang Steel Processing Co., Ltd.* ("常熟寶順昌") 常熟寶順昌鋼材加工有限公司 ("常熟寶順昌")	Mainland China 中國內地	49.99%	49.99%	Note ii 附註ii	Equity method 權益法

Notes:

- (i) China Able was engaged in the property business. It is a contractual joint venture which is held in equal shares among Fit Team Holdings Limited, a wholly owned subsidiary of the Group, Nanyang Industrial (China) Limited, an independent third-party and Marvel Champ Investments Limited, another independent third-party. It remains inactive since distribution was made to shareholders in 2014.
- (ii) 常熟寶順昌is engaged in the processing of steel. It is a contractual joint venture established in Mainland China with an operating period of 30 years to 2034. Management assessed the Group maintained significant influence and no control over the operating activities of the entity. During the year ended 31st March 2017, the Group has shared the losses of the associate to the extent of the Group's interest in the associate. The Group has no obligation to take up further losses. The amount of the Group's unrecognised share of profit of the associate for the current year was HK\$457,000 (2016: unrecognised share of loss of HK\$683,000) and the accumulated unrecognised loss was HK\$226,000 (2016: HK\$683,000).

\* For identification only

There are no contingent liabilities relating to the Group's interest in the associates.

### 20 於聯營公司之投資

於聯營公司之投資變動如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	—	7,696
Share of results of associates — net	—	(7,364)
Currency translation differences	—	(332)
At end of year	—	—

以下載列本集團於二零一七年三月三十一日之聯營公司。以下所列聯營公司僅具有普通股之股本，由本集團直接持有。

於二零一七年三月三十一日之主要於聯營公司之投資詳情如下：

Name of entity 實體名稱	Place of business/ country of incorporation 營業地/註冊成立所在國家	% of ownership interest 擁有權權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2017	2016		
		二零一七年	二零一六年		
China Able Limited ("China Able")	Mainland China/ British Virgin Islands 中國內地/英屬處女群島	33.33%	33.33%	Note i 附註i	Equity method 權益法
Changshu Baoshunchang Steel Processing Co., Ltd.* ("常熟寶順昌") 常熟寶順昌鋼材加工有限公司 ("常熟寶順昌")	Mainland China 中國內地	49.99%	49.99%	Note ii 附註ii	Equity method 權益法

附註：

- (i) China Able 從事房地產業務。其為由 Fit Team Holdings Limited (本集團之全資附屬公司)、一獨立第三方Nanyang Industrial (China) Limited及另一獨立第三方Marvel Champ Investments Limited共同持有等額股份之一間合約式合營公司。其於二零一四年向股東作出分派起仍暫無業務。
- (ii) 常熟寶順昌從事鋼材加工。為於中國內地成立之一間合約式合營公司。經營期30年，至二零三四年止。管理層評估本集團對該實體之經營活動維持重大影響卻無控制權。於截至二零一七年三月三十一日止年度，本集團分佔於聯營公司之虧損，以本集團於聯營公司的權益為限。本集團無責任承擔進一步虧損。於本年度，本集團於聯營公司應佔未確認溢利為457,000港元(二零一六年：應佔未確認虧損為683,000港元)及累計未確認虧損為226,000港元(二零一六年：683,000港元)。

\* 僅供識別

本集團於聯營公司之權益並無涉及或然負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21 Investments in joint ventures and amounts due from/(to) joint ventures

### 21 於合營公司之投資及應收／(應付)合營公司款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investments in joint ventures	於合營公司之投資	<b>110,631</b>	148,108
Amount due from a joint venture	應收合營公司款項		
– TVSC Construction Steel Solutions Limited (“TVSC”)	– TVSC Construction Steel Solutions Limited (「TVSC」)	<b>34,360</b>	15,524
Amount due (to)/from a joint venture	(應付)／應收合營公司		
– HSL China Metropolitan Fund I L.P. (“HSL”)	– HSL China Metropolitan Fund I L.P. (「HSL」)	<b>(49,900)</b>	69

The amounts due from/(to) joint ventures are unsecured, non-interest bearing and without pre-determined repayment terms. The carrying amounts are denominated in HK\$ and approximate their fair values.

應收／(應付)合營公司之金額為無抵押、不計息及並無預定還款期。賬面金額以港元計值及與其公允價值相若。

The movements of investments in joint ventures are as follows:

於合營公司之投資變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	於年初	<b>148,108</b>	135,159
Investment in a joint venture (Note (i))	於合營公司之投資 (附註(i))	<b>13,784</b>	19,500
Share of results of joint ventures – net	應佔合營公司之業績 – 淨額	<b>(36,511)</b>	4,437
Currency translation differences	貨幣換算差額	<b>(14,750)</b>	(10,988)
At end of year	於年末	<b>110,631</b>	148,108

Note:

附註：

- (i) During the year ended 31st March 2017, the Group advanced an unsecured and interest-bearing shareholder's loan of HK\$11,634,000 and subsequently converted it into share capital of TVSC and further injected capital contribution of HK\$2,150,000.

- (i) 於截至二零一七年三月三十一日止年度，本集團提供一項無抵押附息借貸股東貸款11,634,000港元及其後轉換為TVSC之股本及進一步增資為2,150,000港元。

During the year ended 31st March 2016, the Group made capital injection of HK\$19,500,000 to TVSC.

於截至二零一六年三月三十一日止年度，本集團向TVSC注資19,500,000港元。

Set out below are the joint ventures of the Group as at 31st March 2017. The joint ventures as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

以下載列本集團於二零一七年三月三十一日之合營公司。以下所列合營公司具有僅包括普通股之股本，由本集團直接持有。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21 Investments in joint ventures and amounts due from/(to) joint ventures (Continued)

Details of the principal investments in joint ventures as at 31st March 2017 are as follows:

Name of entity 實體名稱	Place of business/ country of incorporation 營業地／註冊成立所在國家	% of ownership interest 擁有權權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2017	2016		
		二零一七年	二零一六年		
HSL China Metropolitan Fund I L.P.	Mainland China/Cayman Islands 中國內地／開曼群島	29.44%	29.44%	Note i 附註i	Equity method 權益法
TVSC Construction Steel Solutions Limited	Hong Kong 香港	50.00%	50.00%	Note ii 附註ii	Equity method 權益法

Notes:

- (i) HSL is a property investment fund, which is held by the Group and certain independent third parties.
- (ii) TVSC is engaged in the provision of steel processing services in Hong Kong. TVSC is a contractual joint venture, which is held by the Group and an independent third party.

### 21 於合營公司之投資及應收／(應付)合營公司款項(續)

於二零一七年三月三十一日之主要於合營公司之投資詳情如下：

附註：

- (i) HSL為房地產投資基金，由本集團及若干獨立第三方持有。
- (ii) TVSC於香港從事提供鋼鐵加工服務。TVSC為一間合營公司，由本集團及一獨立第三方持有。

There are no contingent liabilities relating to the Group's interests in the joint ventures.

本集團於合營公司之權益並無涉及或然負債。

### Summarised financial information for joint ventures

Set out below are the summarised financial information for joint ventures which are accounted for using equity method.

### 合營公司財務資料概要

下表載列以權益法入賬之合營公司之財務資料概要。

		HSL		TVSC		Total 總計	
		2017	2016	2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年	二零一七年	二零一六年
		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
<b>Summarised statement of financial position</b>	<b>財務狀況表概要</b>						
<b>Current assets</b>	<b>流動資產</b>						
Cash and cash equivalents	現金及現金等值	496,752	329,255	6,533	2,563	503,285	331,818
Other current assets	其他流動資產	588,549	1,642,339	19,972	8,466	608,521	1,650,805
<b>Total current assets</b>	<b>流動資產總額</b>	<b>1,085,301</b>	<b>1,971,594</b>	<b>26,505</b>	<b>11,029</b>	<b>1,111,806</b>	<b>1,982,623</b>
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>(642,566)</b>	<b>(353,986)</b>	<b>(62,198)</b>	<b>(23,104)</b>	<b>(704,764)</b>	<b>(377,090)</b>
<b>Non-current assets</b>	<b>非流動資產</b>	<b>870</b>	<b>175,124</b>	<b>34,395</b>	<b>29,950</b>	<b>35,265</b>	<b>205,074</b>
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>(67,820)</b>	<b>(1,320,006)</b>	<b>—</b>	<b>—</b>	<b>(67,820)</b>	<b>(1,320,006)</b>
<b>Net assets/(liabilities)</b>	<b>資產／(負債)淨額</b>	<b>375,785</b>	<b>472,726</b>	<b>(1,298)</b>	<b>17,875</b>	<b>374,487</b>	<b>490,601</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21 Investments in joint ventures and amounts due from/(to) joint ventures (Continued)

### 21 於合營公司之投資及應收／(應付)合營公司款項(續)

#### Summarised financial information for joint ventures (Continued)

#### 合營公司財務資料概要(續)

		HSL		TVSC		Total 總計	
		2017	2016	2017	2016	2017	2016
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
<b>Summarised statement of comprehensive income</b>	<b>財務狀況表概要</b>						
Revenue	收入	149,263	42,898	65,101	4,748	214,364	47,646
Depreciation	折舊	(934)	(1,217)	(2,860)	(483)	(3,794)	(1,700)
Finance income	財務收入	4,969	302	—	—	4,969	302
Finance cost	財務費用	(35,479)	(33,425)	(659)	(16)	(36,138)	(33,441)
Profit/(loss) before tax	除稅前溢利／(虧損)	124,960	631,819	(45,901)	(24,947)	79,059	606,872
Income tax expense	所得稅支出	(171,806)	(580,868)	(840)	4,036	(172,646)	(576,832)
(Loss)/profit for the year	年度(虧損)／溢利	(46,846)	50,951	(46,741)	(20,911)	(93,587)	30,040
Currency translation differences	貨幣滙兌差額	(50,095)	(37,326)	—	—	(50,095)	(37,326)
Total comprehensive (loss)/income for the year	年度全面(虧損)／收入總額	(96,941)	13,625	(46,741)	(20,911)	(143,682)	(7,286)
Unrecognised share of losses	未確認應佔虧損	—	—	(649)	—	(649)	—
Cumulative unrecognised share of losses	累計未確認應佔虧損	—	—	(649)	—	(649)	—

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the joint ventures.

上述資料反映於合營公司財務報表呈列且就本集團與合營公司會計政策差異作出調整之金額(並非本集團應佔之金額)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21 Investments in joint ventures and amounts due from/(to) joint ventures (Continued)

#### Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in joint ventures

### 21 於合營公司之投資及應收／(應付)合營公司款項(續)

#### 財務資料概要對賬

所呈報財務資料概要與本集團於合營公司之權益之賬面金額對賬

		HSL		TVSC		Total 總計	
		2017	2016	2017	2016	2017	2016
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
<b>Summarised financial information</b>	<b>財務狀況表概要</b>						
Net assets at beginning of year	於年初之資產淨額	<b>472,726</b>	459,101	<b>17,875</b>	(214)	<b>490,601</b>	458,887
Capital injection by shareholders	股東之注資	—	—	<b>27,568</b>	39,000	<b>27,568</b>	39,000
(Loss)/profit for the year	本年度(虧損)/溢利	<b>(46,846)</b>	50,951	<b>(46,741)</b>	(20,911)	<b>(93,587)</b>	30,040
Currency translation differences	貨幣滙兌差額	<b>(50,095)</b>	(37,326)	—	—	<b>(50,095)</b>	(37,326)
Net assets/(liabilities) at end of year	於年末之資產/(負債)淨額	<b>375,785</b>	472,726	<b>(1,298)</b>	17,875	<b>374,487</b>	490,601
Investments in joint ventures	於合營公司之投資						
Carrying value	賬面值	<b>110,631</b>	139,171	—	8,937	<b>110,631</b>	148,108

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 Deferred income tax assets/(liabilities)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxed levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The offset amounts are as follows:

### 22 遞延所得稅資產／(負債)

當具有將即期所得稅資產與即期所得稅負債抵銷之合法強制執行權，以及當同一稅務機關向該應課稅實體或不同應課稅實體就遞延所得稅資產及遞延所得稅負債徵收所得稅，其中有關結餘擬按淨額基準清償時，遞延所得稅資產與負債方可互相抵銷。抵銷金額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred income tax assets:	遞延所得稅資產：		
— Deferred income tax assets to be recovered after 12 months	— 將於十二個月後收回之遞延所得稅資產	11,854	10,578
— Deferred income tax assets to be recovered within 12 months	— 將於十二個月內收回之遞延所得稅資產	9,516	7,878
		<b>21,370</b>	18,456
Deferred income tax liabilities:	遞延所得稅負債：		
— Deferred income tax liabilities to be settled after 12 months	— 將於十二個月後清償之遞延所得稅負債	<b>(69,638)</b>	(200,438)
Net deferred income tax liabilities	遞延所得稅負債淨額	<b>(48,268)</b>	(181,982)

The movements in net deferred income tax liabilities are as follows:

遞延所得稅負債淨額變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	於年初	<b>(181,982)</b>	(137,134)
Charged to the consolidated income statement (Note 11)	已於綜合損益表中扣除(附註11)	<b>(65,876)</b>	(53,205)
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	<b>186,297</b>	—
Currency translation differences	貨幣滙兌差額	<b>13,293</b>	8,357
At end of year	於年末	<b>(48,268)</b>	(181,982)



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 Deferred income tax assets/(liabilities) (Continued)

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

Deferred income tax assets:

		<b>Cumulative tax losses</b>	<b>Decelerated Depreciation</b>	<b>Total</b>
		<b>累計稅項虧損</b>	<b>減慢折舊</b>	<b>總計</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元	千港元
At 1st April 2015	於二零一五年四月一日	23,311	203	23,514
Credited to the consolidated income statement	已於綜合損益表中計入	2,466	45	2,511
Currency translation differences	貨幣滙兌差額	(640)	—	(640)
At 31st March 2016	於二零一六年三月三十一日	<b>25,137</b>	<b>248</b>	<b>25,385</b>
Credited to the consolidated income statement	已於綜合損益表中計入	<b>1,887</b>	<b>141</b>	<b>2,028</b>
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	<b>(67)</b>	<b>—</b>	<b>(67)</b>
Currency translation differences	貨幣滙兌差額	<b>(542)</b>	<b>—</b>	<b>(542)</b>
At 31st March 2017	於二零一七年三月三十一日	<b>26,415</b>	<b>389</b>	<b>26,804</b>

Deferred income tax liabilities:

遞延所得稅負債：

		<b>Investment property</b>	<b>Withholding tax</b>	<b>Accelerated depreciation</b>	<b>Total</b>
		<b>投資物業</b>	<b>預扣稅</b>	<b>加速折舊</b>	<b>總計</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元	千港元	千港元
At 1st April 2015	於二零一五年四月一日	(157,553)	(797)	(2,298)	(160,648)
Charged to the consolidated income statement	已於綜合損益表中扣除	(49,879)	(15)	(5,822)	(55,716)
Currency translation differences	貨幣滙兌差額	8,997	—	—	8,997
At 31st March 2016	於二零一六年 三月三十一日	<b>(198,435)</b>	<b>(812)</b>	<b>(8,120)</b>	<b>(207,367)</b>
(Charged)/credited to the consolidated income statement	已於綜合損益表中 (扣除)/計入	<b>(67,997)</b>	<b>(749)</b>	<b>842</b>	<b>(67,904)</b>
Disposal of subsidiaries (Note 36)	出售附屬公司(附註36)	<b>186,364</b>	<b>—</b>	<b>—</b>	<b>186,364</b>
Currency translation differences	貨幣滙兌差額	<b>13,835</b>	<b>—</b>	<b>—</b>	<b>13,835</b>
At 31st March 2017	於二零一七年 三月三十一日	<b>(66,233)</b>	<b>(1,561)</b>	<b>(7,278)</b>	<b>(75,072)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 Deferred income tax assets/(liabilities) (Continued)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31st March 2017, the deferred income tax assets recognised from tax loss of approximately HK\$22,977,000 (2016: HK\$12,577,000) can be carried forward indefinitely. The remaining tax losses of approximately HK\$3,438,000 (2016: HK\$12,560,000) will expire in five years from the year they were incurred.

The Group did not recognise deferred income tax assets of approximately HK\$5,443,000 (2016: HK\$5,442,000) in respect of tax losses amounting to approximately HK\$32,989,000 (2016: HK\$32,984,000) that can be carried forward indefinitely to offset against future taxable income. Losses amounting to approximately HK\$13,133,000 (2016: HK\$15,752,000) will expire in five years from the year they were incurred.

Deferred income tax liabilities of approximately HK\$122,000 (2016: HK\$253,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries, as management currently has no intention to remit those earnings.

### 23 Available-for-sale financial asset

Available-for-sale financial asset, which is stated at fair value and denominated in HK\$, represents shares listed on The Stock Exchange of Hong Kong Limited.

### 22 遞延所得稅資產／(負債)(續)

遞延所得稅資產乃因應相關稅務利益透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零一七年三月三十一日，已就稅項虧損確認之遞延所得稅資產約22,977,000港元(二零一六年：12,577,000港元)可以無限期結轉。餘下之稅項虧損約3,438,000港元(二零一六年：12,560,000港元)將於產生年度後五年內失效。

本集團並無就約5,443,000港元(二零一六年：5,442,000港元)之稅項虧損確認約32,989,000港元(二零一六年：32,984,000港元)之遞延所得稅資產，該金額可以無限期結轉以抵銷未來應課稅收入。虧損約13,133,000港元(二零一六年：15,752,000港元)將於產生年度後五年內失效。

並無就若干附屬公司之未分派盈利之應付預扣稅確認約122,000港元(二零一六年：253,000港元)之遞延所得稅負債，因為管理層現時無意分派該等盈利。

### 23 可供出售之財務資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	於年初	487	458
Addition	添置	—	128
Change in fair value (Note 34)	公允價值變動(附註34)	19	(99)
At end of year	於年末	506	487

按公允價值列賬並以港元計值之可供出售之財務資產，指於香港聯合交易所有限公司上市之股份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 24 Financial assets at fair value through profit or loss

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Derivative financial instruments (Note (i))	衍生金融工具(附註(i))		
— Iron ore future contracts	— 鐵礦期貨合約	—	130
Investments in listed corporate notes (Note (ii))	於上市公司票據之投資(附註(ii))	15,500	15,500
		<b>15,500</b>	15,630

Notes:

- (i) As at 31st March 2016, the total notional principal amount of the outstanding iron ore future contracts was approximately HK\$1,720,000. Net fair value change and net realised gains on future contracts were recognised in "other gains/(losses) — net" in the consolidated income statement. The contract was settled during the year.
- (ii) The investments in listed corporate notes were denominated in US\$. Changes in fair value were recognised in "other gains/(losses) — net" in the consolidated income statement.

附註：

- (i) 於二零一六年三月三十一日，未平倉鐵礦期貨合約之總設定本金額為約1,720,000港元。期貨合約之公允價值淨變動及其已變現淨收益已於綜合損益表「其他收益／(虧損) — 淨額」中確認。合約已於本年度結算。
- (ii) 上市公司票據之投資以美元計值。公允價值變動已於綜合損益表「其他收益／(虧損) — 淨額」中確認。

### 25 Inventories

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finished goods	製成品	395,628	175,634

The costs of inventories recognised as expenses and included in "cost of sales" in the consolidated income statement amounted to approximately HK\$2,626,722,000 (2016: HK\$2,887,336,000).

The Group made inventory provision for obsolete inventories and write-down of the inventories to net realisable value. A provision of HK\$12,329,000 (2016: HK\$15,375,000) was made as at 31st March 2017. Reversal of provision for impairment of inventories of HK\$987,000 (2016: provision for impairment of inventories of HK\$3,897,000) was included in "cost of sales" in the consolidated income statement.

### 25 存貨

約 2,626,722,000 港元(二零一六年：2,887,336,000港元)之存貨成本已確認為支出，並已計入綜合損益表之「銷售成本」中。

本集團就過時存貨計提存貨撥備並將存貨撇減至可變現淨值。於二零一七年三月三十一日計提 12,329,000 港元(二零一六年：15,375,000 港元)之撥備。存貨減值撥備撥回 987,000 港元(二零一六年：存貨減值撥備 3,897,000 港元)已計入綜合損益表之「銷售成本」中。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 26 Trade and bill receivables

### 26 應收賬款及票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade and bill receivables	應收賬款及票據		
— from third parties	— 來自第三方	<b>488,087</b>	463,336
— from an associate and joint ventures	— 來自一間聯營公司及合營公司	<b>21,555</b>	12,406
Less: Provision for impairment of trade receivables	減：應收賬款減值撥備	<b>(14,609)</b>	(14,025)
Trade and bill receivables — net	應收賬款及票據 — 淨額	<b>495,033</b>	461,717

Sales are either covered by letters of credit or open account with credit terms of 15 to 90 days.

銷售均以信用證或具信貸期之記賬方式進行，信貸期一般介乎15至90日不等。

Ageing analysis of trade and bill receivables by invoice date is as follows:

應收賬款及票據根據發票日期之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 60 days	0至60日	<b>374,036</b>	347,169
61 to 120 days	61至120日	<b>66,836</b>	61,663
121 to 180 days	121至180日	<b>17,922</b>	14,706
181 to 365 days	181至365日	<b>27,673</b>	27,879
Over 365 days	超過365日	<b>23,175</b>	24,325
		<b>509,642</b>	475,742
Less: Provision for impairment of trade receivables	減：應收賬款減值撥備	<b>(14,609)</b>	(14,025)
		<b>495,033</b>	461,717

As at 31st March 2017, trade and bill receivables of approximately HK\$371,042,000 (2016: HK\$352,144,000) were fully performing and were from customers with no history of default.

於二零一七年三月三十一日，應收賬款及票據約371,042,000港元(二零一六年：352,144,000港元)已悉數履約且來自無拖欠記錄之客戶。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 26 Trade and bill receivables (Continued)

Movements on the provision for impairment of trade receivables are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	於年初	14,025	7,124
Provision for impairment recognised in the consolidated income statement – net (Note 7)	已於綜合損益表中確認之減值撥備 – 淨額(附註7)	4,966	7,529
Write off as uncollectible	撇銷為不可收回	(3,589)	(217)
Currency translation differences	貨幣滙兌差額	(793)	(411)
At end of year	於年末	14,609	14,025

As at 31st March 2017, trade receivables of approximately HK\$14,609,000 (2016: HK\$14,025,000) were impaired and fully provided for. The amount of provision recovered in the consolidated income statement during the year was approximately HK\$720,000 (2016: HK\$107,000). The ageing analysis of these receivables is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
181 to 365 days	181至365日	287	651
Over 365 days	超過365日	14,322	13,374
		14,609	14,025

The ageing analysis of trade receivables past due but not impaired (based on due date) is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 60 days	0至60日	69,150	55,389
61 to 120 days	61至120日	21,335	16,897
121 to 180 days	121至180日	7,809	11,520
181 to 365 days	181至365日	23,703	21,888
Over 365 days	超過365日	1,994	3,879
		123,991	109,573

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2017.

### 26 應收賬款及票據(續)

應收賬款之減值撥備變動如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	14,025	7,124
Provision for impairment recognised in the consolidated income statement – net (Note 7)	4,966	7,529
Write off as uncollectible	(3,589)	(217)
Currency translation differences	(793)	(411)
At end of year	14,609	14,025

於二零一七年三月三十一日，應收賬款約14,609,000港元(二零一六年：14,025,000港元)已作減值及全數撥備。本年度，已於綜合損益表中收回之撥備金額約720,000港元(二零一六年：107,000港元)。該等應收賬款賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
181 to 365 days	287	651
Over 365 days	14,322	13,374
	14,609	14,025

已過期但未減值(根據到期日)之應收賬款賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 60 days	69,150	55,389
61 to 120 days	21,335	16,897
121 to 180 days	7,809	11,520
181 to 365 days	23,703	21,888
Over 365 days	1,994	3,879
	123,991	109,573

淨應收賬款及票據之賬面金額與其於二零一七年三月三十一日之公允價值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 26 Trade and bill receivables (Continued)

The carrying amounts of net trade and bill receivables were denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	261,386	230,154
HK\$	港元	214,780	225,638
US\$	美元	18,867	5,925
		<b>495,033</b>	461,717

### 26 應收賬款及票據(續)

應收賬款及票據淨額之賬面金額以下列貨幣計值：

### 27 Prepayments, deposits and other receivables

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deposit for acquisition of an investment property	收購一項投資物業之按金	—	259,231
Prepayments for purchases	預付採購款項	78,989	102,801
Prepayments for property, plant and equipment	預付物業、廠房及設備款項	5,483	5,296
Rental and other deposits	租金及其他按金	42,837	26,554
Value-added tax recoverable	可收回增值稅	33,932	7,597
Compensation receivable in relation to an unfulfilled contract	未履行合約應收賠償款項	38,860	—
Others	其他	18,040	32,378
		<b>218,141</b>	433,857
Less: Non-current	減：非即期	<b>(52,860)</b>	(286,316)
Current	即期	<b>165,281</b>	147,541

### 27 預付款項、按金及其他應收賬款

The carrying amounts of prepayments, deposits and other receivables approximated their fair values as at 31st March 2017. They were denominated in the following currencies:

預付款項、按金及其他應收賬款之賬面金額與其於二零一七年三月三十一日之公允價值相若。預付款項、按金及其他應收賬款以下列貨幣計值：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	125,166	372,277
HK\$	港元	91,879	60,372
US\$	美元	1,096	1,208
		<b>218,141</b>	433,857



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 28 Pledged bank deposits/Cash and cash equivalents

### 28 已抵押銀行存款／現金及現金等值

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash on hand	手頭現金	383	522
Cash at bank	銀行存款	627,999	545,273
Short-term bank deposits	短期銀行定期存款	68,659	59,632
		<b>697,041</b>	605,427
Less: Pledged bank deposits	減：已抵押銀行存款	<b>(68,659)</b>	(59,166)
Cash and cash equivalents	現金及現金等值	<b>628,382</b>	546,261

Pledged bank deposits and cash and cash equivalents were denominated in the following currencies:

已抵押銀行存款及現金及現金等值以下列貨幣計值：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	117,089	373,445
HK\$	港元	118,137	144,650
US\$	美元	461,743	87,174
Others	其他	72	158
		<b>697,041</b>	605,427

The carrying amounts of pledged bank deposits and cash and cash equivalents approximated their fair values as at 31st March 2017.

已抵押銀行存款及現金及現金等值之賬面金額與其於二零一七年三月三十一日之公允價值相若。

The effective interest rate on the bank deposit is 2.09% (2016: 0.63%) per annum. These deposits have an average maturity of 31 days (2016: 16 days).

銀行存款之實際利率為每年2.09% (二零一六年：0.63%)。該等存款的平均到期日為三十一日 (二零一六年：十六日)。

As at 31st March 2017, the Group's bank deposits of approximately HK\$1,000,000 (2016: HK\$32,119,000) and HK\$67,659,000 (2016: HK\$26,157,000) were pledged as collateral for the Group's long-term and short-term bank loans respectively (Note 31).

於二零一七年三月三十一日，本集團之銀行存款約1,000,000港元 (二零一六年：32,119,000港元) 及67,659,000港元 (二零一六年：26,157,000港元) 已作抵押，分別作為本集團長期及短期銀行貸款之抵押品 (附註31)。

As at 31st March 2016, the Group's bank deposits of approximately HK\$890,000 was pledged as collateral for the Group's iron ore future contracts.

於二零一六年三月三十一日，本集團之銀行存款約為890,000港元，已作抵押為本集團鐵礦期貨合約之抵押品。

As at 31st March 2017, pledged bank deposits and cash and bank deposits totalling approximately HK\$88,209,000 (2016: HK\$334,106,000) were denominated in RMB and kept in banks in Mainland China. These funds are not freely convertible in the international market with exchange rate determined by the People's Bank of China.

於二零一七年三月三十一日，已抵押銀行存款以及現金及銀行存款合共約88,209,000港元 (二零一六年：334,106,000港元) 以人民幣計值並存於中國內地。此等貨幣並不能在國際市場自由兌換及其匯率由中國人民銀行釐定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 29 Trade and bill payables

Payment terms with suppliers are either on letters of credit or open account with credit period of 30 to 60 days.

Ageing analysis of trade and bill payables by invoice date is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 60 days	0至60日	141,931	127,894
61 to 120 days	61至120日	756	3,001
121 to 180 days	121至180日	94	430
181 to 365 days	181至365日	204	724
Over 365 days	超過365日	619	532
		<b>143,604</b>	132,581

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2017. They were denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	118,169	66,303
HK\$	港元	17,910	33,386
US\$	美元	7,501	32,038
EURO	歐元	24	854
		<b>143,604</b>	132,581

### 29 應付賬款及票據

與供應商之付款條款均以信用證或具30至60日信貸期之記賬方式進行。

應付賬款及票據根據發票日期之賬齡分析如下：

應付賬款及票據之賬面金額與其於二零一七年三月三十一日之公允價值相若。應付賬款及票據以下列貨幣計值：

### 30 Accrued liabilities and other payables

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Agency fee payables	應付代理費	46,857	—
Accrual for employee benefit expenses	應計僱員福利支出	43,113	22,288
Accrual for operating expenses	應計經營支出	37,640	37,744
Provision for onerous contracts	有償契約撥備	14,000	12,000
Adjustment to consideration (Note 36)	調整代價(附註36)	13,055	—
Rental deposits received	已收租賃按金	9,766	13,854
Payables for property, plant and equipment	應付物業、廠房及設備款項	3,609	8,010
Value-added tax payables	應付增值稅	2,871	92
		<b>170,911</b>	93,988
Less: Non-current	減：非即期	<b>(7,223)</b>	(10,755)
Current	即期	<b>163,688</b>	83,233

### 30 應計負債及其他應付賬款

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 30 Accrued liabilities and other payables (Continued)

The carrying amounts of accrued liabilities and other payables approximated their fair values as at 31st March 2017.

Accrued liabilities and other payables were denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	81,524	55,431
RMB	人民幣	76,387	38,557
US\$	美元	13,000	—
		<b>170,911</b>	93,988

### 30 應計負債及其他應付賬款(續)

應計負債及其他應付賬款之賬面金額與其於二零一七年三月三十一日之公允價值相若。

應計負債及其他應付賬款以下列貨幣計值：

### 31 Borrowings

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current	即期		
— Trust receipts bank loans, unsecured	— 信託收據銀行貸款，無抵押	1,058,712	678,590
— Short-term bank loans (ii)	— 短期銀行貸款(ii)	95,945	118,582
— Current portion of long-term bank loans, secured (i)	— 部份即期長期銀行貸款，有抵押(i)	58,489	54,789
		<b>1,213,146</b>	851,961
Non-current	非即期		
— Long-term bank loans, secured (i)	— 長期銀行貸款，有抵押(i)	509,190	1,140,423
Total borrowings	借貸總額	<b>1,722,336</b>	1,992,384

### 31 借貸

Notes:

(i) As at 31st March 2017, the long-term bank loans were secured by the pledge of the Group's investment property of approximately HK\$1,222,682,000 (Note 15), bank deposits of approximately HK\$1,000,000 (Note 28) and corporate guarantee.

As at 31st March 2016, the long-term bank loans were secured by the pledge of the Group's investment property of approximately HK\$1,311,600,000 (Note 15), property, plant and equipment of approximately HK\$13,014,000 (Note 14), and land use rights of approximately HK\$34,817,000 (Note 16), bank deposits of approximately HK\$32,119,000 (Note 28) and corporate guarantee. The long-term bank loans have no repayment on demand clause.

(ii) As at 31st March 2017, short-term bank loans were secured by the pledge of the Group's bank deposits of approximately HK\$67,659,000 (2016: HK\$26,157,000) (Note 28).

附註：

(i) 於二零一七年三月三十一日，長期銀行貸款由本集團已作抵押之投資物業約1,222,682,000港元(附註15)、銀行存款約1,000,000港元(附註28)及公司擔保作抵押。

於二零一六年三月三十一日，長期銀行貸款由本集團已作抵押之投資物業約1,311,600,000港元(附註15)、物業、廠房及設備約13,014,000港元(附註14)、及土地使用權約34,817,000港元(附註16)、銀行存款約32,119,000港元(附註28)作抵押及公司擔保。長期銀行貸款並無附有即時償還條款。

(ii) 於二零一七年三月三十一日，短期銀行貸款由本集團已作抵押之銀行存款約67,659,000港元(二零一六年：26,157,000港元)作抵押(附註28)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 Borrowings (Continued)

The maturity of the Group's borrowings in accordance with the repayment schedule:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	1年內	1,213,146	851,961
Between one and two years	1至2年	59,554	395,984
Between two and five years	2至5年	449,636	744,439
		<b>1,722,336</b>	1,992,384

Borrowings were denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	448,442	1,201,911
US\$	美元	757,360	714,891
RMB	人民幣	516,534	75,582
		<b>1,722,336</b>	1,992,384

The effective interest rates of borrowings (per annum) at the reporting dates are as follows:

		2017 二零一七年	2016 二零一六年
RMB	人民幣	6.3%	6.1%
HK\$	港元	4.2%	3.2%
US\$	美元	2.7%	2.7%

All the Group's borrowings as at 31st March 2017 are on floating rate basis and the carrying amounts of the borrowings approximated their fair values.

The Group has the following floating rate undrawn borrowing facilities:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
— expiring within one year	— 一年內到期	155,061	592,548
— expiring beyond one year	— 一年後到期	1,016,020	1,051,188
		<b>1,171,081</b>	1,643,736

### 31 借貸(續)

本集團借貸基於還款時間表之到期情況如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	1年內	1,213,146	851,961
Between one and two years	1至2年	59,554	395,984
Between two and five years	2至5年	449,636	744,439
		<b>1,722,336</b>	1,992,384

借貸以下列貨幣計值：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	448,442	1,201,911
US\$	美元	757,360	714,891
RMB	人民幣	516,534	75,582
		<b>1,722,336</b>	1,992,384

於報告日，借貸之實際利率(每年)如下：

		2017 二零一七年	2016 二零一六年
RMB	人民幣	6.3%	6.1%
HK\$	港元	4.2%	3.2%
US\$	美元	2.7%	2.7%

於二零一七年三月三十一日，本集團之所有借貸均按浮動利率計息及借貸之賬面金額與其公允價值相若。

本集團有以下未提取之浮息借貸融資：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
— expiring within one year	— 一年內到期	155,061	592,548
— expiring beyond one year	— 一年後到期	1,016,020	1,051,188
		<b>1,171,081</b>	1,643,736

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 32 Share capital

		32 股本			
		Authorised (Ordinary shares of HK\$0.10 each) 法定 (每股0.10港元之普通股)		Issued and fully paid (Ordinary shares of HK\$0.10 each) 已發行及繳足 (每股0.10港元之普通股)	
		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
As at 31st March 2015	於二零一五年 三月三十一日	1,000,000	100,000	632,273	63,227
Exercise of share options	行使購股權	—	—	8,363	837
As at 31st March 2016	於二零一六年 三月三十一日	1,000,000	100,000	640,636	64,064
Exercise of share options	行使購股權	—	—	1,247	124
As at 31st March 2017	於二零一七年 三月三十一日	<b>1,000,000</b>	<b>100,000</b>	<b>641,883</b>	<b>64,188</b>

### 33 Share options

The Group has a share option scheme under which it may grant options to any person being an employee, agent, consultant or representative (including executive directors and non-executive directors) of the Group to subscribe for shares in the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time, excluding for the shares issued on the exercise of options. The exercise price will be determined by the Company's board of directors and must be at least the highest of (i) the closing price of the Company's shares quoted on The Stock Exchange of Hong Kong Limited on the date of grant of the options, which must be a business day (ii) the average closing prices of the Company's shares quoted on The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.10 each.

### 33 購股權

本集團設有一個購股權計劃，據此，其可授予本集團之任何僱員、代理人、顧問或代表（包括執行董事及非執行董事）購股權以認購本公司之股份，但最多為本公司不時已發行股本之30%，其中不包括因行使購股權而發行之股份。行使價將由本公司董事會釐定及最少必須以下列最高者為準：(i)本公司股份於授出購股權日期（必須為營業日）在香港聯合交易所有限公司所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個營業日在香港聯合交易所有限公司所報之平均收市價；及(iii)本公司股份面值每股0.10港元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 33 Share options (Continued)

Movements of share options for the year ended 31st March 2017 were as follows:

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share (i)	As at 1st April 2016	Granted	Cancelled/lapsed	Exercised	As at 31st March 2017
授予日期	有效期	每股行使價 HK\$ 港元	經調整每股 行使價(i) HK\$ 港元	於二零一六年 四月一日 '000 千股	授予 '000 千股	註銷/失效 '000 千股	已行使 '000 千股	於二零一七年 三月三十一日 '000 千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至 二零二五年一月十九日	0.928	0.928	10,800	—	—	—	10,800
27th November 2013 二零一三年 十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至 二零二三年十一月二十六日	1.300	1.043	9,474	—	—	—	9,474
16th November 2012 二零一二年 十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至 二零二二年十一月十五日	0.670	0.537	8,078	—	—	—	8,078
7th September 2012 二零一二年九月七日	7th September 2012 to 6th September 2022 二零一二年九月七日至 二零二二年九月六日	0.490	0.393	1	—	(1)	—	—
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	0.504	0.404	12,206	—	—	—	12,206
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至 二零一九年九月十七日	0.586	0.470	937	—	—	—	937
19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	0.780	0.626	2,494	—	—	(1,247)	1,247
13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	0.900	0.722	2,244	—	(2,244)	—	—
				46,234	—	(2,245)	(1,247)	42,742

### 33 購股權(續)

於截至二零一七年三月三十一日止年度之購股權變動如下：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 33 Share options (Continued)

Movements of share options for the year ended 31st March 2016 were as follows:

Date of grant 授予日期	Validity period 有效期	Exercise price per share 每股行使價 HK\$ 港元	Adjusted exercise price per share (i) 經調整每股行使價(i) HK\$ 港元	As at 1st April 2015 於二零一五年四月一日 '000 千股	Granted 授予 '000 千股	Cancelled/ lapsed 註銷/失效 '000 千股	Exercised 已行使 '000 千股	As at 31st March 2016 於二零一六年三月三十一日 '000 千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至二零二五年一月十九日	0.928	0.928	11,400	—	(600)	—	10,800
17th December 2013 二零一三年十二月十七日	17th December 2013 to 16th December 2023 二零一三年十二月十七日至二零二三年十二月十六日	1.300	1.043	374	—	(374)	—	—
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至二零二三年十一月二十六日	1.300	1.043	9,848	—	(374)	—	9,474
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至二零二二年十一月十五日	0.670	0.537	8,078	—	—	—	8,078
7th September 2012 二零一二年九月七日	7th September 2012 to 6th September 2022 二零一二年九月七日至二零二二年九月六日	0.490	0.393	1	—	—	—	1
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至二零一九年十月十二日	0.504	0.404	20,569	—	—	(8,363)	12,206

### 33 購股權(續)

於截至二零一六年三月三十一日止年度之購股權變動如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 33 Share options (Continued)

### 33 購股權(續)

Date of grant 授予日期	Validity period 有效期	Exercise price per share	Adjusted exercise price per share (i)	As at 1st April 2015 於二零一五年 四月一日	Granted	Cancelled/ lapsed	Exercised	As at 31st March 2016 於二零一六年 三月三十一日
		每股行使價 HK\$ 港元	經調整每股 行使價(i) HK\$ 港元	'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至 二零一六年九月十七日	0.586	0.470	937	—	—	—	937
19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	0.780	0.626	2,494	—	—	—	2,494
13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	0.900	0.722	2,244	—	—	—	2,244
				55,945	—	(1,348)	(8,363)	46,234

Note:

- (i) The exercise prices and number of shares granted prior to 17th December 2014 under the share options scheme were adjusted for the open offer.

附註：

- (i) 根據購股權計劃於二零一四年十二月十七日前行之行使價及授出之股份數目已就公開發售作出調整。

Options exercised in the year resulted in approximately 1,247,000 shares (2016: 8,363,000 shares) being issued, at weighted average exercise price of HK\$0.63 (2016: HK\$0.40) per ordinary share with total proceeds of approximately HK\$780,000 (2016: HK\$3,379,000). The related weighted average price at the time of exercise was HK\$0.82 (2016: HK\$0.98) per ordinary share.

本年度行使購股權導致按加權平均價每股普通股0.63港元(二零一六年：0.40港元)發行約1,247,000股股份(二零一六年：8,363,000股股份)。所得款項總額約為780,000港元(二零一六年：3,379,000港元)。行使購股權時之有關加權平均股價為每股普通股0.82港元(二零一六年：0.98港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 34 Reserves

### 34 儲備

		Share premium	Share option reserve	Capital redemption reserve (ii) 資本贖回儲備(ii)	Statutory reserves (i) 法定儲備(i)	Capital reserve 資本儲備	Other reserve 其他儲備	Available-for-sale reserve 可供出售儲備	Cumulative foreign currency translation reserve 累計外幣匯兌調整	Retained earnings 保留盈利	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st April 2015	於二零一五年四月一日	422,481	5,935	79,684	12,725	58,355	—	97	16,989	411,688	1,007,954
Profit for the year	年度溢利	—	—	—	—	—	—	—	—	70,105	70,105
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	—	(43,438)	—	(43,438)
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之財務資產之公允價值變動 (附註23)	—	—	—	—	—	—	(99)	—	—	(99)
Appropriation of statutory reserves	撥提法定儲備	—	—	—	(81)	—	—	—	—	81	—
Exercise of share options	行使購股權	3,216	(674)	—	—	—	—	—	—	—	2,542
Lapse of share options	失效之購股權	—	(141)	—	—	—	—	—	—	141	—
Share-based payment	以股份為基礎之支付	—	1,859	—	—	—	—	—	—	—	1,859
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	—	—	—	—	—	—	(43,563)	(43,563)
At 31st March 2016	於二零一六年三月三十一日	425,697	6,979	79,684	12,644	58,355	—	(2)	(26,449)	438,452	995,360
At 1st April 2016	於二零一六年四月一日	<b>425,697</b>	<b>6,979</b>	<b>79,684</b>	<b>12,644</b>	<b>58,355</b>	—	<b>(2)</b>	<b>(26,449)</b>	<b>438,452</b>	<b>995,360</b>
Profit for the year	年度溢利	—	—	—	—	—	—	—	—	101,776	101,776
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	—	(109,868)	—	(109,868)
Realisation of translation reserve upon disposal of subsidiaries (Note 36)	出售附屬公司後之匯兌儲備變現 (附註36)	—	—	—	—	—	—	—	87,383	—	87,383
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之財務資產之公允價值變動 (附註23)	—	—	—	—	—	—	19	—	—	19
Appropriation of statutory reserves	撥提法定儲備	—	—	—	160	—	—	—	—	(160)	—
Exercise of share options	行使購股權	979	(323)	—	—	—	—	—	—	—	656
Lapse of share options	失效之購股權	—	(345)	—	—	—	—	—	—	345	—
Share-based payment	以股份為基礎之支付	—	1,060	—	—	—	—	—	—	—	1,060
Change in ownership interest in a subsidiary without change of control (Note 37)	附屬公司擁有權權益變動而無控制權變動 (附註37)	—	—	—	—	—	(10,137)	—	—	—	(10,137)
Dividends paid to owners of the Company	已付本公司擁有人之股息	—	—	—	—	—	—	—	—	(20,926)	(20,926)
At 31st March 2017	於二零一七年三月三十一日	<b>426,676</b>	<b>7,371</b>	<b>79,684</b>	<b>12,804</b>	<b>58,355</b>	<b>(10,137)</b>	<b>17</b>	<b>(48,934)</b>	<b>519,487</b>	<b>1,045,323</b>

Notes:

- (i) Statutory reserves represent enterprise expansion reserve fund and general reserve fund set up by certain subsidiaries in Mainland China. As stipulated by regulations in Mainland China, the subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior year losses) to the enterprise expansion reserve fund and general reserve fund, at rates determined by their respective boards of directors. The general reserve fund may be used for making up losses and increasing capital, while the enterprise expansion reserve fund may be used for increasing capital.
- (ii) The capital redemption reserve has been established upon repurchase of shares.

附註：

- (i) 法定儲備即由中國內地若干附屬公司設立之企業發展儲備基金及一般儲備基金。按照中國內地法規訂明，於中國內地成立及經營之附屬公司須於其除稅後溢利(經抵銷過往年度虧損)撥出部分至企業發展儲備基金及一般儲備基金，比率乃由各自董事會釐定。一般儲備基金可用作抵銷虧損及增加股本，而企業發展儲備基金可用作增加股本。
- (ii) 資本贖回儲備已於購回股份時設立。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 35 Consolidated statement of cash flows

### 35 綜合現金流量表

(a) Reconciliation of profit before income tax to net cash (used in)/generated from operations is as follows:

(a) 除稅前溢利與經營(所用)/產生之現金淨額對賬如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除稅前溢利	247,117	146,269
Share of results of associates — net	應佔聯營公司之業績 — 淨額	—	7,364
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	36,511	(4,437)
Interest income	利息收入	(1,964)	(2,065)
Interest expenses	利息支出	119,085	65,404
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	42,199	18,873
(Gain)/loss on disposals of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(531)	1,809
Unrealised exchange loss	未變現滙兌虧損	34,257	29,728
Gain on disposal of subsidiaries	出售附屬公司之收益	(229,023)	—
Impairment of goodwill and intangibles assets	商譽及無形資產減值	14,284	—
Amortisation of land use rights	土地使用權之攤銷	1,522	1,607
Amortisation of intangible assets	無形資產之攤銷	961	1,430
Fair value gain on investment property	投資物業之公允價值收益	(271,985)	(199,514)
Provision for impairment of trade receivables — net	應收賬款之減值撥備 — 淨額	4,966	7,529
Provision for impairment of inventories — net	存貨減值撥備 — 淨額	(987)	3,897
Unrealised fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益之財務資產之未變現公允價值收益	—	(2,578)
Realised gain on financial assets at fair value through profit or loss	按公允價值計入損益之財務資產之變現收益	103	(841)
Share-based payment	以股份為基礎之支付	1,060	1,859
Provision for onerous contracts	有償契約之撥備	2,000	12,000
Operating (loss)/profit before working capital changes	營運資金變動前之經營(虧損)/溢利	(425)	88,334
— Inventories	— 存貨	(219,069)	140,485
— Trade and bill receivables	— 應收賬款及票據	(38,282)	84,106
— Prepayments, deposits and other receivables	— 預付款項、按金及其他應收賬款	(68,052)	(61,002)
— Amounts due from joint ventures	— 應收合營公司款項	35,891	(11,125)
— Trade and bill payables	— 應付賬款及票據	13,654	(27,032)
— Receipts in advance	— 預收款項	(6,731)	8,702
— Accrued liabilities and other payables	— 應計負債及其他應付賬款	28,704	33,891
Net cash (used in)/generated from operations	經營(所用)/產生之現金淨額	(254,310)	256,359

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 35 Consolidated statement of cash flows (Continued)

- (b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

### 35 綜合現金流量表(續)

- (b) 於綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net book amount (Note 14)	賬面淨額(附註14)	<b>6,659</b>	2,407
Gain/(loss) on disposals of property, plant and equipment (Note 7)	出售物業、廠房及設備之收益/(虧損)(附註7)	<b>531</b>	(1,809)
Sales proceeds of disposals of property, plant and equipment	出售物業、廠房及設備所得之銷售所得款項	<b>7,190</b>	598
Less: Receivable from disposals of property, plant and equipment	減：出售物業、廠房及設備之應收款項	<b>(5,187)</b>	—
Proceeds received from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	<b>2,003</b>	598

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 36 Disposal of subsidiaries

On 31st March 2017, the Group has completed the disposal of 100% equity interest in Eastlink International Investment Inc. and its subsidiary (the "Eastlink Group") to Lumion (B.V.I.) Limited, an independent third party, at a net consideration of approximately HK\$712,215,000, before the subsequent adjustment based on the net assets value of the Eastlink Group as at the date of completion of the disposal. Eastlink Group is principally engaged in the property investment. Upon the completion of the disposal, the Group lost its control over Eastlink Group.

An analysis on gain on disposal of subsidiaries is as follows:

### 36 出售附屬公司

於二零一七年三月三十一日，本集團已完成向Lumion (B.V.I.) Limited (一個獨立第三方) 出售東聯國際投資有限公司及其附屬公司(「東聯集團」)之全部股權，在基於出售完成日對東聯集團資產淨值之後續調整前之淨代價約為712,215,000港元。東聯集團主要從事物業投資。完成出售后，本集團失去其管控東聯集團的權利。

就出售附屬公司之收益分析如下：

		HK\$'000 千港元
Consideration satisfied by:	代價按以下方式支付：	
– Net cash consideration	– 現金淨值代價	712,215
– Adjustment to consideration (Note (i))	– 調整代價(附註(i))	(13,055)
– Direct expenses	– 直接開支	(54,031)
Net consideration	代價淨值	645,129
Less: Net assets disposed of:	減：已售出資產淨值：	
– Building and equipment	– 樓宇及設備	12,185
– Land use rights	– 土地使用權	31,412
– Investment property	– 投資物業	1,239,814
– Goodwill and intangible assets	– 商譽及無形資產	60,400
– Deferred income tax assets	– 遞延所得稅資產	67
– Prepayments, deposits and other receivables	– 預付款、按金及其他應收款項	25,404
– Cash and cash equivalents	– 現金及現金等值	4,964
– Accrued liabilities and other payables	– 應計入負債及其他應付款項	(21,973)
– Borrowings	– 借款	(834,376)
– Deferred income tax liabilities	– 遞延所得稅負債	(186,364)
– Income tax payable	– 應付所得稅	(2,810)
Realisation of currency translation reserve upon disposal of subsidiaries	出售附屬公司後之 滙兌儲備變現	87,383
		416,106
Gain on disposal of subsidiaries, pre-tax	出售附屬公司之收益，稅前	229,023
Less: Withholding tax payable upon disposal of subsidiaries	減：出售附屬公司後應付之預扣稅	(64,342)
Gain on disposal of subsidiaries, net of tax	出售附屬公司之收益，稅後	164,681
An analysis on net cash flows arising from the disposal:	因出售產生的現金流淨值分析如下：	
Net cash consideration	現金淨值代價	712,215
Less: Direct expenses paid	減：已付直接開支	(2,741)
Less: Cash and cash equivalents disposed	減：已售現金及現金等值	(4,964)
Net proceeds received from disposal of subsidiaries	已收出售附屬公司所得款項淨值	704,510

Note:

(i) The adjustment was based on the net assets value of the Eastlink Group as at the date of completion of the disposal.

附註：

(i) 調整基於東聯集團在出售完成日之資產淨值而作出。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 Transactions with non-controlling interests

#### Disposal of interest in a subsidiary without loss of control

On 16th February 2017, Shanghai Bao Shun Chang International Trading Co., Ltd.\* (“Shanghai Bao Shun Chang”), a wholly-owned subsidiary of the Company entered into agreements, pursuant to which Shanghai Bao Shun Chang granted the shares to certain employees (the “Employees”) equivalent to 19.1% of the paid up capital. The Employees shall be under full time employment of Shanghai Bao Shun Chang for at least 3 years. Accordingly, the share based payment expenses shall be recognised over the vesting period of 3 years.

The transaction was completed on 10th March 2017 upon the receipt of approximately HK\$11,833,000 from the Employees and the Company disposed of 19.1% equity interest in Shanghai Bao Shun Chang.

The effect of changes in the ownership interest of Shanghai Bao Shun Chang on the equity attributable to owners of the Company during the year is summaries as follows:

		2017 二零一七年 HK\$'000 千港元
Carrying amount of non-controlling interest as at the date of disposal	非控股權益於出售日期之賬面值	21,970
Consideration received from non-controlling interest	已收非控股權益代價	(11,833)
		10,137

During the year ended 31st March 2017, employee share based payment expenses of HK\$124,000 was recognised in the consolidated income statement.

\* For identification only

### 37 與非控制性權益進行的交易

#### 出售附屬公司權益而不失去控制權

於二零一七年二月十六日，上海寶順昌國際貿易有限公司(「上海寶順昌」)(本公司之全資附屬公司)訂立協議，以向若干僱員(「僱員」)授出相當於已付股本19.1%之股份。該等僱員須全職受僱於上海寶順昌至少三年。因此，以股份為基礎之支付開支應按三年歸屬期內確認。

於收到僱員約11,833,000港元後，本次交易已於二零一七年三月十日完成，本公司出售上海寶順昌19.1%股權。

上海寶順昌擁有權權益變動於本年度對本公司擁有人應佔權益之影響概述如下：

於截至二零一七年三月三十一日止年度，僱員以股份為基礎之支付開支為124,000港元已於綜合損益表中確認。

\* 僅供識別

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 38 Commitments

#### (a) Commitments under operating leases

##### (i) Lessor

The Group leases an investment property under non-cancellable operating lease agreements. The lease terms are between 1 and 3 years, and the lease agreements are renewable at the end of the lease period at market rate.

Total commitments receivable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	未逾1年	25,603	55,381
Later than one year and not later than five years	逾1年及未逾5年	40,299	67,696
Later than five years	逾5年	—	15,727
		<b>65,902</b>	138,804

##### (ii) Lessee

The Group leases various retail outlets, offices, warehouses and site under non-cancellable operating lease agreements. The lease terms are between 1 and 5 years, and majority of lease agreements are renewable at the end of the lease period at market rate.

Total commitments payable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Not later than one year	未逾1年	31,308	50,119
Later than one year and not later than five years	逾1年及未逾5年	65,005	86,407
Later than five years	逾5年	—	8,041
		<b>96,313</b>	144,567

### 38 承擔

#### (a) 營業租約承擔

##### (i) 出租人

本集團根據不可撤銷之營業租約出租一項投資物業。租期介乎1至3年，而租約可在租期屆滿後以市場租值續簽。

就出租物業而訂立之多份不可撤銷營業租約之應收承擔總額分析如下：

##### (ii) 承租人

本集團根據不可撤銷之營業租約承租多個零售商舖、辦公室、貨倉及地皮。租期介乎1至5年，而大部份租約可在租期屆滿後以市場租值續簽。

就承租物業而訂立之各份不可撤銷營業租約之應付承擔總額分析如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 38 Commitments (Continued)

#### (b) Capital commitments

Capital commitments at the end of the reporting period are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted but not provided for:	已訂約但尚未撥備：		
Purchase of an investment property	購置一項投資物業	—	721,571
Renovation work for an investment property	一項投資物業之翻修工程	13,395	5,082
Leasehold improvement	租賃物業裝修	458	—
		<b>13,853</b>	726,653
Authorised but not contracted for:	已授權但並未訂約：		
Capital injection to a joint venture	資本注資予一間合營公司	—	15,508
		—	15,508

#### (c) Commitments under derivative contracts

As at 31st March 2017, the Group has no commitment under derivative contracts.

As at 31st March 2016, the total notional principal amount of the outstanding iron ore future contracts was approximately HK\$1,720,000.

### 38 承擔(續)

#### (b) 資本承擔

於報告期末之資本承擔如下：

#### (c) 衍生合約承擔

於二零一七年三月三十一日，本集團無衍生合約承擔。

於二零一六年三月三十一日，尚有鐵礦石期貨合約之總設定本金額約為1,720,000港元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 Related party transactions

#### (a) Transactions

The following is a summary of significant related party transactions, which were carried out in the normal course of the Group's business:

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Management fee income from services provided to joint ventures	提供服務予合營公司之管理費收入	(i)	40,112	27,816
Sales of goods to	銷售貨品予：			
— joint ventures	— 合營公司	(ii)	47,575	6,572
— an associate	— 一間聯營公司	(iii)	36,252	46,724
			<b>83,827</b>	53,296
Purchase of goods from a joint venture	從一間合營公司購買貨品	(iv)	41,994	55
Disposal of machinery and equipment to a joint venture	向一間合營公司出售機器及設備	(v)	4,509	—
Sundry income received from a joint venture	從一間合營公司收取之雜項收入	(vi)	—	15
Commission paid to a joint venture	已付合營公司佣金	(vii)	53,502	—
Interest income from a joint venture	從一間合營公司之利息收入	(viii)	249	—

Notes:

- (i) For the year ended 31st March 2017, management services were provided by 上海新施房地產經紀有限公司 and VSC Steel Processing Holdings Limited respectively to joint ventures at prices mutually agreed by both parties.
- (ii) Goods were sold by VSC Steel Company Limited to a joint venture at prices mutually agreed by both parties.
- (iii) Goods were sold by Shanghai Bao Shun Chang International Trading Co., Ltd\* to an associate at prices mutually agreed by both parties.
- (iv) For the year ended 31st March 2017, VSC Steel Company Limited and He Tai Steel Co., Limited purchased goods from a joint venture at prices mutually agreed by both parties.
- (v) VSC Steel Processing Holdings Company Limited and VSC Steel Company Limited sold their machinery and equipment to a joint venture at prices mutually agreed by the relevant parties, resulting in no gain or loss.
- (vi) For the year ended 31st March 2016, sundry income was received by He Tai Steel Co., Limited for providing labour services to a joint venture at prices mutually agreed by both parties.

\* For identification only

### 39 與關聯方之交易

#### (a) 交易

於本集團正常業務過程中進行之重大關連人士交易概要如下：

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Management fee income from services provided to joint ventures	提供服務予合營公司之管理費收入	(i)	40,112	27,816
Sales of goods to	銷售貨品予：			
— joint ventures	— 合營公司	(ii)	47,575	6,572
— an associate	— 一間聯營公司	(iii)	36,252	46,724
			<b>83,827</b>	53,296
Purchase of goods from a joint venture	從一間合營公司購買貨品	(iv)	41,994	55
Disposal of machinery and equipment to a joint venture	向一間合營公司出售機器及設備	(v)	4,509	—
Sundry income received from a joint venture	從一間合營公司收取之雜項收入	(vi)	—	15
Commission paid to a joint venture	已付合營公司佣金	(vii)	53,502	—
Interest income from a joint venture	從一間合營公司之利息收入	(viii)	249	—

附註：

- (i) 截至二零一七年三月三十一日止年度，分別由上海新施房地產經紀有限公司及萬順昌鋼材加工控股有限公司提供予合營公司之管理服務按雙方協定之價格收取。
- (ii) 由萬順昌鋼鐵有限公司銷售予一間合營公司之貨品按雙方協定之價格收取。
- (iii) 由上海寶順昌國際貿易有限公司銷售予一間聯營公司之貨品按雙方協定之價格收取。
- (iv) 截至二零一七年三月三十一日止年度，萬順昌鋼鐵有限公司及和泰鋼鐵有限公司從一間合營公司購買貨品按雙方協定之價格支付。
- (v) 萬順昌鋼材加工控股有限公司及萬順昌鋼鐵有限公司銷售予一間合營公司之機器及設備按有關方協定之價格收取且並無產生損益。
- (vi) 截至二零一六年三月三十一日止年度，和泰鋼鐵有限公司向一間合營公司提供勞工服務所收取之雜項收入按雙方協定之價格支付。

\* 僅供識別

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 Related party transactions (Continued)

#### (a) Transactions (Continued)

Notes: (Continued)

- (vii) For the year ended 31st March 2017, a commission fee was paid by VSC China Property Limited to a joint venture for providing referral service at prices mutually agreed by both parties.
- (viii) For the year ended 31st March 2017, interest income was received by VSC Steel Processing Limited for providing a joint venture with a shareholder's loan during the year and the interest rate was determined at HIBOR +2.75% per annum.

#### (b) Key management compensation

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	15,194	14,421
Bonus	花紅	21,775	7,585
Pension costs	退休金成本		
— defined contribution schemes	— 界定供款計劃	367	367
Share-based payment	以股份為基礎之支付	795	1,617
		<b>38,131</b>	23,990

#### (c) Corporate guarantee

The Company provides corporate guarantee of HK\$4,891,000 to TVSC, for bank facilities amounting to HK\$9,197,000, which was fully utilised by the joint venture. The directors of the Company are of the opinion that it is not probable that the above guarantee will be called upon.

### 39 與關聯方士之交易 (續)

#### (a) 交易 (續)

附註：(續)

- (vii) 截至二零一七年三月三十一日止年度，VSC China Property Limited支付一間合營公司為其提供諮詢服務佣金費按雙方協定之價格收取。
- (viii) 截至二零一七年三月三十一日止年度，萬順昌鋼材加工有限公司於本年度提供予一間合營公司股東貸款之利息收益及利率按HIBOR加2.75%每年收取。

#### (b) 主要管理層報酬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	15,194	14,421
Bonus	花紅	21,775	7,585
Pension costs	退休金成本		
— defined contribution schemes	— 界定供款計劃	367	367
Share-based payment	以股份為基礎之支付	795	1,617
		<b>38,131</b>	23,990

#### (c) 公司擔保

本公司就金額為9,197,000港元之銀行融資向合營公司TVSC提供4,891,000港元的公司擔保，有關銀行融資已獲該合營公司悉數動用。本公司董事認為，上述擔保不大可能會被要求履行。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 40 Statement of financial position and reserve movement of the Company

### 40 本公司財務狀況表及儲備變動

#### (a) Statement of financial position of the Company

#### (a) 本公司財務狀況表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	<b>638,611</b>	661,059
<b>Current assets</b>	<b>流動資產</b>		
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	<b>63</b>	4
Cash and cash equivalents	現金及現金等值	<b>2,044</b>	1,370
		<b>2,107</b>	1,374
<b>Total assets</b>	<b>總資產</b>	<b>640,718</b>	662,433
Equity	權益		
<b>Capital and reserves attributable to owners of the Company</b>	<b>本公司擁有人應佔股本及儲備</b>		
Share capital	股本	<b>64,188</b>	64,064
Reserves	儲備	<b>575,166</b>	596,276
<b>Total equity</b>	<b>權益總額</b>	<b>639,354</b>	660,340
<b>Liabilities</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Accrued liabilities and other payables	應計負債及其他應付賬款	<b>1,364</b>	2,093
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>640,718</b>	662,433



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 40 Statement of financial position and reserve movement of the Company (Continued)

### 40 本公司財務狀況表及儲備變動(續)

#### (b) Reserve movement of the Company

#### (b) 本公司儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Capital redemption reserve (ii) 資本贖回儲備(ii) HK\$'000 千港元	Contributed surplus (i) 繳入盈餘(i) HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2015	於二零一五年 四月一日	422,481	5,935	79,684	53,986	21,136	583,222
Profit for the year	年度溢利	—	—	—	—	52,216	52,216
Exercise of share options	行使購股權	3,216	(674)	—	—	—	2,542
Lapse of share options	失效之購股權	—	(141)	—	—	141	—
Share-based payment	以股份為基礎 之支付	—	1,859	—	—	—	1,859
Dividends paid	已付股息	—	—	—	—	(43,563)	(43,563)
At 31st March 2016	於二零一六年 三月三十一日	<b>425,697</b>	<b>6,979</b>	<b>79,684</b>	<b>53,986</b>	<b>29,930</b>	<b>596,276</b>
Loss for the year	年度虧損	—	—	—	—	(1,776)	(1,776)
Exercise of share options	行使購股權	979	(323)	—	—	—	656
Lapse of share options	失效之購股權	—	(345)	—	—	345	—
Share-based payment	以股份為基礎 之支付	—	936	—	—	—	936
Dividends paid	已付股息	—	—	—	—	(20,926)	(20,926)
At 31st March 2017	於二零一七年 三月三十一日	<b>426,676</b>	<b>7,247</b>	<b>79,684</b>	<b>53,986</b>	<b>7,573</b>	<b>575,166</b>

Notes:

附註：

- (i) The contributed surplus of the Company represents the difference between the aggregate of the nominal values of the shares of the subsidiaries acquired at the date of acquisition, over the nominal value of the shares of the Company issued in exchange thereof.

- (i) 本公司繳入盈餘指於收購日期收購附屬公司之股份面值總額與本公司因此發行以作交換之股份面值兩者間之差額。

In addition to the retained profits, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

除保留溢利外，根據百慕達一九八一年公司法(經修訂)，繳入盈餘亦可分派予股東。然而，倘(i)本公司不能或於繳款後將不能支付到期之負債；或(ii)本公司之可變現資產值低於其負債及已發行股本及股份溢價賬之總額，則本公司不得自繳入盈餘中宣派或派發股息或作出分派。

- (ii) The capital redemption reserve has been established upon repurchase of shares.

- (ii) 資本贖回儲備已於購回股份時設立。



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