



KINGMAKER FOOTWEAR HOLDINGS LIMITED

信星鞋業集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：01170



KINGMAKER

ANNUAL REPORT

2017

年報

CONTENTS

Contents 目錄

Corporate Information 公司資料	2
Financial Highlights 財務摘要	4
Chairman's Statement 主席報告	6
Management Discussion and Analysis 管理層討論及分析	15
Environmental, Social and Governance Report 環境、社會及管治報告	25
Corporate Governance Report 企業管治報告	38
Directors and Senior Management Profiles 董事及高層管理人員履歷	57
Report of the Directors 董事會報告	67
Independent Auditor's Report 獨立核數師報告	81
Audited Financial Statements 經審核財務報表	
Consolidated Statement of Profit or Loss 綜合損益表	91
Consolidated Statement of Comprehensive Income 綜合全面收益表	93
Consolidated Statement of Financial Position 綜合財務狀況表	95
Consolidated Statement of Changes in Equity 綜合權益變動表	97
Consolidated Statement of Cash Flows 綜合現金流量表	99
Notes to Financial Statements 財務報表附註	102
Particulars of Investment Properties Held by the Group 本集團持有之投資物業詳情	232

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Ming-hsiung, Mickey (Passed away on 14 April 2016)
Mdm. Huang Hsiu-duan, Helen

(Appointed as Chief Executive Officer on 29 June 2016)

Mr. Kimmel, Phillip Brian

(Acting Chief Executive Officer from 14 April 2016 to
28 June 2016)

Mr. Mumma, Adin David

(Appointed effective on 1 October 2016)

Mr. Wong Hei-chiu

Non-executive Directors

Mr. Chan Ho-man, Daniel

(Acting Chairman from 14 April 2016 to
28 June 2016, and appointed as Chairman
on 29 June 2016)

Mr. Chow Wing-kin, Anthony, SBS, J.P.

Independent non-executive Directors

Mr. Tam King-ching, Kenny

Mr. Yung Tse-kwong, Steven

Ms. Chan Mei-bo, Mabel

COMPANY SECRETARY

Mr. Wong Hei-chiu

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

17th Floor
Empress Plaza
17-19 Chatham Road South
Tsimshatsui
Kowloon
Hong Kong

SOLICITORS

Messrs. Peter C. Wong, Chow & Chow
in association with Guantao Law Firm (Hong Kong)

AUDITOR

Ernst & Young
Certified Public Accountants

董事會

執行董事

陳敏雄先生 (於二零一六年四月十四日辭世)

黃秀端女士

(於二零一六年六月二十九日被委任為行政總裁)

柯民佑先生

(自二零一六年四月十四日起至二零一六年
六月二十八日止為暫任行政總裁)

馬大衛先生

(於二零一六年十月一日獲委任)

黃禧超先生

非執行董事

陳浩文先生

(自二零一六年四月十四日起至二零一六年
六月二十八日止為暫任主席，並於二零一六年
六月二十九日被委任為主席)

周永健先生，銀紫荊星章，太平紳士

獨立非執行董事

譚競正先生

戎子江先生

陳美寶女士

公司秘書

黃禧超先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港總辦事處及主要營業地點

香港
九龍
尖沙咀
漆咸道南17-19號
帝后廣場
17樓

律師

王澤長、周淑嫻、周永健律師行
與觀韜律師事務所 (香港) 聯營

核數師

安永會計師事務所
執業會計師

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Credit Agricole Corporate & Investment Bank
China Construction Bank (Asia) Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited

STOCK CODE

01170

WEBSITE

<http://www.irasia.com/listco/hk/kingmaker>

KEY DATES

Closure of Register of Members

Entitlement to attend and vote at the Annual General Meeting

24 August 2017 to 29 August 2017

Entitlement to the proposed final and special dividends

5 September 2017 to 7 September 2017

Annual General Meeting

29 August 2017

Proposed Payment Date of Final and Special Dividends

On or about 26 September 2017

百慕達主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東183號
合和中心22樓

主要往來銀行

東方匯理銀行企業及投資銀行
中國建設銀行(亞洲)股份有限公司
中國工商銀行(亞洲)有限公司

股份代號

01170

網站

<http://www.irasia.com/listco/hk/kingmaker>

重要日期

暫停辦理股份過戶登記

獲得出席股東週年大會並於會上投票的資格

二零一七年八月二十四日至二零一七年八月二十九日

擬派末期及特別股息的獲得資格

二零一七年九月五日至二零一七年九月七日

股東週年大會

二零一七年八月二十九日

建議派發末期及特別股息日期

二零一七年九月二十六日或該日前後

Financial Highlights

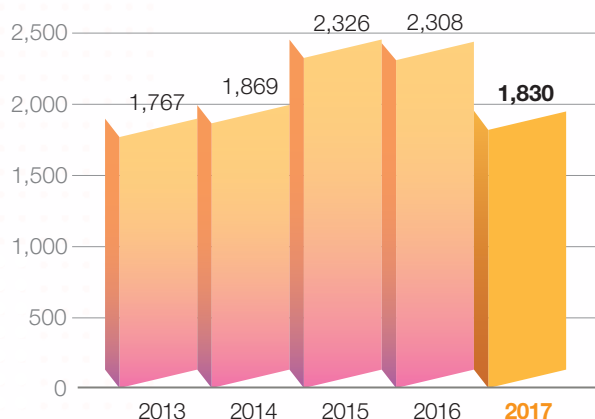
財務摘要

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)	Change 變動
CONTINUING OPERATIONS	持續經營業務			
Revenue	收益	1,830,267	2,308,161	-20.7%
Gross profit	毛利	329,836	366,901	-10.1%
Gross profit margin	毛利率	18.0%	15.9%	+2.1 points個百分點
Net profit margin	純利率	8.1%	6.1%	+2.0 points個百分點
DISCONTINUED OPERATION	已終止經營業務			
Loss for the year from discontinued operation	來自已終止經營業務之年內虧損	(17,099)	(20,682)	-17.3%
Profit for the period attributable to equity holders of the Company	本公司權益持有人應佔期內溢利	132,556	120,205	+10.3%
		HK cents 港仙	HK cents 港仙	
Basic earnings per share	每股基本盈利			
– For profit for the year	– 年內溢利	19.05	17.38	+9.6%
– For profit for the year from continuing operations	– 來自持續經營業務之年內溢利	21.51	20.37	+5.6%
		HK cents 港仙	HK cents 港仙	
Interim dividend per share	每股中期股息	4.2	3.8	
Special dividend per share	每股特別股息	3.8	–	
Final dividend per share	每股末期股息	5.5	5.2	
Special dividend per share	每股特別股息	4.5	4.0	
Total dividends per share for the year	全年每股股息合計	18.0	13.0	+38.5%

Turnover from Continuing Operations

來自持續經營業務之營業額

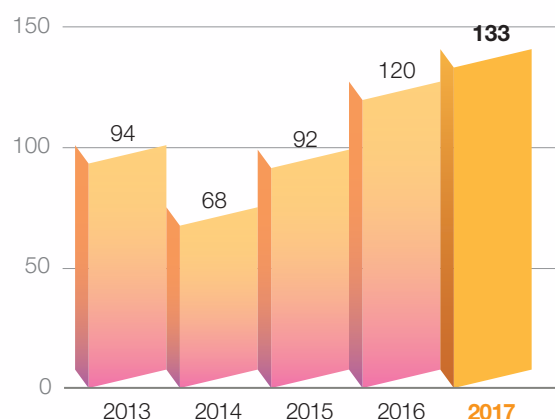
(HK\$ Mil 百萬港元)



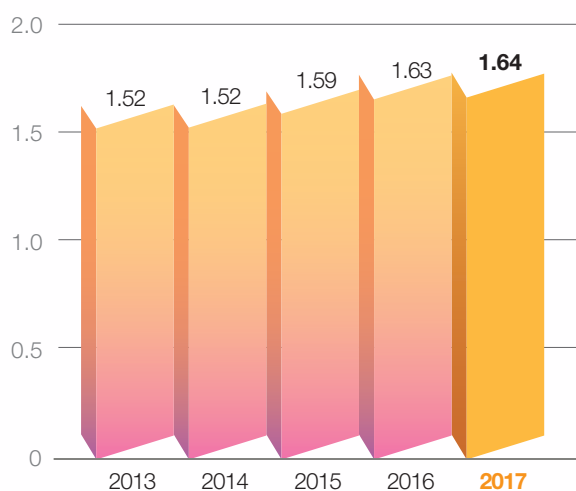
Profit for the Year Attributable to Equity Holders of the Company

本公司權益持有人應佔年度溢利

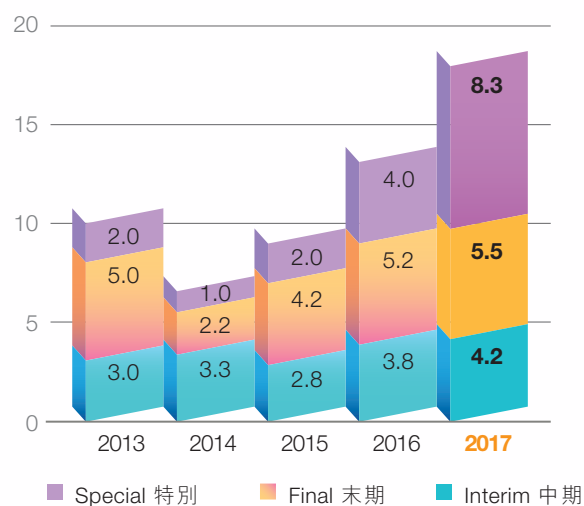
(HK\$ Mil 百萬港元)



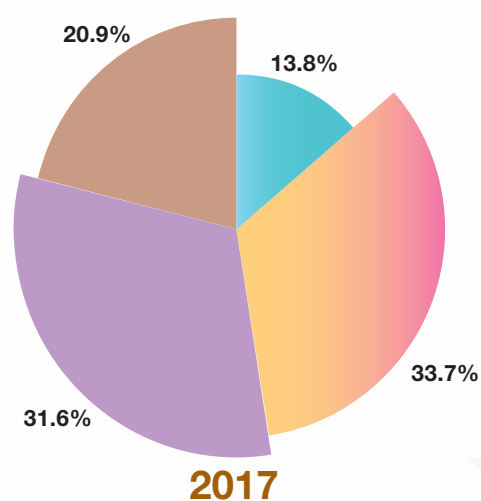
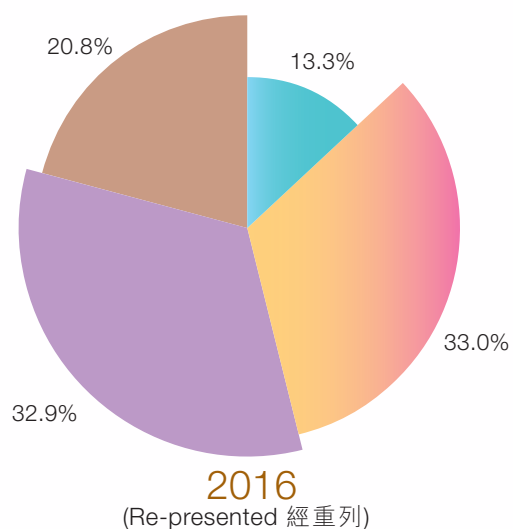
Net Asset Value Per Share Attributable to Equity Holders of the Company 本公司權益持有人應佔每股資產淨值 (HK\$ 港元)



Dividend Per Share 每股股息 (HK Cents 港仙)



Revenue from continuing operations (by geographical) 來自持續經營業務之收益 (按地區劃分)



Others 其他 Asia 亞洲 Europe 歐洲 United States of America 美國

Chairman's Statement

主席報告

"I would like to report a smooth succession to key management posts, and our leadership transition has brought stability and continuity for the Group. We were able to achieve earnings growth against a backdrop of global economic uncertainty and a weakened footwear retail market. Our gratitude goes to all customers, business partners and shareholders, whose support has been instrumental in our transition during this challenging time."

「本人謹此匯報主要管理職位均順利繼任，領導層的過渡為本集團帶來穩定和連續性。在全球經濟不穩定及鞋履零售市場疲軟的背景下，集團仍取得盈利增長。衷心感謝所有客戶、業務夥伴及股東，他們的支持在此具有挑戰性的過渡時刻發揮了重要作用。」

Chan Ho-man, Daniel 陳浩文
Chairman 主席



SUCCESSION AND TRANSITION

Last year, we sadly lost our former Chairman and Chief Executive Officer Mr. Chen Ming-hsiung, Mickey, who remains dearly missed by all our colleagues and business partners. One year on, Mr. Chen's drive to excellence and commitment to the Company continue to stay with us. There have been a number of new appointments and reassignments, and I would like to report to our shareholders a smooth succession to key management posts.

The leadership transition has brought stability and continuity for the Group. Building on Mr. Chen's legacy, the Kingmaker team will continue to deliver high-quality products to customers and sustainable growth for shareholders. We are bonded by his spirit and will carry on the philosophy he instilled.

During the year ended 31 March 2017, the Group achieved an approximately 10.3% year-on-year growth in profit attributable to equity holders of the Company against a backdrop of global economic uncertainty and a weakened footwear retail market. Our gratitude goes to all customers, business partners and shareholders, whose support has been instrumental in our transition during this challenging time.

繼任及過渡

去年，我們痛失前主席兼行政總裁陳敏雄先生，公司全體同事及業務夥伴仍深切懷念。陳先生追求卓越的努力及對本公司的承諾，在過去一年繼續相伴我們左右。我們已作出多項新任命及調動，本人謹此向股東匯報主要管理職位均順利繼任。

領導層的過渡為本集團帶來穩定及連續性。以陳先生作為典範，信星團隊將繼續為客戶提供優質產品，並為股東謀求可持續增長。我們將傳承其精神，並繼承其理念。

於截至二零一七年三月三十一日止年度，本集團在全球經濟不穩定及鞋履零售市場疲軟的背景下，本公司權益持有人應佔溢利達到按年比增長約10.3%。衷心感謝所有客戶、業務夥伴及股東，彼等的支持在此具有挑戰性的過渡時刻發揮了重要作用。

Overview

Management stays alert to a world economy that has been encountering significant ups and downs. The year 2016 was one full of unexpected events, as highlighted by the Brexit vote in the United Kingdom (the "UK") and the presidential election in the United States (the "US"). The global economy was clouded by uncertainties caused by these political events, and was further impacted by the spate of terrorist attacks and the migrant crisis in Europe.

With a new administration in power in the US, significant changes are expected in terms of the country's economic policies, including its orientation towards the Federal Funds Rate and its tax system, as well as in the Sino-US trade relationship. There are also concerns about the ability of the UK's new minority administration to carry out effective and smooth Brexit negotiations with the European Commission.

Geopolitical tension arising from terrorist attacks and disagreements within the Organization of Petroleum Exporting Countries ("OPEC") on production quotas will continue to weigh on the uncertain environment.

Uncertainty associated with the Renminbi ("RMB") is another risk factor that is worth noting. Although the RMB has been included in the Special Drawing Right ("SDR") valuation basket by the International Monetary Fund, which thereby acknowledged the recent economic development of China, the currency seems inevitably be subject to continued depreciation against the strong United States Dollar. The resulting decline in China's foreign exchange reserves may impact the US and indeed global economies.

In light of the ongoing lackluster market conditions, we continue to unfold corporate and business plans to pursue enhancements in both our profit margin and shareholder value. On the one hand, we set out to improve profitability by taking steps to optimize the clientele portfolio and constantly phase out lower-margin products, as well as to raise operational efficiency. These efforts have led to a drop in turnover from continuing operations but an improved gross profit margin of 18% (2016: 15.9%). On the other hand, we aim to maximize shareholder value through continuous asset enhancement.

概覽

管理層密切關注世界經濟的大幅波動。二零一六年是充滿意外事件的一年，突出事件有英國（「英國」）的脫歐公投及美國（「美國」）總統大選。全球經濟被此等政治事件所引致的不明朗因素所籠罩，並受歐洲的恐怖襲擊及難民危機所進一步影響。

隨著美國新一屆政府上台執政，國家經濟政策方面預計會出現重大變化，包括其對聯邦基金利率及稅收制度以及中美貿易關係的取態。同時，市場擔憂英國新的少數派政府是否具備足夠實力，與歐盟委員會進行有效而順利的脫歐談判。

恐怖襲擊及石油輸出國組織（「OPEC」）內部對於石油產量配額的分歧，導致地緣局勢緊張，將加劇大圍環境的不穩定。

有關人民幣（「人民幣」）的不明朗因素是另一個值得注意的風險因素。儘管人民幣已獲國際貨幣基金組織納入特別提款權（「特別提款權」）貨幣籃子，從而認可中國近期經濟發展，人民幣面對強勢美元時難免面對持續貶值的壓力。所造成的中國外匯儲備減少可能影響美國甚至全球經濟。

鑒於現時低迷的市場狀況，我們繼續開展企業及業務計劃，務求提高利潤率及股東價值。一方面，我們著手通過採取措施優化客戶群組合，並不斷淘汰低利潤率產品，以及提高經營效率，以提高盈利能力。此等措施雖然導致來自持續經營業務的營業額下跌，但毛利率提高至18%（二零一六年：15.9%）。另一方面，我們旨在透過持續的資產增值盡量提升股東價值。

Chairman's Statement

主席報告

Manufacturing Business

製造業務

Strategic Goals:

1. Achieve sustainable development through long-term capacity and business planning.
2. Affirm the Group's position as a partner of brand customers.
3. Provide an extensive range of production solutions for innovative products and services in support of customers' brand enhancement and promotional work.
4. Maintain diversification in manufacturing operations to help branded customers meet risk management needs.

Operational Objectives:

1. Consolidate product offerings to focus on high profit margin products with strong growth potential.
2. Attract and maintain a talent pool to support professional management.
3. Extend lean manufacturing and automation initiatives in our southern Vietnam and Cambodia factories.

Financial Targets:

1. Prudent management to sustain a strong financial position.
2. Maintain a healthy financial position.
3. Maintain a broadly stable dividend policy while seeking to deliver higher payouts if deemed appropriate.

戰略目標：

1. 透過長期產能及業務規劃，實現可持續發展。
2. 確立本集團作為品牌客戶夥伴的定位。
3. 為創新產品提供廣泛的生產解決方案及服務以支持客戶的品牌提升及推廣工作。
4. 在製造業務中維持多元化，以助品牌客戶滿足風險管理的需求。

業務目標：

1. 整合產品組合，專注於具優厚發展潛力的高利潤率產品。
2. 吸引及維持人才庫以支持專業管理。
3. 將精實生產及自動措施引入越南南部及柬埔寨工廠。

財務目標：

1. 審慎管理以維持強勁財務狀況。
2. 維持穩健的財務狀況。
3. 維持大致穩定的股息政策，同時在適當時候爭取更高派息。

Market-Driven Capacity Planning

The Group maintains a robust manufacturing platform primarily based in southern and central Vietnam and Cambodia, supplemented by facilities in Zhuhai, the People's Republic of China (the "PRC"). Relocation of production activities from PRC to Southeast Asia is an ongoing strategy in seeking to move from higher-cost to lower-cost bases. However, we currently intend to continue to operate a production center in PRC as a part of the Group's total production service offering, as well as a means to diversify overall operational risk. As validated by the performance of the Vietnam and Cambodia centers, our relocation efforts are believed to be on the right track at an appropriate pace, and have yielded satisfactory results.

The performance and developments of our different production centers will be discussed in greater detail in the Management Discussion and Analysis section. In summary, the southern Vietnam center has successfully built a solid geographical market mix with balanced sales to the US, Europe and Asia, enabling it to weather the shocks brought by the US withdrawal from the Trans-Pacific Partnership ("TPP") agreement.

As announced on 9 January 2017, a company was set up as joint venture with Evervan Group, to hold and develop the business operations in central Vietnam. Evervan Group has a strong background in the production of international top-of-the-line sports shoes, and operates facilities in different parts of Asia. Having considered the complementary expertise and market strengths of the two joint-venture partners, the Board anticipates synergies to be achieved through this collaboration. The Group currently holds 40% of this joint venture.

The joint-venture operation in central Vietnam will seek to broaden its customer base and product range, in particular to penetrate into the manufacturing of more high-end athletic products.

The Cambodia center underwent enhancement works during the year with the setting up of more sewing lines. We will seek to further improve its operational efficiency as this is key to fulfilling future orders.

市場帶動產能規劃

本集團維持強健的製造平台，主要基地位於越南南部及中部以及柬埔寨，並以中華人民共和國（「中國」）珠海市的設施作為補充。生產活動從中國搬遷至東南亞，乃貫徹從高成本基地向低成本基地轉移的持續策略。然而，我們現時有意繼續在中國經營生產中心，作為本集團總體生產服務的一部分，並有助分散整體經營風險。經越南及柬埔寨中心的表現所證實，相信我們的遷移行動正以合適的步伐走在正確的軌道上，並取得令人滿意的成績。

管理層討論及分析一節將更詳細地討論我們不同生產中心的表現及發展。總而言之，越南南部中心已成功建立穩固的地域市場組合，對美國、歐洲及亞洲的銷售取得平衡發展，令其能夠抵禦美國撤出跨太平洋夥伴關係（「TPP」）協定所帶來的衝擊。

誠如二零一七年一月九日所宣佈，與榮誠集團的合營公司已經成立，以持有及發展位於越南中部的業務營運。榮誠集團在生產國際高端運動鞋方面具有強勁背景，並在亞洲多個地區經營設施。經考慮兩家合營夥伴的互補專長及市場優勢，董事會預計將透過此合作實現協同效益。本集團目前持有該合營企業40%權益。

位於越南中部的合營業務將尋求擴大其客戶基礎及產品範圍，尤其是滲透至更多高端運動產品的生產。

柬埔寨中心於年內進行改進工程，並建立更多縫紉生產線。我們將尋求進一步提升經營效率，此舉對履行未來訂單十分重要。

Chairman's Statement 主席報告

Production in PRC was maintained at a satisfactory and stable level, but with expanding capacities in Southeast Asia, its proportionate contribution has decreased. The gradual restructuring and consolidation of resources in PRC will nonetheless continue to ensure a stable operation.

At 31 March 2017, approximately 85% of the production output was based in Vietnam and Cambodia while approximately 15% was retained in PRC. In the long run, it is expected that more than 90% of our production output will be located in Southeast Asia, where the Group can enjoy lower costs and more attractive tax and customs policies.

中國的生產維持在令人滿意及穩定的水平，但隨著東南亞的產能不斷擴大，中國生產的貢獻比例有所降低。然而，中國的逐步重組及資源整合將繼續確保穩定的營運。

於二零一七年三月三十一日，約85%的產量建基於越南及柬埔寨，而約15%的產能保留在中國。從長遠來看，預期我們90%以上的產量將位於東南亞，讓本集團可享受更低的成本及更具吸引力的稅收及關稅政策。



Lean Manufacturing in Vietnam and Cambodia

With strong experience in lean manufacturing in PRC, the Group has started going lean within the Vietnam and Cambodia factories. At the same time, the facilities are currently undertaking trial runs of a new modular production system engaging multi-skilled workers to take up multiple processes as a team. This system features team work and performance and enables quick response to changes in production requirements.

Compared to the traditional batch processing, the new system enables a typical production line to reduce worker deployment. Increased daily output, faster shipment and improved quality checking have also been recorded. Four trial production lines have been set up in southern Vietnam, and upon a review of the trial, more production lines will be set up under the modular system in both Vietnam and Cambodia.

Focus on Value Addition and Continuity

As the Group plans the geographical distribution of its production platform, facilities are expanded, downsized or relocated accordingly. Most importantly, in this process of ramping up or relocating facilities, the focus is always on maintaining their value-adding attributes and continuity in providing customized production services to clients.

越南及柬埔寨的精實生產

憑藉中國精實生產的強大經驗，本集團已開始在越南及柬埔寨工廠邁向精實生產。同時，該等設施目前正在進行新的小流水操作的試運行，安排擁有多種技能的工人組成團隊完成多個工序。該系統以團隊合作及表現為特點，並能夠快速回應生產要求的變化。

相比傳統的大流水操作，新系統下一般生產線可減少工人數目。新系統亦錄得日產量增加、付運速度加快及質量檢查改善。越南南部已建立四條試生產線，經檢討試運行後，更多小流水生產線將在越南及柬埔寨建立。

以增值及連續性為重

本集團計劃生產平台地域分佈的過程中，須相應地擴大、縮減或遷移設施。最重要的是，在提產及遷移設施過程中，我們能持續向客戶提供定制生產服務，並維持一貫的增值屬性及連續性。

Wherever the facilities are located, we continue to upgrade our ability to manage increasingly complex processes. We also constantly refine the work flow and production system, thus enabling us to increase the output per hour per production line at new facilities during the process of relocation from PRC to Southeast Asia. We are also pleased to report that the relocation process has not been at the expense of any compromise on product quality.

Retailing Business

In view of the difficult operating environment on the retail front, the Group decided to gradually wind down, discontinue or sell the entire retail operation in 2016. The divestment will remove further long-term impact from the retail unit on the Group's financial performance.

As discussed in the interim report of 2016/17, the operation of all retail businesses in Hong Kong and PRC have been discontinued. Despite some short-term negative impacts owing to one-off costs incurred, this decision will remove a major financial burden from the unit in fiscal year 2017/18.

OUTLOOK

Looking to fiscal 2017/18, the global economy is not expected to show significant growth. In light of the various game-changing events and factors of concern, management holds a cautious attitude towards the market and operating environment in the coming year.

The rise in the US Federal Reserve interest rate will remain a threat to the sales of our major customers, who continue to hold high inventory-to-sales ratios. The Group anticipates a challenging first half of 2017/18, but looks forward to some recovery in the second half after its customers clear out their inventories.

無論設施位於何地，我們不斷提升能力，以管理日益複雜的工序。我們亦不斷改進工作流程及生產系統，故而生產設施從中國遷至東南亞，新生產設施每條生產線的每小時產量錄得增長。我們亦欣然報告，搬遷過程並沒造成產品質量的折損。

零售業務

鑒於零售店舖的經營環境艱難，本集團於二零一六年決定逐步削弱、終止或出售整個零售業務。退出是項投資，將進一步消除零售業務分部對本集團財務表現的長期影響。

誠如二零一六／一七年年中期報告所討論，香港及中國的所有零售業務之業務營運已終止。儘管因產生一次性成本而出現部分短期負面影響，此決定將消除該分部於二零一七／一八財政年度的主要財務負擔。

前景

展望二零一七／一八財政年度，預計全球經濟不會出現顯著增長。鑒於多項重大突破性事件及擔憂因素，管理層對來年的市場及經營環境持審慎態度。

美國聯儲局加息仍會對我們主要客戶的銷售構成威脅，彼等繼續維持高存銷比。本集團預計，二零一七／一八年上半年充滿挑戰，但期待在客戶清理存貨後，下半年會有一定復甦。

Chairman's Statement

主席報告

Core Manufacturing Strengths

We continue to observe and adapt to market trends in order to stay competitive. Management notes that the trend continues to evolve towards a healthy lifestyle, which is a positive development for sportswear products. We will engage product development efforts/explore development opportunities in this direction in order to capture the trend.

Innovation and digitalization will be the main focus of management efforts in the coming year, as they represent the means by which we can deliver quality products, while at the same time accommodating increasingly short production lead times.

To this end, we will explore and apply innovative technologies, including “concept-line” lean manufacturing and automative processes that can raise operational efficiency and reduce our reliance on manual labor. In respect of digitalization, we will introduce technologies to enhance operational management, enabling real-time monitoring and faster work processes from production planning through to products delivery.

In another significant development through a joint venture with Evervan Group in central Vietnam, the Group has equipped itself with innovative new footwear technologies to expand its manufacturing operations into products outside the footwear arena.

Crashing oil prices and a weaker RMB and Vietnam Dong (“VND”) are favorable to the manufacturing business. Hence, the Group will continue with its development plans for southern Vietnam and Cambodia. On the other hand, the Group will cautiously evaluate the strategic role of its facilities in PRC, and will devise appropriate plans while closely monitoring the latest market developments.

The Group's strong customer relationships, together with the forward-looking strategy to relocate production facilities to Southeast Asia, are all favorable factors for the continued success of our future business and operations.

核心製造實力

我們繼續觀察及迎合市場趨勢以保持競爭力。管理層注意到，趨勢持續向健康生活模式發展，這對於運動服產品而言是正面發展。我們將在此方向開展產品開發工作／探索發展機會以把握趨勢。

創新及數字化將是來年管理工作的重點。兩項工作有助我們提供優質產品，同時讓生產週期日益縮短。

為此，我們將探索及應用創新技術，包括「概念化」精實生產及自動工序，可提高經營效率及減少我們對人工勞動力的依賴。就數字化而言，我們將引入技術加強經營管理，實現實時監控並加快從生產規劃到產品交付的工作程序。

與榮誠集團在越南中部成立合營公司的另一項重大發展中，本集團可掌握創新的新鞋履技術，可將其製造業務擴展到鞋履領域之外的產品。

油價暴跌以及人民幣及越南盾（「越南盾」）疲軟有利於製造業務。故此，本集團將繼續在越南南部及柬埔寨的發展計劃。另一方面，本集團將審慎評估在中國設施的策略角色，並將制定適當計劃，同時緊密監控最近期市場發展情況。

本集團穩健的客戶關係，連同將生產設施遷移至東南亞的前瞻性戰略，均有利於我們未來業務及營運取得持續成功。

As always, we will continue to be on the lookout for lucrative opportunities to further expand our business, with the ultimate aim of bringing greater value to our shareholders in the long-run.

Asset Enhancement

The Group holds certain assets to support its manufacturing activities and operations. In an effort to increase shareholder value, the Group has put in place an asset enhancement program to review the value of assets it holds against their functions.

As part of this program, the Group announced on 28 December 2016 the disposal of its subsidiary holding the site and manufacturing facilities in Zhongshan, the PRC, for a consideration of RMB168,000,000 (equivalent to approximately HK\$188,000,000). As the Zhongshan center has already ceased operation, the Board is of the view that it is in the best interest of the Company and the shareholders to realize the Group's investment in the subsidiary through this disposal. In addition, the disposal will generate an additional source of capital for the Group's business development or plans to capture other investment opportunities as and when they arise.

Cash proceeds from the disposal will be retained by the Company as working capital. Upon the Group's receipt of the remaining consideration in late July 2017, the Board may consider distributing a special interim dividend for the six months ending 30 September 2017.

The Group will also explore and evaluate the value of its Zhuhai facilities and may consider including this asset as a part of the asset enhancement program. A feasibility study is currently underway. However, we believe that it is beneficial to the Group's long-term development to maintain a manufacturing base in PRC. The Board will carefully evaluate the situation and explore any feasible solutions that can cope with both the overall relocation plan and risk management needs.

我們將一如既往地繼續物色可盈利機會以進一步擴大業務，最終目標是長遠為股東創造更大價值。

資產增值

本集團持有若干資產以支持生產活動及營運。為努力增加股東價值，本集團設立資產增值計劃以檢討所持資產的價值及功能。

作為此計劃的一部分，本集團於二零一六年十二月二十八日宣佈，出售在中國中山市持有地塊及生產設施的附屬公司，代價為人民幣168,000,000元（相當於約188,000,000港元）。由於中山中心已經停業，董事會認為，透過是次出售變現本集團於該附屬公司的投資符合本公司及股東的最佳利益。此外，是次出售將為本集團的業務發展或計劃產生額外的資本來源，以把握出現的其他投資機會。

是次出售所得現金款項將由本公司保留作營運資金。本集團於二零一七年七月底收取餘下代價後，董事會可能考慮派發截至二零一七年九月三十日止六個月的特別中期股息。

本集團亦將探索及評估珠海設施的價值，並可能考慮納入此項資產作為資產增值計劃的一部分。目前，我們正在進行可行性研究。然而，我們認為，在中國維持生產基地對本集團的長期發展有益。董事會將認真評估形勢，並探索可平衡整體遷移計劃及風險管理需求的任何可行解決方案。

Chairman's Statement

主席報告

CONCLUDING REMARKS

Kingmaker Footwear continues to build on its long track record of delivering outstanding success in varying economic climates, even in the face of severe headwinds and difficulties. We maintain our faith that we can steadily build our competitiveness in the years ahead, and our determination to turn challenges into opportunities by taking advantage of evolving consumer patterns and the continuing economic growth of PRC.

We firmly believe that our flexible business model, which enables us to rapidly adapt to new circumstances, markets and trends, will continue to underpin our position as a leading provider of footwear products in the Asia Pacific. This position is further supported by the resilience and adaptability of our loyal staff and the forward vision of our exceptional management team. This combination will ensure that we deliver sustained growth for many years in the future.

APPRECIATION

As always, the progress of our businesses in the face of challenging market conditions demonstrates the strength of the Group. I would like to thank my fellow directors, senior management and all our staff for their performance and devotion. I also wish to thank all our shareholders, suppliers, business partners and customers, whose support have contributed to our success in the past year.

By order of the Board
Chan Ho Man, Daniel
Chairman

Hong Kong, 28 June 2017

總結

信星鞋業擁有長期佳績，即使在不斷變化的經濟環境中，及面臨嚴峻的逆境及困難，均能取得卓越成就。我們有信心可在往後年度穩步建立競爭力，決心利用不斷變化的消費模式及中國持續經濟增長的趨勢，將挑戰轉化為機遇。

我們堅信，靈活的業務模式可使我們能夠快速適應新的情況、市場及趨勢，並將繼續鞏固我們作為亞太地區領先的鞋履產品供應商的地位。忠實員工團隊的應變及適應能力，以及傑出管理團隊的遠見卓識，進一步支持本集團鞏固市場地位。上述種種，將確保我們未來多年維持可持續增長。

致謝

一如既往，我們的業務在充滿挑戰的市場環境中取得進展，充分展現了本集團的實力。本人謹此感謝各位董事、高級管理層人員以及全體員工的表現及忠誠。本人亦謹此向全體股東、供應商、業務夥伴及客戶表示由衷謝意，您們的支持在過去一年對我們的成功作出寶貴貢獻。

承董事會命
陳浩文
主席

香港，二零一七年六月二十八日

Management Discussion and Analysis

管理層討論及分析



FINANCIAL RESULTS

The year ended 31 March 2017 was a challenging period for the footwear industry in the US and Europe. The Group's branded customers in the US were challenged by pressures from both weak retail traffic and a strong US Dollar, while retailers in the Europe also faced tough times under the threat of political instability and a consumer slowdown. Weakened retail sales have translated into slower orders for the Group.

At the same time, the Group has taken steps to enhance its clientele portfolio in an effort to shift its product mix towards higher-margin items. Consequently, turnover from continuing operations declined by 20.7% year on year to approximately HK\$1,830 million (2016: approximately HK\$2,308 million). Efforts to enhance the product mix have resulted in a 1.7% increase in the average selling price ("ASP") while business volume (pairs) dropped by 22.7%.

Gross margin continued to improve on the back of further enhanced efficiencies in the southern Vietnam and Cambodia production centers. The operation of retail unit has been discontinued by March 2017.

During the year, the increase in labor and salaries, including allowances and other benefits, was largely neutralized by the depreciation of the RMB and the VND. This neutralization was also helped by the efficiency enhancements achieved in Vietnam and Cambodia, which contributed to improved gross margins for these two centers. Salaries and wages decreased by 17.5% in Vietnam and increased by 3.1% in Cambodia, whereas the PRC recorded a drop of 51.7% on a reduced production scale.

財務業績

截至二零一七年三月三十一日止年度對美國及歐洲鞋履行業是深具挑戰的時期。零售人流疲弱及美元強勢重重施壓，令本集團在美品牌顧客面臨挑戰；而受政治動搖及消費縮減威脅，歐洲零售商同樣舉步維艱。零售銷售走弱導致本集團訂單放緩。

同時，本集團採取步驟提升客戶組合，致力將產品組合轉向更高利潤率的項目。因此，來自持續經營業務的營業額按年下降20.7%至約1,830,000,000港元（二零一六年：約2,308,000,000港元）。提升產品組合導致業務量（雙）下降22.7%，但平均售價（「平均售價」）上升1.7%。

越南南部及柬埔寨生產中心效益進一步提升，毛利率因而持續改善。零售業務分部之業務營運已於二零一七年三月終止。

年內，勞工及工資（包括津貼及其他福利）增幅大部分被人民幣及越南盾貶值所抵銷。越南和柬埔寨取得的效益提升同樣有助抵銷漲幅，拉動此兩大中心的毛利率。越南的薪資下降17.5%及柬埔寨上升3.1%，而中國則因生產規模縮減而下降51.7%。

Management Discussion and Analysis 管理層討論及分析



As a result of efficiency enhancements, subcontracting charges decreased further to approximately HK\$36 million (2016: approximately HK\$72 million), or 1.9% (2016: 3.1%) of turnover.

During the year, owing to downsizing certain facilities in the PRC, the Group incurred an impairment of property, plant and equipment from continuing operations of approximately HK\$1.6 million (2016: approximately HK\$12.3 million). There was also exchange loss from continuing operations of approximately HK\$6.5 million (2016: approximately HK\$10.3 million) on certain financial assets caused by the depreciation of the RMB.

A gain of approximately HK\$4.2 million was realized on the disposal of 60% equity interest in subsidiaries in central Vietnam. The realized gain is less than the initial estimated gain as disclosed in the Company's announcement dated 9 January 2017 primarily due to derecognition of the cumulative debit translation differences of these subsidiaries in the equity.

Net profit from continuing operations attributable to the equity holders of the Company grew 6.4% to approximately HK\$150 million (2016: approximately HK\$141 million).

Earnings per share for the year increased by 9.6% year on year to approximately HK19.05 cents (2016: approximately HK17.38 cents). In anticipation of ongoing strong cash generation from the manufacturing segment and the Group's healthy financial position, the Group pledges to continue its dividend policy of sharing results with shareholders.

由於效益提升，外發加工費用進一步減少至約36,000,000港元（二零一六年：約72,000,000港元）或佔營業額的1.9%（二零一六年：3.1%）。

年內，由於中國若干設施的規模縮減，本集團產生來自持續經營業務的物業、廠房及設備減值約1,600,000港元（二零一六年：約12,300,000港元）。人民幣貶值亦導致持續經營業務的若干財務資產產生匯兌虧損約6,500,000港元（二零一六年：約10,300,000港元）。

出售越南中部附屬公司60%之股權變現收益約4,200,000港元。所變現收益少於本公司日期為二零一七年一月九日之公佈所披露之初始估計收益，主要由於取消確認此等附屬公司權益中的累計借記換算差額所致。

本公司權益持有人應佔來自持續經營業務的純利增加6.4%至約150,000,000港元（二零一六年：約141,000,000港元）。

年內之每股盈利按年增加9.6%至約19.05港仙（二零一六年：約17.38港仙）。鑒於預期製造分部持續產生強勁現金流及本集團財務狀況穩健，本集團承諾將繼續採納與股東分享成果之股息政策。

Management Discussion and Analysis

管理層討論及分析

Accordingly, the Board recommended the payment of a final dividend and special dividend of HK5.5 cents (2016: HK5.2 cents) and HK4.5 cents (2016: HK4.0 cents) respectively, which together with the interim dividend of HK4.2 cents (2016: HK3.8 cents) and special dividend of HK3.8 cents (2016: Nil), represents a payout ratio of 94.5% (2016: 74.8%).

Healthy financial ratios were maintained during the year:

- Debtors' turnover was reduced from 32 days for the year ended 31 March 2016 to 31 days for the year ended 31 March 2017;
- Stock turnover was 76 days as compared to last year's 84 days;
- Creditor turnover was 79 days compared to last year's 74 days;
- Strong liquidity with net cash in hand of approximately HK\$776 million (2016: approximately HK\$666 million) as at 31 March 2017;
- Quick ratio changed from 1.3 as at 31 March 2016 to 1.8 as at 31 March 2017.

OPERATIONAL REVIEW

During the year, to cope with a slackened demand for casual footwear, the Group adjusted its overall strategy with emphasis on asset and efficiency enhancements instead of capacity expansion. The Vietnam and Cambodia production centers have been ramped up to smooth and efficient production, with their lines adjusted to accommodate the new product mix. As the relocation process continued, production in Zhuhai and Jiangxi, the PRC has been scaled down and facilities were leased out or in the process of disposal. This will allow the Group to derive a higher overall yield from the assets it owns. In June 2017, the Group has received from the Yifeng County Land and Resources Bureau a notice of idle land investigation in respect of the land on which the Group's facilities in Jiangxi are located. The Group will provide all necessary information to the land authority to cooperate with such investigation. Further update on this will be provided by the Company as and when appropriate.

因此，董事會建議派發末期股息及特別股息分別5.5港仙（二零一六年：5.2港仙）及4.5港仙（二零一六年：4.0港仙），連同中期股息4.2港仙（二零一六年：3.8港仙）及特別股息3.8港仙（二零一六年：零），派息率為94.5%（二零一六年：74.8%）。

本集團於年內維持穩健之財務比率：

- 總收賬周轉天數從截至二零一六年三月三十一日止年度之32日減至截至二零一七年三月三十一日止年度之31日；
- 存貨周轉天數為76日，相較去年為84日；
- 應付賬款周轉天數為79日，相較去年為74日；
- 於二零一七年三月三十一日，流動資金強勁，手頭現金為約776,000,000港元（二零一六年：約666,000,000港元）；
- 速動比率從二零一六年三月三十一日之1.3變動至於二零一七年三月三十一日之1.8。

營運回顧

年內，為應對便服鞋需求放緩，本集團調整整體策略，將重點放於資產及效率提升而非產能擴張。越南及柬埔寨生產中心已達產至平穩及高效的生產，其生產線並已調整以適應新產品組合。隨著遷移過程的持續，中國珠海及江西的生產規模已縮減而設施已租出或正在出售。此舉將讓本集團從自有資產取得更高的整體收益率。於二零一七年六月，本集團就一幅地塊（本集團於江西的設施所在地）自宜豐縣國土資源局接獲閒置土地調查通知書。本集團將向土地管理局提供所需資料配合該調查。本公司將適時就此提供更新資料。

Management Discussion and Analysis

管理層討論及分析

A joint-venture partner has been introduced to the operation in central Vietnam with the aim of expanding its customer portfolio and skill sets. At the same time, an upgrade of production facilities in southern Vietnam has delivered higher productivity, and in the longer term will help the center cope with new and more innovative products. The Group continued to maintain flexibility in manufacturing in order to preserve and improve profitability in the face of rapid market changes.

Manufacturing Business

As at the year-end date, the Group has a total of 32 production lines: 18 in Vietnam, 10 in Cambodia, and 4 in Zhuhai, the PRC. These facilities, aggregating to an annual capacity of around 17 million pairs, were approximately 85% utilized (2016: approximately 86%).

The Group's production network also includes research and development ("R&D") centers, located in southern Vietnam, Cambodia and the PRC, as well as two outsole factories also in operation in southern Vietnam and Cambodia. The R&D centers have been able to deliver fruitful development solutions for customers, while the outsole factories provide additional value-added production services.

Key developments in the Group's production centers include:

Vietnam

The southern Vietnam production center continued to mature and the expansion of facilities on a site adjacent to the existing plant has been completed. Despite the US exit from the Trans-Pacific Partnership ("TPP") trade pact, the southern Vietnam center was able to enhance its contribution to the Group by improving its efficiency and cost control.

The operation of joint venture with Evervan Group in central Vietnam started in March 2017. It is at the operation's earlier set-up stage. The management is optimistic of the future development of this unit.

越南中部的業務已引入合營夥伴，旨在擴大其客戶組合及技能配套。同時，越南南部生產設施的升級提供更高生產力，較長遠可助該中心應對新產品及更多創新產品所需。本集團繼續維持靈活生產，以便在面對市場迅速轉變時保持及提高盈利能力。

製造業務

於年結日，本集團共有32條生產線，分別位於越南（18條生產線）、柬埔寨（10條生產線）及中國珠海（4條生產線）。此等設施之年產能合共為約17,000,000雙鞋履，年度之使用率約為85%（二零一六年：約為86%）。

本集團的生產網絡亦包括分別位於越南南部、柬埔寨及中國的研究及發展（「研發」）中心，以及位於越南南部及柬埔寨的兩間鞋底生產廠房。研發中心能夠為客戶提供卓有成效的產品發展方案，而鞋底生產廠房則提供額外的增值生產服務。

本集團生產中心的主要發展包括：

越南

越南南部生產中心繼續走向成熟，毗鄰現有廠房地盤上的設施擴建已經完成。儘管美國退出跨太平洋夥伴關係（「TPP」）貿易協定，越南南部中心仍能通過提高效率及控制成本而增加對本集團的貢獻比例。

與榮誠集團成立的合營企業於二零一七年三月在越南中部開始營業，業務在成立初期階段，管理層對該分部的未來發展持樂觀態度。

Management Discussion and Analysis

管理層討論及分析

According to the business plan of the joint venture, the existing three production lines in the central Vietnam plant are expected to be modified to suit new production requirements. By the end of 2017, the number of production lines is expected to increase to 10. By the end of 2018, another 10 new production lines is planned to install, and it is expected that the annual production volume can reach 7 million pairs after the second-phase expansion. It is also expected that the joint venture will help lead the Group's foray into more complicated and innovative athletic footwear products. According to this plan, the Group is committed to finance the joint venture in proportion to the equity interest owned by the Group in the coming year for its further development.

The Vietnam production base as a whole contributed 65.1% (2016: 62.9%) of total volume output, an increase of 2.2% year on year.

Cambodia

The center underwent further enhancement during the year and more sewing lines have been set up. It contributed 20.8% (2016: 13.5%) of total output in terms of pairs of footwear, up 7.3% year on year.

The growth and maturing of the Group's Southeast Asia production base is evidenced by a 9.5% year-on-year growth of its regional output to 85.9% of total production (2016: 76.4%) in terms of pairs of footwear.

PRC

Four production lines remained in operation in Zhuhai, mainly for the production of footwear products with higher complexity and commanding higher margins, to cope with the rising costs in coastal China. The Group will further upgrade the R&D capabilities of this center to enable it to meet the requirements of innovative products. At the same time, the Group remains open to consider any opportunity of capitalization or redevelopment potential of its assets and facilities in the PRC.

根據合營企業的業務規劃，越南中部廠房的現有三條生產線預期將予修改以適應新的生產需要。截至二零一七年年底，生產線數量預期增加至10條。截至二零一八年年底，計劃安裝另外10條新生產線，預計第二階段擴張後年產量可達致7,000,000雙。同時預計合營企業將幫助本集團進軍更為複雜及創新的運動鞋履產品。根據此計劃，本集團承諾按本集團所擁有的股權比例在來年為該合營企業提供資金，供其作進一步發展。

越南生產基地整體貢獻總產量的65.1%（二零一六年：62.9%），按年比增加2.2%。

柬埔寨

該中心年內完成進一步改進工程，並建立更多縫紉生產線。按鞋履雙數計，該中心貢獻總產量的20.8%（二零一六年：13.5%），按年比上升7.3%。

按鞋履雙數計，東南亞地區產量佔總產量的85.9%（二零一六年：76.4%），按年比增長9.5%，足以證明本集團東南亞生產基地日益發展及成熟。

中國

珠海仍有四條生產線，主要生產複雜程度更高及具有更高利潤率的鞋履產品，以抵銷中國沿海地區不斷上升的成本。本集團將進一步提升該中心的研發能力以滿足創新產品的需要。同時，本集團仍可考慮其在中國的資產及設施的任何資本化機會或重新開發潛力。

Management Discussion and Analysis 管理層討論及分析

As a result of the cessation of operations at the Zhongshan factory in September 2016, the contribution of PRC facilities to overall output dropped to 14.1% (2016: 23.7%).

Geographically, Asian and European markets remained stable. Turnover to the US remained stable to approximately 20.9% (2016: 20.8%), while European markets drop to approximately 31.6% (2016: 32.9%). Major growth markets in Asia and other regions included the PRC, South Korea, Australia and Russia, and this segment accounted for 47.5% (2016: 46.3%) of total turnover.

Athleisure and premium casual footwear were still the major products of the Group, which accounted for 69.4% (2016: 64.1%) of turnover. Children and infant's footwear and rugged products generated 18.2% (2016: 26.2%) and 12.4% (2016: 9.7%) of turnover respectively.

The Group was able to utilize its flexible production capability to cope with changing customer preferences. The ongoing strategy is to consistently shift to higher-margin products and brands. We will cautiously monitor the customer portfolio and product mix, and adjust our production capacities according to market trends.

Major customers for the year included Asics, Clarks, New Balance, Skechers and Wolverine, with their aggregate contribution remaining quite stable throughout the past few years. During the year, they contributed 93.5% (2016: 91.9%) of total turnover.

The Group received gross rental income of approximately HK\$8.6 million (2016: approximately HK\$8.6 million) mainly for the leasing of part of the existing manufacturing plants located in Zhuhai and Jiangxi, the PRC, to independent third parties under operating leases arrangements. Fair value losses on revaluation of these investment properties of approximately HK\$1.7 million (2016: loss of approximately HK\$8.7 million) were recorded for the year under review.

由於中山工廠已於二零一六年九月停業，中國設施對總產量的貢獻降至14.1%（二零一六年：23.7%）。

地域方面，亞洲及歐洲市場維持穩定。美國市場的營業額穩定維持在約20.9%（二零一六年：20.8%），而歐洲市場跌至約31.6%（二零一六年：32.9%）。亞洲及其他地區的主要增長市場包括中國、南韓、澳洲及俄羅斯，而該分部合共佔總營業額的47.5%（二零一六年：46.3%）。

運動便服鞋及優質便服鞋仍是本集團主要產品，佔營業額的69.4%（二零一六年：64.1%）。嬰幼兒鞋履及豪邁型產品分別佔營業額的18.2%（二零一六年：26.2%）及12.4%（二零一六年：9.7%）。

本集團能夠利用靈活的產能應對不斷變化的消費者喜好。現時策略是不斷轉化至更高利潤率的產品及品牌。我們將持續監控客戶及產品組合，並根據市場趨勢調整產能。

本年之主要客戶包括Asics、Clarks、New Balance、Skechers及Wolverine，彼等的合共貢獻於過往數年保持大致穩定。年內，彼等貢獻總營業額的93.5%（二零一六年：91.9%）。

本集團主要就根據經營租約安排將位於中國珠海及江西之現有生產廠房部分租賃予獨立第三方而收取租金收入總額約8,600,000港元（二零一六年：約8,600,000港元）。回顧年度重估該等投資物業之公平值虧損錄得約1,700,000港元（二零一六年：虧損約8,700,000港元）。

Management Discussion and Analysis

管理層討論及分析

Retailing Business

The retail unit gradually ceased operation since September 2016. Turnover during the year decreased by HK\$12 million, to approximately HK\$23 million (2016: approximately HK\$35 million). The impact of the unit's termination, including all the inventories and major possible expenditure, has been accounted for in the results of this year.

Establishment of Joint Venture and disposal of subsidiaries

As disclosed in the Company's announcement dated 9 January 2017, the Group proposed to establish a joint venture with Evervan Group and transfer the entire interests in Star Praised Limited, Kingmaker III (Vietnam) Footwear Co. Ltd, Empress Choice Limited and Maystar (Vietnam) Footwear Co. Ltd to the joint venture to hold and develop the business operations in central Vietnam. The establishment of the joint venture and the disposal of the above companies to the joint venture had been completed in February 2017, and thus the above companies had ceased to be subsidiaries of the Group. The Group currently holds 40% of the joint venture.

Subsequent Event

On 28 December 2016, the Group as vendor entered into a sale and purchase agreement with a purchaser for the disposal of a subsidiary ("Kingmaker Zhong Shan") holding the site and manufacturing facilities in Zhongshan, the PRC, for a consideration of RMB168,000,000 (equivalent to approximately HK\$188,000,000). The registration process with the relevant industrial and commercial administration in the PRC in respect of the transfer of the entire equity interest in Kingmaker Zhong Shan had been completed in April 2017. Pursuant to the sale and purchase agreement, 50% of the consideration had already been released by the escrow agent to the Group, while the remaining 50% of the consideration is expected to be released by the escrow agent to the Group before late July 2017 on the condition that the Group has settled all the encumbrances (including but not limited to taxes, penalties, utility charges, etc) incurred by Kingmaker Zhong Shan prior to the date of completion, failing which the purchaser is entitled to deduct the amount equals to such encumbrances from the payment of the remaining consideration. Further update will be provided by the Company as and when appropriate.

零售業務

零售分部自二零一六年九月起逐步停業。年內營業額減少12,000,000港元至約23,000,000港元(二零一六年:約35,000,000港元)。該分部終止的影響(包括所有存貨及主要可能開支)已於本年度業績列賬。

成立合營企業及出售附屬公司

誠如本公司日期為二零一七年一月九日之公佈所披露,本集團擬與榮誠集團成立合營企業,並向合營企業轉讓其於Star Praised Limited、Kingmaker III (Vietnam) Footwear Co. Ltd、Empress Choice Limited及Maystar (Vietnam) Footwear Co. Ltd之全部股權,以於越南中部持有及開發業務。成立合營企業及向合營企業出售上述公司已於二零一七年二月完成,因此,上述公司不再為本集團之附屬公司。本集團目前持有合營企業40%股權。

報告期後事項

於二零一六年十二月二十八日,本集團(作為賣方)與買方就出售一間附屬公司(「順星中山」,持有位於中國中山的一塊地盤及生產設施)訂立買賣協議,代價為人民幣168,000,000元(相當於約188,000,000港元)。有關轉讓順星中山之全部股權向中國相關工商行政管理局辦理登記程序已於二零一七年四月完成。根據買賣協議,代價之50%已由託管代理向本集團發放,而餘下50%代價預期將由託管代理於二零一七年七月底前向本集團發放,條件為本集團已清償順星中山於完成日期前產生之所有產權負擔(包括但不限於稅項、罰款、公共設施費用等),倘未能達成此項條件,買方將有權自餘下代價之付款中扣除相等於有關產權負擔之金額。本公司將於適時提供進一步更新資料。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group generally finances its operation by internally generated cashflow and banking facilities provided by its bankers.

Prudent financial management and selective investment criteria have enabled the Group to maintain a strong financial position. As at 31 March 2017, the Group's cash and cash equivalents were approximately HK\$776 million (2016: approximately HK\$666 million).

The Group is substantially debt-free. As at 31 March 2017, the Group had banking facilities amounted to an aggregate sum of approximately HK\$99 million (2016: approximately HK\$99 million) with various banks. Out of the trade and overdraft banking facilities of approximately HK\$99 million (2016: approximately HK\$99 million) in Hong Kong being granted to the Group, approximately HK\$0.8 million (2016: approximately HK\$1.3 million) had been utilized as at 31 March 2017.

For the year ended 31 March 2017, the current ratio was approximately 2.07 (2016: approximately 1.62) based on current assets of approximately HK\$1,152 million and current liabilities of approximately HK\$556 million and the quick ratio was approximately 1.79 (2016: approximately 1.27).

As at 31 March 2017, the Group did not have any interest-bearing bank borrowings.

The Group will continue to maintain conservative cash flow management to sustain a strong cash position. Having considered the major expansion plans of the Group, including Vietnam and Cambodia in the next two to three years, the Directors are of the opinion that the Group has adequate liquidity to meet its current and future working capital requirements on its operations and expansion.

財務回顧

流動資金及財務資源

本集團一般以內部產生之現金及其往來銀行提供之銀行信貸為其業務提供資金。

審慎理財及選擇性投資，令本集團之財政狀況維持穩健。於二零一七年三月三十一日，本集團之現金及等同現金項目約為776,000,000港元（二零一六年：約666,000,000港元）。

本集團基本上並無債項。於二零一七年三月三十一日，本集團獲得多間銀行之信貸總額度約為99,000,000港元（二零一六年：約99,000,000港元）。本集團獲授予之香港貿易及透支之銀行信貸約99,000,000港元（二零一六年：約99,000,000港元）當中，於二零一七年三月三十一日已動用約800,000港元（二零一六年：約1,300,000港元）。

截至二零一七年三月三十一日止年度，流動比率約為2.07（二零一六年：約1.62），此乃按流動資產約1,152,000,000港元及流動負債約556,000,000港元之基準計算，而速動比率則約為1.79（二零一六年：約1.27）。

於二零一七年三月三十一日，本集團並無任何計息銀行借貸。

本集團將繼續維持保守之流動現金管理，以鞏固現金狀況。經考慮本集團於未來兩至三年包括在越南及柬埔寨進行之主要擴充計劃，董事認為本集團具備充足之流動資金以應付其目前及日後營運及拓展之營運資金需求。

Management Discussion and Analysis

管理層討論及分析

Foreign Exchange Risk Management

Most of the Group's assets and liabilities, revenue and expenditure are denominated in Hong Kong dollars, the RMB, the VND and the US dollars ("USD"). It is the Group's policy to adopt a conservative approach on foreign exchange exposure management.

However, the Group will continue to monitor its foreign exchange exposure and market conditions to determine if any hedging is required. The Group generally finances its operation with internal resources and bank facilities provided by banks in Hong Kong. Interest rates of borrowings are fixed by reference to the Hong Kong Inter-Bank Offered Rate or the London Inter-Bank Offered Rate.

The Group's treasury policies are designed to mitigate the impact of fluctuations in foreign currency exchange rates arising from the Group's global operations and to minimize the Group's financial risks. As a measure of additional prudence, the Group cautiously uses derivative financial instruments, principally forward currency contracts as appropriate for risk management purposes only, for hedging transactions and for managing the Group's receivables and payables.

The exposure to foreign currency of the Group mainly arose from the net cash flows and the net working capital translation of its PRC and Vietnam subsidiaries. The management of the Group will actively hedge the foreign currency exposures through natural hedges, forward contracts and options, if consider necessary. The management of currency risk is centralised in the headquarter of the Group in Hong Kong.

外匯風險管理

本集團大部分之資產與負債及收益與開支主要以港元、人民幣、越南盾及美元（「美元」）計值。採用保守方法管理外匯風險乃本集團之政策。

然而，本集團將繼續監控其外匯風險及市場狀況，以確定是否需要採取對沖措施。本集團一般以內部資源及香港銀行所提供之銀行融資作為營運所需資金。借貸利率按香港銀行同業拆息率或倫敦銀行同業拆息率釐定。

本集團之財務政策旨在減輕本集團於環球業務所帶來之外幣匯率波動之影響，以及將本集團之財務風險降至最低。本集團採用一項更為審慎之措施，審慎運用衍生金融工具（主要為遠期貨幣合約（如適用）僅作風險管理之用）以作對沖交易及管理本集團應收賬項及應付賬項之用。

本集團面臨之外匯風險主要來自其中國及越南附屬公司之現金流量淨額及營運資金淨額之換算。本集團管理層將於有需要時積極利用自然對沖、遠期合約及期權方式對沖外匯風險。貨幣風險集中由本集團之香港總部管理。

Management Discussion and Analysis

管理層討論及分析

Capital Structure

Shareholders' equity increased to approximately HK\$1,146 million as at 31 March 2017 (2016: approximately HK\$1,132 million). As at 31 March 2017, the Group did not have any interest-bearing bank borrowings (2016: nil), resulting nil% (2016: nil%) of the shareholders equity.

EMPLOYMENT AND REMUNERATION POLICIES

The Group, including its subsidiaries in Hong Kong, Taiwan, the PRC, Vietnam and Cambodia, employed approximately 11,000 employees as at 31 March 2017. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Share options and awarded shares may also be granted in accordance to the terms of the Group's approved share option scheme and share award scheme, respectively.

股本架構

股東權益增加至二零一七年三月三十一日約1,146,000,000港元(二零一六年:約1,132,000,000港元)。於二零一七年三月三十一日,本集團並無任何計息銀行借貸(二零一六年:零),因而佔股東權益比例為零%(二零一六年:零%)。

僱員及薪酬政策

於二零一七年三月三十一日,本集團(包括其於香港、台灣、中國、越南及柬埔寨之附屬公司)共聘用約11,000名員工。本集團之薪酬政策主要根據現時之市場薪酬水平,以及各公司及員工個別之表現為基準釐定。本集團亦可根據本集團批准之購股權計劃及股份獎勵計劃之條款分別授出購股權及獎勵股份。

Environmental, Social and Governance Report

環境、社會及管治報告

Kingmaker Footwear Holdings Limited and its subsidiaries (the “Group”, or we/our”) is actively searching for every opportunity to understand and engage our stakeholders to ensure improvement can be implemented to our products and services. We strongly believe our stakeholders play a crucial role in sustaining the success of our business.

信星鞋業集團有限公司及其附屬公司（「本集團」）正主動尋求每一次與持份者增進了解及交流的機會，以確保改進我們的產品及服務。我們堅信，持份者在我們持續取得業務成功方面扮演著至關重要的角色。

Stakeholders 持份者	Possible concerned issues 可能相關的事宜	Communication and responses 溝通與回應
HKEx 香港交易所	Compliance of listing rules, timely and accurate announcements. 遵守上市規則，及時準確地刊發公佈。	Meetings, training, workshops, programs, website updates and announcements. 會議、培訓、工作坊、計劃、網站更新及公佈。
Government 政府	Compliance of laws and regulations, preventing tax evasion, and social welfare. 遵守法律法規、防止逃稅，及社會福利工作。	Interaction and visits, government inspections, tax returns and other information. 互動及拜訪、政府視察、納稅申報及其他資料。
Suppliers 供應商	Payment schedule, stable demand. 付款時間表、穩定需求。	Site visits. 實地拜訪。
Investors 投資者	Corporate governance system, business strategies and performance, investment returns. 企業管治制度、業務策略及表現、投資回報。	Organizing and participating in seminars, interviews, shareholders’ meetings, financial reports or operation reports for investors, media and analysts. 組織及參與為投資者、媒體及分析師舉辦的研討會、訪談、股東大會，向彼等提供財務報告或營運報告。



Environmental, Social and Governance Report

環境、社會及管治報告

Stakeholders 持份者	Possible concerned issues 可能相關的事宜	Communication and responses 溝通與回應
Media & Public 媒體及公眾	Corporate governance, environmental protection, human right. 企業管治、環保、人權。	Issue of newsletters on the Company's web site. 在本公司網站上發佈快信。
Customers 客戶	Product quality, delivery times, reasonable prices, service value, labour protection and work safety. 產品質素、交付時間、合理的價格、服務價值、勞工保護及工作安全。	Site visits, after-sales services. 實地拜訪、售後服務。
Employees 僱員	Rights and benefits, employee compensation, training and development, work hours, working environment. 權利及福利、僱員補償、培訓與發展、工作時數、工作環境。	Conducting union activities, trainings, interviews, internal memos, employees' suggestion boxes. 開展工會活動、培訓、訪談、存置內部備忘錄、設立僱員意見箱。
Community 社區	Community environment, employment and community development, social welfare. 社區環境、僱傭與社區發展、社會福利。	Developing community activities, employee voluntary activities and community welfare subsidies and donations. 開展社區活動、僱員義工活動、社區福利補貼及捐贈。



Environmental, Social and Governance Report

環境、社會及管治報告

PART A. ENVIRONMENTAL

Overview

At Kingmaker, we deeply believe that the quality of environmental management is very important to our long-term success. Our commitments to the environmental sustainability extends to each of our Business Units. Our priority is to protect the environment and our target is to minimize environmental impact by adopting world's leading practices in our activities.

We strive to operate in a 'green' office by improving energy efficiency, addressing waste management, supporting environmental education and minimizing the negative impact on the environment.

The Group has established a set of management policies, mechanisms and measures on environmental protection and natural resources conservation to help ensure the sustainable development and operation of the Group.

We respect the environment and are committed to minimizing the carbon footprints as a socially responsible enterprise. Carbon footprint is defined as the total amount of direct and indirect emission of Green House Gases (GHGs) expressed in terms of the equivalent amount of emission of Carbon Dioxide.

Emissions

The Group ensures that internal guidelines and procedures complying with the relevant laws and regulations in relation to operations, production and working environment are in place.

A部. 環境

概覽

在信星，我們深信環境管理質素對集團的長遠成功至關重要。我們致力將環境的可持續發展延伸至每個業務單元。我們的首要任務是保護環境，我們的目標是在業務中採用世界領先之慣例盡量減輕對環境的影響。

我們致力通過提升能源效率、注重廢棄物管理、支持環保教育等措施，努力營造「綠色」的辦公環境，盡量減輕對環境的負面影響。

本集團已制定一套有關環境保護及自然資源保護的管理政策、機制及措施，以確保本集團的可持續發展及經營。

作為一家社會責任企業，我們注重環境，矢志將碳足跡降至最低。碳足跡定義為溫室氣體的直接及間接排放總量，以二氧化碳排放等量表示。

排放物

本集團確保已制定遵守業務營運、生產及工作環境相關法律法規的內部指引及程序。



Environmental, Social and Governance Report

環境、社會及管治報告

Total Hazardous Waste & Non – Hazardous Waste

If some production needs to use volatile organic compounds, the Company will install exhaust fans in the production station. In the daily operation, the staff are trained to use materials carefully in order to reduce the waste.

Solid Waste

All employees are given durable cups and bottles at the pantry to eliminate the use of paper cups and plastic bottles. Reducing the waste resulting from our manufacturing processes is one of our important targets. Statistics of waste are recorded monthly in order to keep track of the volume of disposal of solid waste.

Hazardous Material

We are seriously concerned about the disposal of hazardous waste and require 100 percent compliance with Part d of Article 36, Chapter V of the Vietnam Law on Environmental Protection in the process of our production which states that companies must have adequate equipment and apparatus for collection of ordinary solid waste and hazardous waste and satisfy the requirements on receipt of waste already classified at source from establishments located within manufacturing, business and service zones. We dispose hazardous waste through qualified local processors.

Use of key resources

The impact of our manufacturing process on the natural resources is not significant while our manufacturing is mainly in the nature of labour-intensive, handmade approach in footwear production.

The Group complies with laws and regulations regarding the efficient use of resources, including energy and water.

有害廢棄物及無害廢棄物總量

倘若生產需使用揮發性有機化合物，本公司將在生產車間安裝排風機。在日常管理過程中，員工接受培訓以小心使用原材料並減少廢棄物。

固體廢棄物

全體僱員於茶水間獲提供耐用水杯和水瓶，從而杜絕使用紙杯和塑料瓶。減少製造過程產生的廢棄物是我們的重要目標之一。廢棄物數據統計會每月記錄，以追蹤固體廢棄物處置量。

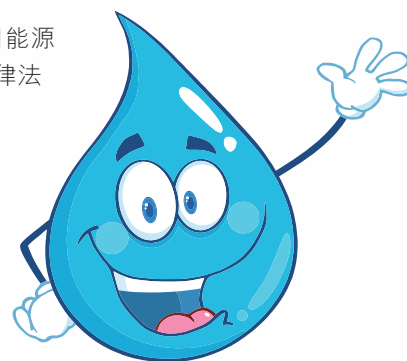
有害原材料

我們嚴格關注有害廢棄物的處置，要求在生產過程中完全遵守越南環境保護法第五章第三十六條第四款的規定，當中訂明公司必須有足夠的設備和裝置收集普通固體廢棄物和有害廢棄物，並滿足要求接納源自製造、商業和服務區內企業的已分類廢棄物。我們透過合資格本地加工商處置有害廢棄物。

主要資源的使用

雖然我們的生產主要集中在勞動密集型性質，以手工製作鞋類產品，但我們的生產流程對自然資源的影響並不顯著。

本集團遵守高效利用能源及水等資源方面的法律法規。



Environmental, Social and Governance Report

環境、社會及管治報告

Energy and Water Usage Efficiency

We fully understand the importance of conserving energy and reducing greenhouse gas emission.

Electricity consumption by us has been significantly reduced after we have implemented the conservation practices to reduce the carbon footprint. The practices includes:

1. Written notices are placed in the conspicuous area and fixed on the wall to alert our staff about resources saving;
2. Electricity appliances including the air conditioning units are switched off during lunch hours and after office hours;
3. Indoor temperature is maintained at 24 degrees or above to reduce unnecessary waste;
4. All office photocopiers are equipped with environmentally friendly paper with the practice of double-sided printing;
5. Most of the waste produced by the production is handed over to the professional recycling service provider;
6. The automatic water saving taps are installed in the bathrooms and toilets.

PART B. SOCIAL

Our employees are our most valuable assets, and we believe that our corporate culture is their source of inspiration. Our goal is to create a working environment that encourages diversity and respect for all while enabling each employee to exhibit individuality and creativity. To achieve this goal, our management team establishes business strategies and regularly updated business development plan of the Group.

We focus on 3 main areas for social responsibility: **Employment and Labour Practices**: Employment, Health and Safety, Development and Training as well as Labour Standards; **Operational Practices**: Supply Chain Management, Product Responsibility, Anti-corruption; **Community**: Community Investment.

能源及用水效率

我們充分理解節約能源及減少溫室氣體排放的重要性。

在我們實施保護措施降低碳足跡後，耗電大幅下降。這些措施包括：

1. 在顯眼位置張貼書面通知並固定於牆面，提醒員工節約資源；
2. 在午餐時間和下班後關閉所有電器，包括空調；
3. 室內溫度保持在24度或以上，以減少不必要的浪費；
4. 所有辦公室複印機都配有環保紙，並且慣常使用雙面列印；
5. 生產過程產生的大部分廢棄物轉交專業回收服務供應商進行回收；
6. 盥洗室已安裝自動節水龍頭。

B部. 社會

我們的僱員是最寶貴的資產，而我們堅信，企業文化是彼等的靈感源泉。我們的目標是創造一個鼓勵多元化、尊重人人的工作環境，同時讓每名僱員能夠展示個性和創造力。為實現這一目標，我們的管理層制定業務策略並定期更新集團的業務發展計劃。

我們注重社會責任的三大層面：**僱傭及勞工準則**：僱傭、健康與安全、發展及培訓以及勞工準則；**營運慣例**：供應鏈管理、產品責任、反貪污；**社區**：社區投資。

Environmental, Social and Governance Report

環境、社會及管治報告

Employment

The Group from time to time reviews its policies relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare of the employees.

We strictly comply with local laws and regulations and are committed to providing our employees with benefits including statutory holidays, annual leave, marital leave, maternity leave and employee medical insurance, etc.

Team profile

Kingmaker operates across the border, with our operational presence in Hong Kong, Taiwan, the PRC, Vietnam and Cambodia. We welcome industrial experts to join our team to add value to our pool of professional expertise of the industry and bring in stimulating innovative ideas. As at 31 of March, 2017, the number of total employees of our footwear manufacturing operations exceeded 11,000.

Health and Safety

The Group complies with the relevant local laws and regulations in relation to employment and labour practices that have significant impact on the Group (such as employee compensation, health and safety, occupational hazards, etc.). The Group currently has a “Labour safety policy” to protect the safety of employees.

For specific types of work in the daily operations our employees need to wear the appropriate gear, for example, in the case of trimming, responsible staff need to wear earplugs; when using glue, the workers need to wear gloves; and when using dusting machines, the workers need to wear masks. The Vietnam factory has a “Safety improvement team” to check whether the workers wear the proper work gear on a regular basis.

僱傭

本集團不時檢討其賠償及解僱、招募及晉升、工作時數、休息時間、平等機會、多元化、反歧視以及其他僱員利益及福利相關政策。

我們嚴格遵守當地法律法規，致力於為員工提供福利，包括法定假日、年假、婚假、產假和僱員醫療保險等。

團隊簡介

信星的業務遍佈不同地區，於香港、台灣、中國、越南及柬埔寨均設有業務據點。我們歡迎行業專才加入我們的團隊，為我們的專業知識庫增值，激發新的創新理念。截至二零一七年三月三十一日，鞋類製造業務僱員總數超過11,000人。

健康與安全

本集團遵守對本集團有重大影響的當地有關僱傭及勞工慣例（如僱員報酬、健康與安全、職業性危害等）方面的相關法律法規。本集團現設「勞工安全政策」，以保障僱員安全。

在日常運作中的特定作業類別，僱員需穿戴適當的裝備，例如於修剪時，負責的員工需佩戴耳塞；使用膠水時，工人需穿戴手套；使用除塵機時，工人需佩戴口罩。於越南廠房更設有「安全改進小組」，定期檢查工人是否穿戴適當的作業裝備。

Environmental, Social and Governance Report

環境、社會及管治報告

In addition, the Group provides regular training to different level of employees, including occupational safety and first aid knowledge. Local law in Vietnam stipulates that for every 100 employees employed in the industrial area, one of them is required to hold a first aid certificate. The Vietnam factory also provided physical examinations for all employees every year.

The Group has developed “Work safety and health policy” to make sure that all our staff can get proper care and medical treatment in case of occurrence of any injury during the work process.

Labour Standard

The Group complies with the laws and regulations applicable to the various production bases as well as the relevant international human rights conventions relating to preventing child and forced labour. The Group’s policies aim is to promote the principles of fairness and the human rights policies.

The Group has established a “Staff handbook” which clearly defines the rights of our employees. Employees are not discriminated in the workplace in the following areas: recruitments, salaries, promotions, disciplinary actions, dismissals, and retirements, etc. because of their backgrounds in gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or participation in social organization.

此外，本集團會定期對不同層次的僱員提供培訓，包括職業安全和急救知識。越南地方法律規定，工業區每僱用100名僱員，其中須有一名僱員持有急救證書。越南廠房每年都向全體僱員提供身體檢查。

本集團制定了「工作安全與健康政策」，以確保我們的全體員工在工作過程中突發任何傷害時，能得到適當的護理和醫療。

勞工準則

本集團遵循各生產基地的適用法律法規及相關防止童工及強制勞工的國際人權公約。本集團的政策旨在推動公平原則及人權原則。

本集團已制定「員工手冊」，當中明確界定僱員的權利。僱員不會因為性別、種族、宗教、年齡、殘障狀況、性取向、國籍、政治見解，或加入社會團體背景等因素而在下述領域遭受就業歧視：聘用、薪酬、晉升、紀律懲處、解僱，或退休等。



Environmental, Social and Governance Report

環境、社會及管治報告

Within the “Staff handbook”, we have an “anti-discrimination policy” and “anti-sexual harassment and abuse policy”. We firmly insist on anti-discrimination against any employee or applicant and maintain a diversified portfolio of employees. Most of our employees are female. The age range of our employees is between 18 and 65.

In case of violation of the policies of the Group, our Human Resources Department will conduct the investigation. If a reported incident is confirmed, the Group will terminate the employee’s employment contract and seek for appropriate legal actions against the offender.

During the reporting period, no discriminatory or sexual harassment case was reported, nor was any case of complaint received.

Child Labour

The Group has established a policy for underage employees (15-18 years old) to provide guidance on the arrangement of welfare and work of the underage workers. The Government of Vietnam allows young generation aged 15 to 18 years old to work and be officially employed, but any persons under the age of 15 cannot be legally hired. The Group strictly follows the relevant laws and regulations, and provides adequate protection for underage employees.

During the stage of recruitment of employees, Human Resources Department is responsible for checking the application form of every candidate as well as the relevant supporting documents, including identity card, certificates and reference letters in regard to previous employment.

In case of child labour who has been identified during the surprise check, the Group will terminate the employment contract with the child labour, and the responsible HR officer will be punished.

「員工手冊」內載有「反歧視政策」和「反性騷擾與虐待政策」。我們堅決反對歧視任何僱員或應聘者，並維持多元化的僱員組合。我們的大部分僱員為女性。僱員的年齡介乎18歲至65歲之間。

一旦違反本集團政策，人力資源部將啟動調查。倘舉報事件得到確認，本集團將終止僱員的僱傭合同，並對違法者採取適當法律行動。

於報告期間，概無接獲歧視或性騷擾事件舉報，亦無收到任何投訴。

童工

本集團為未成年僱員（15至18歲）制定了一項政策，以就未成年工人的福利和工作安排提供指引。越南政府允許15至18歲的年輕一代入職及獲正式僱用，惟依法不得僱用15歲以下人員。本公司嚴格遵循相關法律法規，並為未成年僱員提供充分保障。

在招聘僱員階段，人力資源部負責核實每名應聘者的申請表格及相關證明文件，包括身份證、證書及工作推薦信。

一旦突擊檢查識別出童工，本集團將終止與童工的僱傭合同，且負責的人事將受懲。

Environmental, Social and Governance Report

環境、社會及管治報告

No Practice of Forced Labour

The employees' rest time is well respected. To prevent forced overtime work, arrangements of necessary overtime must be agreed by the employees voluntarily.

Pregnant Women

In the Vietnam factory, we offer 6 months' paid maternity leave and the original job positioning is available to the employees upon their return. Within the "Staff handbook", special support policy clearly states the major rights of the female employees. Labels are provided to those female workers who are pregnant in order to alert others to provide special help to them.

Subsidies are provided to the female employees in case they have children aged 1 to 6 years old who live in Binh Duong Province, Vietnam.

Cultural activities

Most of our employees are women, the Group does its best to ensure our female staff are happy while they are working for the Group, and we respect work and life balance.

During the year, the Group organized a wide range of activities including training regarding reproductive health care, health care of women, health and welfare of pregnant women and other health topics. We promote team spirit and frequent communication among all levels of the employees of the Group.

無強制勞動行為

本集團充分尊重僱員的休息時間。為防止強制加班，必要的加班安排須經僱員自願同意。

孕婦

在越南廠房，我們提供6個月帶薪產假，僱員返工後可就任原始崗位。「員工手冊」內的特殊支持政策清晰界定女性僱員的權利。懷有身孕的女性僱員獲提供標籤，用以提醒其他員工向彼等提供特殊幫助。

倘女性僱員在越南平陽省撫育1至6歲的孩童，則會向其提供補貼金。

文化活動

我們的大部分僱員為女性，本集團傾其全力確保女性員工為本集團工作時感到快樂，尊重工作與生活的平衡。

年內，本集團組織了大量活動，包括生育保健、婦女保健、孕婦健康福利培訓和其他健康議題。我們提倡本集團各級僱員間的團隊精神與緊密溝通。



Environmental, Social and Governance Report

環境、社會及管治報告

Development and Training

We encourage our employees to grow and succeed with us. That's why we often offer opportunities that foster our employees' leadership skills and professional development.

We stick firmly to our "Training Policy" to facilitate development of the potential of our staff, and the Group conducts regular internal and external training course in the following topics: the Group's internal policy, employee health and safety, food safety, kitchen management, employees' complaints handling, etc. We maintain a schedule of different kinds of training which is prepared one year in advance. In the determination of the training schedule, we consider the feedbacks provided by our employees.

All new joiners receive an induction training on their first day of employment.

We also offer robust training to our employees on the proper use of machinery. It helps to minimise workforce accidents.

發展及培訓

我們鼓勵僱員與我們攜手成長、共同成功。故此，我們屢屢向僱員提供機遇，培養彼等的領導技能和專業發展。

我們堅持貫徹「培訓政策」，以利於開發員工潛力，且本集團會定期舉辦內部及外部培訓課程，涵蓋下列課題：本集團的內部政策、僱員健康與安全、食品安全、廚房管理、處理僱員投訴等。我們維持提前一年籌備好的各類培訓計劃。在確定培訓計劃表時，我們會考慮僱員給出的反饋意見。

所有新入職員工於受僱首日即接受就職培訓。

我們亦在培訓僱員正確使用機械上狠下功夫，有助盡量減少勞工事故。



Environmental, Social and Governance Report

環境、社會及管治報告

Employee Feedback

Our continuous improvement relies on our employees' valuable feedback. If our staff have any complaints, they can do so in written form and place it in the Suggestions Box at the office building. The Human Resources Department is responsible for handling the cases of complaints and investigating the causes of the complaints. We always listen to our employees and understand the needs of our employees.

Supply Chain

Most of our suppliers are designated by our customers, but the Group values the good relationship and effective communication with its suppliers. While selecting the suppliers, we consider and assess the background, qualifications, expertise, experience, financial status, and professionalism, etc. of the suppliers. Social and environmental criteria play a key role in supplier selection and evaluation. The Group reviews the performance of the existing suppliers and may source alternative suppliers, if necessary.

Product responsibility

The Group aims to provide the highest quality standard of services. The Group complies with the relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to products provided by us. The Group has established relevant policies which cover service quality, intellectual property and privacy. In respect of service quality, the Group confirms the goods quality with its customers to make sure that the goods meet the customers' requirements. At our factory in Vietnam, we set up the product quality inspection team that handles the inspection of the quality of the products. In this respect, the brand owners also have their quality control teams to come and check whether the quality of the products are up to the standard.

員工意見

我們的持續改進有賴僱員的寶貴反饋。倘員工作出任何投訴，其可以書面形式進行並投入辦公樓內的意見箱。人力資源部負責處理投訴事件及調查投訴的起因。我們始終聆聽僱員，理解僱員的需求。

供應鏈

大部分供應商均由我們的客戶指定，惟本集團重視與供應商的友好關係和有效溝通。在篩選供應商時，我們考慮及評估供應商的背景、資格、專業、經驗、財務狀況及專業性等。篩選及評估供應商過程中，社會環境標準至關重要。本集團會對現有供應商的業績進行審查，並在必要時引入備選供應商。

產品責任

本集團旨在提供最高質素的服務標準。本集團就我們所提供的產品遵守健康與安全、廣告、標籤及私隱事宜相關法律法規。本集團已制定涵蓋服務質素、知識產權和私隱的相關政策。關於服務質素，本集團確認交付客戶的貨物質素，確保貨物符合客戶要求。在越南工廠，我們設立產品質檢團隊，處理產品質素檢查。在此方面，品牌擁有人亦派質素控制團隊到訪，並檢驗產品質素是否達標。



Environmental, Social and Governance Report

環境、社會及管治報告

Complaints

If there is any complaint received from the customers, the Group immediately assesses the complaint, conducts an internal investigation, and finds a solution to settle the problem. Management communicates with the customers (i.e. brand owners) regarding any issues. If the issue is a minor one, it will be dealt by the brand owner for modification, the cost of modification will be borne by the Group. For other issues, they are handled by the Group by means of provision of discounts, replacement or refund.

Intellectual property rights

In respect of privacy and confidentiality protection, the Group's employees are obligated to retain in confidence all information obtained during the course of their employment, including, but not limited to, trade secrets, know-how, customers' information and personal data, supplier information and other confidential information. We also maintain information technology systems with high level of security to prevent unauthorized access to confidential information. Fingerprint identification facilities are installed at the show room. Only a small number of authorized employees can have access to the show room and cannot take pictures inside the show room.

Anti-Corruption

We do not tolerate bribery, fraud and money laundering. The Group complies with the relevant laws and regulations relating to bribery, extortion, fraud and money laundering in Hong Kong, Taiwan, the PRC, Vietnam and Cambodia. In addition, the Group requires foreign personnel of both the manufacturers and the customers to fill in a warranty form with the remarks of prohibition of acceptance of gifts and commissions.

The Group strongly prohibits corruption and bribery committed by its employees. In the case of conflict of interests or suspected bribery, the employees must declare the issue of conflict of interests and report the matters to the Group's management. Employees are strictly prohibited to use business opportunities, power and/or occupational position for obtaining personal interests or benefits.

During the financial year, no corruption case was noted or reported.

投訴

一旦接獲客戶投訴，本集團即時予以評估並進行內部調查，務求找出問題的解決方案。管理層就任何問題與客戶（即品牌擁有人）進行溝通。倘屬細微問題，則將由品牌擁有人進行改進，改進費用將由本集團承擔。對於其他問題，將由本集團透過提供折扣、更換或退款的方式處理。

知識產權

保護私隱及機密方面，本集團僱員有義務保密供職期間獲取之一切資料，包括但不限於商業秘密、專有技術、客戶資料及個人數據、供應商資料以及其他機密資料。我們亦已建立高安全級別的信息技術系統，以防止未經授權獲取機密資料。展廳內已安裝指紋識別設備，僅少數授權僱員得以進入展廳，且展廳內部禁止拍照。

反貪污

我們絕不容忍賄賂、欺詐及洗黑錢行為。本集團遵守香港、台灣、中國、越南及柬埔寨賄賂、勒索、欺詐及洗黑錢相關法律法規。此外，本集團要求包括製造商及客戶在內的外籍人士填寫保證表，當中註明禁止收受禮品和佣金。

本集團嚴格禁止僱員貪污及行賄。一旦出現利益衝突或涉嫌賄賂情況，僱員必須申報利益衝突事宜並向本集團管理層匯報。僱員嚴禁使用商機、權力及／或職位牟取私利。

於財政年度，我們並無發現或接獲舉報貪污個案。

Environmental, Social and Governance Report

環境、社會及管治報告

Charity/Donation

The Group continues to make contribution to the society in order to create a harmonious, beautiful and peaceful community. It also actively encourages employees to take part in volunteering activities to contribute to our society and environment. Besides, the Group provides donations to help the poor and disadvantaged groups in society to promote performance of good deed.

Second-hand clothes/stationery has also been donated to the children living in remote mountain.

Our employees are committed to caring for the elderly, women, children and other vulnerable groups by organising different volunteer activities, such as inviting children with special education needs to visit the Company, organising parties and providing gifts to the children.

We care about the community. For the year ended 31 March 2017, we donated approximately HKD240,000. Part of the donations was made to World Vision in support of Child Sponsorship in Cambodia.

慈善／捐贈

本集團持續貢獻社會，以創造和諧、美麗、安寧社區為己任。本集團亦積極鼓勵僱員參與義工活動，為社會和環境作出貢獻。此外，本集團提供捐贈，幫扶社會上的貧困和弱勢群體，以倡導行善。

我們亦向邊遠山區兒童捐贈舊衣裳／文具。

我們的僱員透過組織豐富多彩的義工活動，例如邀請有特別教育需求的兒童參觀本公司、為兒童籌辦派對和準備禮物，致力於關愛老人、婦女、兒童及其他弱勢群體。

我們關愛社區。截至二零一七年三月三十一日止年度，我們捐贈約240,000港元。部分捐贈予宣明會，以支持柬埔寨助養兒童計劃。



Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has established a formal and transparent procedure to protect the interests of the shareholders of the Company. The Board is committed to ensuring the self-regulatory practices exist to protect the interests of the shareholders of the Company. These include a Board with high caliber members, Board Committees and effective internal audit and good systems of internal controls. The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, sustainable business growth and enhancing shareholders' value. The Company regularly reviews the corporate governance procedures and developments of the Company. The corporate governance duties have been delegated by the Board to the audit committee of the Company. The primary duties of the audit committee in relation to corporate governance include developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board, so as to enhance and to ensure the corporate governance practices of the Company are in line with the relevant requirements. The Company applied the principles and complied with all the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the period under review, except that:

企業管治常規

本公司已制訂正式、具透明度之程序，以保障本公司股東之利益。董事會致力確保具備自我規管常規，以保障本公司股東利益。有關常規包括由資深專業成員組成之董事會、董事會委員會、有效內部審核及優良內部監控制度。本公司董事會及管理層致力於維持良好的企業管治常規及程序。本公司深信良好的企業管治能為有效的管理、健全的公司文化、可持續的業務發展及股東價值的提升確立框架。本公司會定期檢討本公司之企業管治程序及發展。董事會已委派本公司審核委員會處理本公司之企業管治事項。審核委員會有關企業管治之主要職責包括制訂及檢討本公司之企業管治政策及常規及向董事會作出建議，藉此提升本公司之企業管治常規及確保其符合相關條款。本公司於回顧期間採用載於香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四之企業管治常規守則（「企業管治守則」）所有守則條文之原則，並遵守該等守則條文，惟以下情況除外：

Chairman and chief executive officer

Under the code provision A.2.1, the roles of Chairman and chief executive officer (“CEO”) should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

The roles of the Chairman and the CEO of the Company were not separated and were performed by the same individual, Mr. Chen Ming Hsiung, Mickey, who passed away on 14 April 2016. The Board believed that vesting the roles of the Chairman and the CEO in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and implementing business plans. The Board considered that this structure had not impaired the balance of power and authority of the Board. Subsequent to the passing away of Mr. Chen Ming-hsiung, Mickey, Mr. Chan Ho Man, Daniel, a non-executive Director, has been appointed as Acting Chairman and Mr. Phillip Brian Kimmel, an executive Director, has been appointed as Acting Chief Executive Officer of the Company. With effect from 29 June 2016, Mr. Chan Ho Man, Daniel has been re-designated from Acting Chairman to Chairman; and Mdm. Huang Hsiu Duan, Helen, an executive Director, has been appointed as Chief Executive Officer subsequent to Mr. Phillip Brian Kimmel’s cessation to serve as Acting Chief Executive Officer but remaining as executive director on the same date. Please refer to the announcement of the Company dated 29 June 2016 for further details regarding the above changes.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms without deviation from the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules. Having made specific enquiry with all Directors, the Directors have complied with such code of conduct and the required standard of dealings in the Model Code and its code of conduct regarding securities transactions by the Directors throughout the year ended 31 March 2017.

主席及行政總裁

守則條文A.2.1規定，主席與行政總裁（「行政總裁」）之角色應有區分，不得由一人同時兼任。主席與行政總裁之間之職責分工應清楚界定並以書面載列。

本公司之主席與行政總裁角色未有區分，由陳敏雄先生同時兼任，其於二零一六年四月十四日辭世。董事會認為由同一人士兼任主席及行政總裁，有助本公司更有效發展長遠業務策略及執行業務計劃。董事會認為此結構並不影響董事會之權力平衡。繼陳敏雄先生辭世後，非執行董事陳浩文先生獲委任為本公司暫任主席，而執行董事柯文佑先生則獲委任為本公司暫任行政總裁。自二零一六年六月二十九日起，陳浩文先生已由暫任主席調任為主席，而執行董事黃秀端女士於柯文佑先生不再擔任暫任行政總裁但仍留任執行董事之日獲委任為行政總裁。有關上述變動的更多詳情，請參閱本公司日期為二零一六年六月二十九日之公佈。

董事進行證券交易

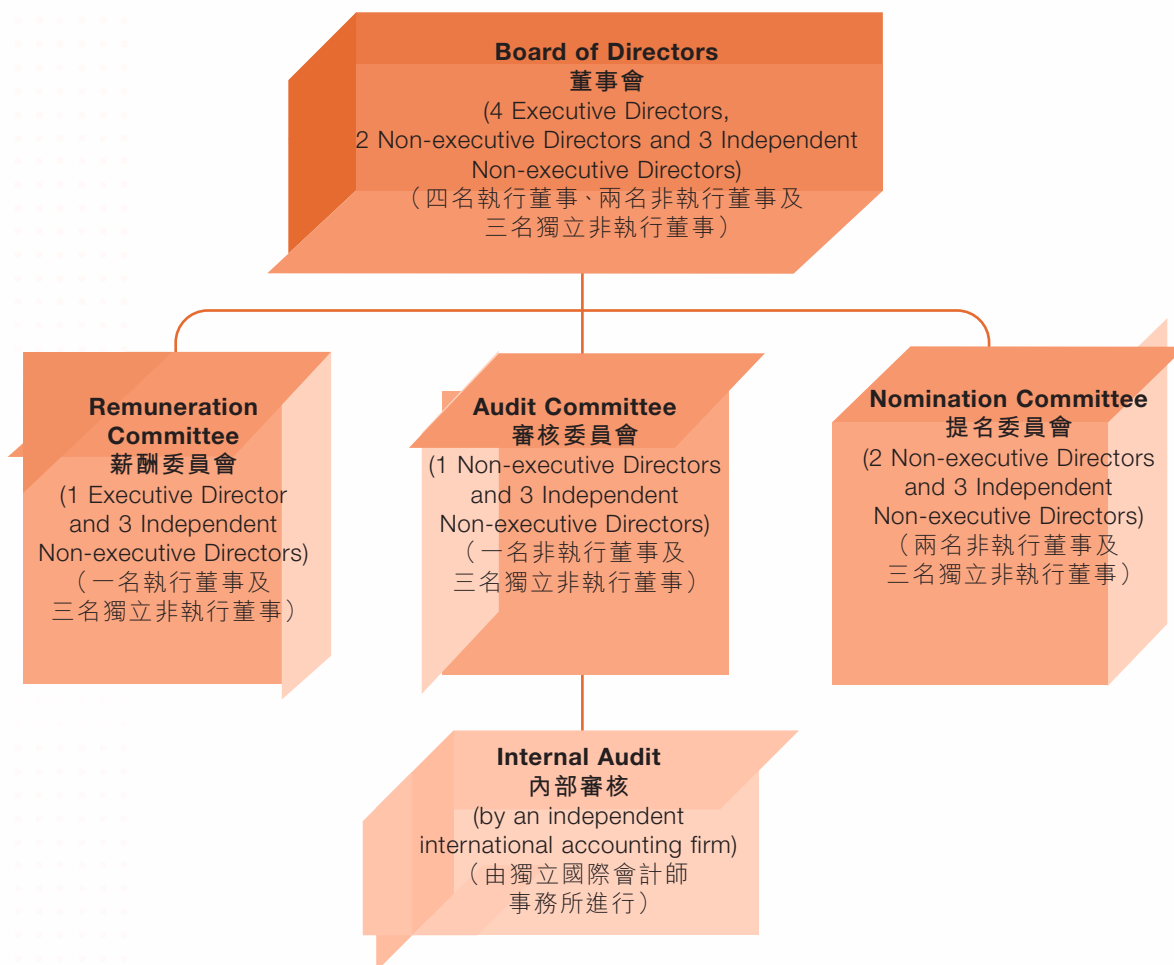
本公司已採納一套董事進行證券交易之行為守則，其條款並未偏離上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）所載之規定買賣標準。在向所有董事作出具體查詢後，董事於截至二零一七年三月三十一日止年度內均已遵守該行為守則及標準守則所規定之買賣標準以及其本身就董事進行證券交易之行為守則。

Corporate Governance Report

企業管治報告

GOVERNANCE STRUCTURE

管治架構



BOARD OF DIRECTORS

The duty of the Board is to manage the Group in a responsible and effective manner and every Director has to carry out his/her duty in good faith and achieve the standard of any prevailing applicable laws and regulations and act in the best interests of the Company and its shareholders. During the year under review, the members of the Board included:

Executive Directors:

Mr. Chen Ming-hsiung, Mickey (Passed away on 14 April 2016)
Mdm. Huang Hsiu-duan, Helen
Mr. Kimmel, Phillip Brian
Mr. Mumma, Adin David (Appointed effective on 1 October 2016)
Mr. Wong Hei-chiu

董事會

董事會之職責乃以盡責之態度及有效之方式管理本集團，而董事均須摯誠履行其職務，達致通行適用法例及法規之標準，行事時須以本公司及其股東之最佳利益為先。於回顧年內，董事會之成員包括：

執行董事：

陳敏雄先生（於二零一六年四月十四日辭世）
黃秀端女士
柯民佑先生
馬大衛先生（委任自二零一六年十月一日起生效）
黃禧超先生

Non-executive Directors:

Mr. Chow Wing-kin, Anthony, SBS, J.P.
Mr. Chan Ho-man, Daniel

Independent non-executive Directors:

Mr. Tam King-ching, Kenny
Mr. Yung Tse-kwong, Steven
Ms. Chan Mei-bo, Mabel

The Directors' biographies and the relationship among the Board members, if any, are set out in "Directors and Senior Management Profiles" of this annual report. Save as disclosed in the "Directors and Senior Management Profiles", there is no financial, business, family or other material/relevant relationship(s) among the Directors.

Directors' Attendance Records

The records of attendance of individual Directors at the Board meetings and annual general meeting, and relevant committee members at Board committee meetings held during the year under review are set out in the following table:

非執行董事：

周永健先生，銀紫荊星章，太平紳士
陳浩文先生

獨立非執行董事：

譚競正先生
戎子江先生
陳美寶女士

董事履歷及董事會成員間之關係（若有）載於本年報「董事及高層管理人員履歷」。除「董事及高層管理人員履歷」所披露者外，董事之間並無任何財務、業務、家族或其他重大／有關關係。

董事會議出席紀錄

下表載列各董事於回顧年度內舉行之董事會會議及股東週年大會，以及相關委員會成員於回顧年度內舉行之董事委員會會議之出席紀錄：

Name of Directors 董事姓名	Board 董事會	Number of Meetings Attended/Held 出席／舉行次數			
		Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Annual General Meeting 股東週年大會
Executive Directors 執行董事					
Mr. Chen Ming-hsiung, Mickey 陳敏雄先生 ¹	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	4/4	N/A不適用	N/A不適用	1/1	1/1
Mr. Kimmel, Phillip Brian 柯民佑先生	4/4	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. Mumma, Adin David 馬大衛先生 ²	2/2	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Wong Hei-chiu 黃禧超先生	4/4	N/A不適用	N/A不適用	N/A不適用	1/1
Non-executive Directors 非執行董事					
Mr. Chow Wing-kin, Anthony, SBS, J.P. 周永健先生，銀紫荊星章，太平紳士	4/4	2/2	1/1	N/A不適用	1/1
Mr. Chan Ho-man, Daniel 陳浩文先生	4/4	N/A不適用	1/1	N/A不適用	1/1
Independent non-executive Directors 獨立非執行董事					
Mr. Tam King-ching, Kenny 譚競正先生	4/4	2/2	1/1	1/1	1/1
Mr. Yung Tse-kwong, Steven 戎子江先生	4/4	2/2	1/1	1/1	1/1
Ms. Chan Mei-bo, Mabel 陳美寶女士	4/4	2/2	1/1	1/1	1/1

¹ The director passed away on 14 April 2016

² The director was appointed with effect from 1 October 2016

¹ 該董事於二零一六年四月十四日辭世

² 該董事的委任自二零一六年十月一日起生效

Corporate Governance Report

企業管治報告

Apart from the above regular Board meetings of the year, the Board will meet on other occasions when a Board level decision on a particular matter is required. The Directors receive details of agenda items for decision and minutes of committee meetings in advance of each Board meeting. The Board has reserved for its decision or consideration matters covering corporate strategy, annual and interim results, Directors' appointment, succession planning, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Major corporate matters that are specifically delegated by the Board to the management include the preparation of annual and interim financial statements for Board approval before public reporting, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements, rules and regulations.

The Board is responsible for determining the corporate strategic development and ensuring the business operations are properly monitored. The Board reserves the right to decide all policy matters and material transactions of the Group.

The Board delegates the day-to-day operations to general managers and department heads who are responsible for different business functional units of the operations of the Group.

Besides, to assist the Board in discharge of its duty, the Board established the audit committee, remuneration committee and nomination committee and their scope of duties and terms of reference were discussed and approved in the Board meetings.

Non-executive Directors

All the non-executive Directors were appointed for a specific term of three years that are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the bye-laws of the Company.

Independent non-executive Directors

The Board has received from each of the independent non-executive Directors a written annual confirmation of their independence and satisfied that their independence up to the date of this report is in accordance with the Listing Rules.

除上述定期董事會會議外，董事會會於有需要就特定事項作出決策之其他情況下會晤。董事們於每次董事會會議舉行前均會接獲有待決定之詳細議程及委員會會議記錄。董事會負責決定或考慮公司策略、年度及中期業績、委任董事、繼任計劃、風險管理、主要收購、出售及資本交易，以及其他重大營運及財務事宜。董事會特別委派管理層處理之重大公司事項包括：編製年度及中期財務報表，供董事會於公佈前批准；執行董事會採取之業務策略及措施；實行足夠之內部監控制度及風險管理程序；及遵守有關法定規定、規則及法規。

董事會負責決定公司策略發展，並確保妥善監察業務運作。董事會保留本集團一切政策事宜及重大交易之決定權。

董事會委派總經理及負責本集團不同業務營運職能之部門主管處理日常運作。

此外，為協助董事會履行其職責，董事會成立審核委員會、薪酬委員會及提名委員會，並於董事會會議上商討及批准各委員會之職責範圍及職權範圍。

非執行董事

全體非執行董事按特定任期三年獲委任，須根據本公司之公司細則於本公司股東週年大會上輪值告退及重選。

獨立非執行董事

董事會已接獲各獨立非執行董事有關其獨立性之年度書面確認書，並信納彼等於截至本報告日期具有上市規則所規定之獨立性。

CONTINUOUS PROFESSIONAL DEVELOPMENT

Pursuant to code provision A.6.5 of the CG Code, Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the year under review, relevant materials on legislative and regulatory updates were circulated to all Directors, namely Mdm. Huang Hsiu-duan, Helen, Mr. Kimmel, Phillip Brian, Mr. Mumma Adin David, Mr. Wong Hei-chiu, Mr. Chow Wing-kin, Anthony, Mr. Chan Ho-man, Daniel, Mr. Tam King-ching, Kenny, Mr. Yung Tse-kwong, Steven and Ms. Chan Mei-bo, Mabel, as to keep them abreast of any changes to the regulations and disclosure obligations. Mdm. Huang Hsiu-duan, Helen, Mr. Kimmel, Phillip Brian, Mr. Wong Hei-chiu and Mr. Chan Ho-man, Daniel also attended relevant training courses on management, duties and responsibilities of a director and/or other topics organized by external professional bodies during the year under review to develop and refresh their knowledge and skills.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company has subscribed an insurance policy since 2000 with an aim to indemnify its Directors and senior executives from any losses, claims, damages, liabilities and expenses arising from, including but not limited to, any proceedings brought against them during the performance of their duties pursuant to their respective service agreements entered into with the Company.

持續專業發展

根據企業管治守則之守則條文第A.6.5條，董事均須參與持續專業發展以增長及更新其知識及技能。此為確保彼等對董事會之貢獻保持瞭解及與之相關。於回顧年度內，與法律及法規更新的相關資料已發送給全體董事（即黃秀端女士、柯民佑先生、馬大衛先生、黃禧超先生、周永健先生、陳浩文先生、譚競正先生、戎子江先生及陳美寶女士），令彼等掌握關於法規及披露責任之任何變更。黃秀端女士、柯民佑先生、黃禧超先生及陳浩文先生於回顧年度內亦參加了由外部專業機構主辦與管理、董事的職能及責任相關及／或其他課題的培訓課程，以發展並更新其知識及技能。

董事及行政人員的責任保險

本公司自二零零零年起已投購保險，以彌償其董事及高級行政人員任何損失、索償、損害、責任及開支，包括但不限於因董事及行政人員根據各自與本公司訂立的服務協議履行其職責時而被提出的任何訴訟。

Corporate Governance Report

企業管治報告

PROCEEDINGS OF BOARD MEETINGS AND BOARD COMMITTEE MEETINGS

The Board considers that all meetings should be properly convened. With the assistance of the Company Secretary, the Chairman of the Board takes the lead to ensure that Board meetings and Board committee meetings are convened in accordance with the requirements set out in the bye-laws of the Company, the terms of reference of the respective Board committees and the Listing Rules.

In convening Board meetings, the Chairman is responsible for drawing up and approving the agenda for each meeting after consultation with all the Directors and the Company Secretary. Prior notice of each regular Board meeting is given to all the Directors at least 14 days in advance.

Board meetings are held at least four times a year. In addition, special Board meetings are held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of all the Directors.

Dates of regular Board meetings are scheduled in advance to provide sufficient notice to give all the Directors an opportunity to attend. For special Board meetings, reasonable notice is given.

The Directors have access to the advice and services of the Company Secretary to ensure that Board procedures and all applicable rules and regulations are followed.

The minutes of Board meetings record in sufficient detail the matters considered by the Board, including all concerns raised by the Directors and dissenting views expressed. The minutes of all Board meetings and Board committee meetings are kept by the Company Secretary and are available for inspection by any Director, auditors or any relevant eligible parties who can have access to such minutes.

董事會會議及董事委員會會議程序

董事會認為所有會議均應按妥善的方式召開。在公司秘書的協助下，董事會主席領導董事會以確保董事會會議及董事委員會會議均按載於本公司公司細則、各董事委員會的權責範圍及上市規則的要求召開。

於召開董事會會議時，主席負責在向全體董事及公司秘書作出諮詢後，草擬及批准每次會議的議程。每次召開定期董事會會議時，全體董事獲發出最少14天的預先通知。

董事會會議每年召開至少四次。此外，會在有需要時召開董事會特別會議。此等董事會會議均由全體董事親身出席，或透過其他電子通訊方法積極參與。

董事會定期會議的日期預先訂定，以讓所有董事皆有機會騰空出席。至於董事會特別會議，則發出合理通知召開。

所有董事都可獲得公司秘書的意見和服務，以確保董事會程序及所有適用規則及規例均獲得遵守。

董事會的會議記錄已充份記錄董事會所考慮事宜的詳情，其中包括由董事提出的所有關注事項及發表的反對意見。所有董事會會議及董事委員會會議記錄均由公司秘書保存，任何董事、核數師或任何合資格取得該等會議記錄的有關人士均可查閱。

REMUNERATION OF DIRECTORS

Under the code provision B.1.1 of the CG Code, the Company should establish a remuneration committee (the “Remuneration Committee”) with specific written terms of reference which deal clearly with its authority and duties.

The principal role and function of the Remuneration Committee include the determination of the specific remuneration packages of all executive Directors and senior management of the Company, including benefits in kind, pension rights and compensation payments, such as any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors and independent non-executive Directors.

During the year, the Remuneration Committee consisted of an executive Director and three independent non-executive Directors as set out below:

Mr. Yung Tse-kwong, Steven (*Chairman*)
Mdm. Huang Hsiu-duan, Helen
Mr. Tam King-ching, Kenny
Ms. Chan Mei-bo, Mabel

The Remuneration Committee has considered and reviewed the remuneration packages of the Directors with reference to the factors including salaries paid by comparable companies, time commitment and responsibilities of the Directors and employment conditions elsewhere in the Group. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management. The Remuneration Committee considers that the remuneration packages of the Directors are fair and reasonable and has recommended the same for approval by the Board. Details of the emolument policy of the Directors are set out on page 74 of this report.

董事薪酬

根據企業管治守則之守則條文第B.1.1條，本公司應設立具有明確成文權責範圍之薪酬委員會（「薪酬委員會」）；有關權責範圍應清楚說明委員會之權限及職責。

薪酬委員會之主要職責及職能包括釐定本公司各執行董事及高級管理層之特定薪酬組合（包括實物利益、退休金權利及補償金，如因離職或終止委任而招致損失之補償），及就非執行董事及獨立非執行董事之薪酬向董事會作出建議。

於本年度，薪酬委員會由下列一名執行董事及三名獨立非執行董事組成：

戎子江先生（主席）
黃秀端女士
譚競正先生
陳美寶女士

薪酬委員會參照可資比較公司提供之薪金、董事投入之時間及其職責及本集團其他部門之僱傭條件等多項因素，考慮及檢討董事之薪酬組合。薪酬委員會在其採納之運作模式中擔任董事會之顧問角色，董事會保留最終批准各執行董事及高級管理層人士薪酬待遇之權力。薪酬委員會認為，董事之薪酬組合屬公平合理，並已向董事會建議通過。董事之酬金政策詳情載於本報告第74頁。

Corporate Governance Report

企業管治報告

Pursuant to code provision B.1.5 of the CG Code, the remuneration of the members of the senior management (excluding Directors) by band for the year ended 31 March 2017 is set out below:

Remuneration band	Number of individuals	酬金分級	人數
HK\$0 to HK\$500,000	2	0港元至500,000港元	2
HK\$500,001 to HK\$1,000,000	1	500,001港元至1,000,000港元	1
HK\$1,000,001 to HK\$1,500,000	2	1,000,001港元至1,500,000港元	2

NOMINATION COMMITTEE

The principal role and function of the Nomination Committee include to review the structure, size and composition of the Board on a regular basis and to make recommendations to the Board regarding any proposed changes. The Board considers the past performance and qualification of the candidates for Directors, general market conditions and the Company's bye-laws in selecting and recommending candidates for directorship.

The Company has adopted the board diversity policy with effect from 1 September 2013. The policy sets out the approach to achieve diversity on the Board. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. In determining the Board's composition, the Nomination Committee will consider board diversity in terms of, among other things, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. All Board appointments will be based on merit, and candidates will be considered against appropriate objective criteria, having due regard for the benefits of diversity on the Board. The Nomination Committee will monitor the implementation of the diversity policy and review the same as appropriate.

根據企業管治守則之守則條文第B.1.5條，截至二零一七年三月三十一日止年度，高級管理層成員（不包括董事）酬金分級載列如下：

提名委員會

提名委員會之主要職責及職能包括定期檢討董事會之架構、規模及組成，並就任何建議變更向董事會作出建議。董事會考慮候任董事人選之過往表現及資格、整體市況以及本公司有關甄選及推薦候任董事人選之公司細則。

自二零一三年九月一日起，本公司已採納董事會成員多元化政策。該政策載列董事會為達致成員多元化而採取之方針。本公司明白並深信董事會成員多元化對提升本公司表現質素裨益良多。於釐定董事會組成時，提名委員會將會從以下方面考慮董事會成員多元化，其中包括性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則，並於考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。提名委員會將監察多元化政策之實施並於適當時作出檢討。

During the year, the Nomination Committee consisted of two non-executive Directors and three independent non-executive Directors as set out below:

Mr. Chan Ho-man, Daniel (*Chairman*)¹
Mr. Chow Wing-kin, Anthony, SBS, J.P.
Mr. Tam King-ching, Kenny
Mr. Yung Tse-kwong, Steven
Ms. Chan Mei-bo, Mabel

The Nomination Committee considered and resolved that all the existing Directors shall be recommended to be retained by the Company. Further, in accordance with the Company's by-laws and as resolved by the Nomination Committee, Mdm. Huang Hsiu-chuan, Helen, Mr. Mumma, Adin David, Mr. Yung Tse-kwong, Steven will retire from office by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

AUDIT COMMITTEE

As required by Rule 3.21 of the Listing Rules, the Company has established an audit committee (the "Audit Committee") with written terms of reference, which deal clearly with its authority and duties. Its principal duties are to review and supervise the Group's financial reporting process and internal control systems.

During the financial year ended 31 March 2017, the Audit Committee consisted of a non-executive Director and three independent non-executive Directors as set out below:

Mr. Tam King-ching, Kenny (*Chairman*)
Mr. Chow Wing-kin, Anthony, SBS, J.P.
Mr. Yung Tse-kwong, Steven
Ms. Chan Mei-bo, Mabel

During the year under review, the Audit Committee reviewed the Group's consolidated financial statements, interim and annual reports, the accounting principles and practices adopted and internal control systems. The Audit Committee also reviewed and approved the external auditor's remuneration and terms of engagement and recommended the Board for re-appointment of the external auditor.

¹ Mr. Chen Ming-hsiung, Mickey, who was the Chairman of the Nomination Committee, passed away on 14 April 2016. And Mr. Chan Ho-man, Daniel was appointed as the Chairman of the Nomination Committee with effect from 29 June 2016.

於本年度，提名委員會由下列兩名非執行董事及三名獨立非執行董事組成：

陳浩文先生(主席)¹
周永健先生，銀紫荊星章，太平紳士
譚競正先生
戎子江先生
陳美寶女士

提名委員會考慮及議決建議本公司留任全體現任董事。此外，根據本公司之公司細則，並如提名委員會所議決，黃秀端女士、馬大衛先生及戎子江先生將於應屆股東週年大會上輪值退任，並符合資格及願意於應屆股東週年大會上膺選連任。

審核委員會

如上市規則第3.21條所規定，本公司已成立審核委員會(「審核委員會」)，並以書面清晰訂明其職權範圍。其主要職責為審閱及監督本集團之財務申報程序及內部監控制度。

截至二零一七年三月三十一日止財政年度，審核委員會由下列一名非執行董事及三名獨立非執行董事組成：

譚競正先生(主席)
周永健先生，銀紫荊星章，太平紳士
戎子江先生
陳美寶女士

於回顧年內，審核委員會已審閱本集團之綜合財務報表、中期及年度報告、採納之會計原則及慣例以及內部監控系統。審核委員會亦已檢討及批准外聘核數師之薪酬及聘用條款，並已向董事會建議重新委任外聘核數師。

¹ 陳敏雄先生曾為提名委員會主席，陳先生於二零一六年四月十四日辭世。陳浩文先生則自二零一六年六月二十九日起獲委任為提名委員會主席。

Corporate Governance Report

企業管治報告

The Audit Committee is also responsible for performing the corporate governance duties, including:

- To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- To review and monitor the training and continuous professional development of directors and senior management;
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- To review the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

The Group's audited consolidated financial statements for the year ended 31 March 2017 have been reviewed by the Audit Committee, which was of the opinion that the preparation of the consolidated financial statements complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made.

The Audit Committee considered that the existing proposed terms in relation to the appointment of the Group's external auditor are fair and reasonable.

AUDITOR'S REMUNERATION

The Audit Committee is responsible for considering the appointment of the external auditor and reviewing any non-audit functions performed by the external auditor, including whether such non-audit functions could lead to any potential material adverse effect on the Group. During the year under review, the fees payable to the Company's external auditor for audit services and non-audit services were HK\$2,069,000 and HK\$960,000, respectively. The non-audit services relate primarily to tax compliance and consultancy services.

審核委員會亦負責履行企業管治職責，包括：

- 制訂及檢討本公司之企業管治政策及常規以及向董事會作出建議；
- 檢討及監察董事及高級管理層之培訓及持續專業發展；
- 檢討及監察本公司遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察適用於僱員及董事之操守守則及合規手冊（如有）；及
- 檢討本公司遵守企業管治守則之情況以及於本企業管治報告內之披露。

審核委員會已審閱本集團截至二零一七年三月三十一日止年度之經審核綜合財務報表，認為綜合財務報表之編製方式符合適用會計準則、上市規則及法律規定，並已作出足夠披露。

審核委員會認為，有關委聘本集團外聘核數師之現有建議條款屬公平合理。

核數師薪酬

審核委員會負責考慮委聘外聘核數師，及檢討其履行之任何非審核職能，包括有關非審核職能會否對本集團造成任何潛在重大不利影響。於回顧年度內，就核數服務及非核數服務應付予本公司之外聘核數師之費用分別為2,069,000港元及960,000港元。非核數服務主要與稅務合規及諮詢服務有關。

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements for each financial year, which give a true and fair view of the financial position of the Company and its subsidiaries as at the end of the reporting period and of their financial performance and cash flows for that year in accordance with Hong Kong Financial Reporting Standards and in compliance with relevant law and disclosure requirements of the Hong Kong Companies Ordinance and the Listing Rules. The Directors have prepared the financial statements for the year ended 31 March 2017 on a going concern basis. The Directors are responsible for keeping proper accounting records which reflect the financial position of the Group with reasonable accuracy at any time.

The Directors' responsibilities and the responsibilities of the independent auditor with respect to the consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2017 are set out on pages 81 to 90 of this report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board recognizes its responsibility for maintaining an adequate and sound enterprise risk management and internal control system and through the Audit Committee and, if necessary, an external independent professionals to provide internal control services, conducts reviews on the effectiveness of these systems at least annually, covering material controls, including financial, operational, compliance and strategic risk control functions. The Board understands that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

董事及核數師於財務報表之責任

董事確認，彼等須根據香港財務報告準則就各個財政年度編製財務報表，有關財務報表須真實及公平地反映本公司及其附屬公司於報告期末之財務狀況，以及其於有關年度之財務業績及現金流，並須符合香港公司條例及上市規則之相關法例及披露規定。董事已按持續經營基準編製截至二零一七年三月三十一日止年度之財務報表。董事亦負責保存適當之會計記錄，以反映本集團於任何時間之合理財務狀況。

董事及獨立核數師就本公司及其附屬公司截至二零一七年三月三十一日止年度之綜合財務報表之責任載於本報告第81至90頁。

風險管理及內部監控

董事會知悉其維持適當及良好的企業風險管理及內部監控系統的責任並透過審核委員會及(如需要)外部獨立專業人士提供內部監控服務，至少每年檢討該等系統的有效性，內容涵蓋重大監控，包括財務、營運、合規及策略風險監控職能。董事會明白有系統旨在管理而非消除未能達成業務目標的風險，旨在提供合理的保證而並非絕對保證能夠避免出現重大錯誤陳述或損失。

Corporate Governance Report

企業管治報告

During the year under review, the Board, through the Audit Committee, conducted an annual review of both design and implementation effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. In this respect, the Audit Committee communicates any material issues identified to the Board.

During the year under review, the Company appointed Baker Tilly Hong Kong Risk Assurance Limited ("Baker Tilly"), an external independent professionals to:

- assist in identifying and assessing the risks of the Group through a series of workshops and interviews; and
- independently perform internal control review and assess effectiveness of the Group's risk management and internal control systems.

The results of the independent review and assessment were reported to the Audit Committee and the Board. Moreover, improvements in internal control and risk management measures as recommended by Baker Tilly to enhance the risk management and internal control systems of the Group and mitigate risks of the Group were adopted by the Board. Based on the findings and recommendations of Baker Tilly as well as the comments of the Audit Committee, the Board considered the internal control and risk management systems effective and adequate.

於回顧年度內，董事會透過審核委員會，對本集團風險管理及內部監控系統的設計及實施成效進行年度檢討，涵蓋所有重大監控，包括財務、營運及合規監控，以確保本集團的會計、內部審核及財務報告職能均具備充足的資源，員工資歷及經驗，培訓方案及預算。就此而言，審核委員會向董事會通報識別的任何重大事項。

於回顧年度內，本公司委任外部獨立專業人士天職香港內控及風險管理有限公司（「天職」）以：

- 通過一系列研討會及訪談，協助識別及評估本集團的風險；及
- 獨立進行內部監控審查及評估本集團的風險管理及內部監控系統的效用。

獨立審閱及評估的結果已向審核委員會及董事會報告。此外，董事會採納了天職建議的內部監控及風險管理措施的改進，以加強本集團的風險管理及內部監控系統以及減少本集團的風險。根據天職的調查結果及建議以及審核委員會的意見，董事會認為內部監控及風險管理系統有效且充分。

Our Enterprise Risk Management Framework

The Group established its enterprise risk management framework during the year. While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, management is responsible for designing and implementing an internal control system to manage all kinds of risks faced by the Group.

Through the risk identification and assessment processes, risks are identified, assessed, prioritized and allocated treatments. Our risk management framework follows the COSO Enterprise Risk Management – Integrated Framework, which allows the Board and management to manage the risks of the Group effectively. The Board receives regular reports through the Audit Committee that oversight risk management and internal audit functions.

Principal Risks

During the year ended 31 March 2017, the following principal risks of the Group were identified and classified into strategic risks, operational risks, financial risks and compliance risks.

Risk Areas	Principal Risks
Strategic Risks	Risk of economic recession Unstable political environment of some of the countries where we operate our production plants
Operational Risks	No significant risks identified
Financial Risks	Risk of inflation/deflation
Compliance Risks	No significant risks identified

我們的企業風險管理框架

本集團於年內建立了企業風險管理框架。雖然董事會有整體責任確保維持良好有效的內部監控，但管理層負責設計及實施內部監控系統，以管理本集團面臨的各種風險。

通過風險識別及評估過程，風險被識別、評估、確定優先次序並進行分配處理。我們的風險管理框架遵循COSO企業風險管理—綜合框架，允許董事會及管理層有效地管理本集團的風險。董事會透過審核委員會收取定期報告，監督風險管理及內部審核職能。

主要風險

截至二零一七年三月三十一日止年度，本集團識別及將下列主要風險分類為戰略風險，營運風險，財務風險及合規風險。

風險領域	主要風險
戰略風險	經濟衰退的風險 我們經營我們的生產廠房所在的若干國家的政治環境不穩定
營運風險	未識別出重大風險
財務風險	通脹／通縮風險
合規風險	未識別出重大風險

Corporate Governance Report

企業管治報告

Risk Control Mechanism

The Group adopts a “three lines of defence” corporate governance structure with operational management and controls performed by operations management, coupled with risk management monitoring carried out by the finance and compliance team and independent internal audit outsourced to and conducted by Baker Tilly. The Group adopts risk management policy and procedure (the “Risk Management Policy”) and maintains a risk register to keep track of all identified major risks of the Group. The risk register provides the Board, the Audit Committee, and management with a profile of its major risks and records management’s action taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group. The risk register is updated by management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation has been performed. This review process can ensure that the Group proactively manages the risks faced by it in the sense that all risk owners have access to the risk register and are aware of and alert to those risks in their area of responsibility so that they can take follow-up action in an efficient manner.

Our risk management activities are performed by management on an ongoing process. The effectiveness of our risk management framework will be evaluated at least annually, and periodic management meeting is held to update the progress of risk monitoring efforts. Management is committed to ensure that risk management forms part of the daily business operation processes in order to align risk management with corporate goals in an effective manner.

風險監控機制

本集團採用「三線防守」企業管治結構，由營運管理層執行經營管理及監控，加上財務及合規團隊開展的風險管理監督，以及由天職外包及執行的獨立內部審核。本集團採納風險管理政策及程序（「風險管理政策」）並維繫風險記錄，以跟蹤本集團所有已識別的主要風險。風險記錄為董事會、審核委員會及管理層提供其主要風險組合並記錄管理層為緩解相關風險所採取行動。本集團至少每年根據各風險發生的可能性和對本集團的潛在影響進行評估。在執行年度風險評估之後，管理層（作為風險所有者）將至少每年更新風險記錄，增加新風險及／或刪除現有風險（如適用）。審核流程可確保本集團主動管理其面臨的風險，即所有風險所有者都可以取得風險記錄，並且了解並警惕其責任領域的風險，以便彼等有效率地採取後續行動。

我們的風險管理活動由管理層持續進行。我們的風險管理框架的有效性將至少每年進行一次評估，並定期舉行管理層會議以更新風險監測工作的進展。管理層致力於確保風險管理構成日常業務運營流程的一部分，以便有效地統一風險管理與公司目標。

The Company will continue to engage external independent professionals to review the Group's system of internal controls and risk management annually and further enhance the Group's internal control and risk management systems as appropriate.

There is currently no internal audit function within the Group. The directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. Nevertheless, the directors will continue to review at least annually the need for an internal audit function.

Disclosure of Inside Information

The Group has established internal control procedures for the handling and dissemination of inside information in order to comply with Chapter 13 of the Listing Rules as well as Part XIVA of the Securities and Futures Ordinance ("SFO"). The internal control mechanism includes information flow and reporting processes, confidentiality arrangements, disclosure procedures, and staff training arrangements, etc.

INVESTOR RELATIONS

The Company continues to promote and enhance investor relations and communications with its investors. An intensive communications channel has been maintained with the media, analysts and fund managers through one-on-one meeting, road shows and conferences. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's development.

本公司將繼續聘請外部獨立專業人士每年審閱本集團的內部監控及風險管理系統，並進一步加強本集團的內部監控及風險管理系統（如適用）。

本集團目前尚無內部審核職能。董事已檢討內部審核職能的需要，並認為鑑於本集團業務規模、性質及複雜程度，任命外部獨立專業人士執行內部審核職能將更具成本效益以滿足本集團需求。然而，董事會將繼續每年至少檢討一次內部審核職能的需要。

內幕消息披露

本集團已就處理及發佈內幕消息制訂內部監控程序，以遵守上市規則第13章以及證券及期貨條例（「證券及期貨條例」）第XIVA部。內部控制機制包括消息流向與申報流程、保密安排、披露程序及員工培訓安排等。

投資者關係

本公司繼續提倡及提升投資者關係及與其投資者之通訊。本公司通過與傳媒、分析員及基金經理舉行個別會議、舉辦路演及研討會，從而維持廣泛之通訊渠道，並委派高級管理層與機構投資者及分析員維持定期會晤，從而向彼等提供有關本公司發展之最新消息。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Company sets high priority in communicating with shareholders and investors. Regular meetings with institutional shareholders and general presentation of financial results are made when financial results are announced. The Company also provides extensive information in its annual report, interim report and announcements.

The Board endeavours to maintain an ongoing dialogue with shareholders. All directors are encouraged to attend the general meetings to have personal communication with shareholders. In annual general meeting, the chairman of the Board and the chairman of each committee are required to attend and answer questions from shareholders in respect of the matters that they are responsible and accountable for. In addition, a representative of the Company's external auditors is requested to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditors' report, accounting policies and auditor independence.

The Company's annual general meeting ("AGM") and special general meeting ("SGM") provide good opportunities for shareholders to express their views and ask Directors and management questions regarding the Company. All shareholders of the Company receive the annual report, circulars and notices of AGM and SGM and other corporate communications. Separate resolutions are required at general meetings on each distinct issue. Each shareholder is permitted to appoint a proxy to attend and vote in his stead.

與股東之通訊

本公司特別重視與股東及投資者之通訊。公佈財務業績時，本公司會與機構股東舉行例會及總體財務業績發佈會。本公司亦會於其年報、中期報告及公佈中提供大量資料。

董事會致力與股東保持持續對話。本集團鼓勵全體董事出席股東大會並與股東進行個人溝通。董事會主席及各委員會主席均須出席股東週年大會，並回應股東就彼等負責之事宜所作出之提問。此外，本公司外聘核數師之代表須出席股東週年大會，回答有關進行審計、核數師報告之編製及內容、會計政策及核數師獨立性之提問。

藉本公司股東週年大會（「股東週年大會」）及股東特別大會（「股東特別大會」），股東可表達彼等對本公司之意見及向董事及管理層提問。本公司全體股東均獲寄發年報、通函、股東週年大會及股東特別大會通告以及其他公司通訊。本公司須就各項不同事項於股東大會上個別提呈決議案。每名股東可委派一名代表出席大會及代其投票。

PROCEDURES FOR SHAREHOLDERS TO NOMINATE A DIRECTOR, MAKE PROPOSALS AND CONVENE GENERAL MEETINGS

Pursuant to the Bye-laws of the Company, if a shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with appointment/election of director(s), wishes to propose a person (other than the shareholder himself/herself) for election as a director of the Company, the shareholder must deposit a written notice to the principal place of business of the Company in Hong Kong for the attention of the company secretary of the Company. Details for nominating candidates to stand for election as a director are set out in the Corporate Governance section of the Company website.

(i) Any one or more shareholders holding not less than one-twentieth of the total voting rights of all shareholders having the right to vote at the general meeting; or (ii) not less than 100 shareholders may submit a written request to make proposals or move a resolution at a general meeting; or a 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 a particular general meeting. Such request must be deposited at the principal place of business of the Company in Hong Kong, for the attention of the company secretary of the Company, not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution and not less than one week before the meeting in the case of any other requisition. Details of the requirements and procedures for making proposals or moving a resolution at a general meeting are set out in the Corporate Governance section of the Company website.

Any one or more 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 sent to the Company's registered office and at its principal place of business in Hong Kong, for the attention of the Board or the company secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. Details of the requirements and procedures for convening general meetings are set out in the Corporate Governance section of the Company website.

股東提名董事、作出提議及召開股東大會之程序

根據本公司之公司細則，倘正式合資格出席因處理委任／選舉董事而召開之股東大會並於會上投票之股東希望提議某一人士（股東本身除外）參選本公司董事，其必須將書面通知呈遞至本公司位於香港之主要營業地點，以供本公司之公司秘書垂注。提名候選人參選董事之詳情載於本公司網站之企業管治部分。

(i)持有有權於股東大會上投票之全體股東之總投票權不少於二十分之一之一名或多名股東；或(ii)不少於100名股東，可提呈於股東大會上作出動議或決議案之書面要求，或就於特定股東大會上擬提出之決議案所述之事項或將處理之事務作出不超過1,000字之陳述。有關要求必須於大會舉行前六週（倘要求獲提供決議案通知）或股東大會舉行前一週（倘為任何其他要求）呈遞至本公司香港主要營業地點，致本公司之公司秘書。有關在股東大會上提出動議或議案之規定及程序之詳情載於本公司網站企業管治部分。

於遞呈要求當日持有不少於附有本公司股東大會投票權之本公司繳足股本十分之一之一名或多名股東，可隨時向本公司註冊辦事處及香港主要營業地點發出書面要求，致董事會或本公司之公司秘書，要求董事會召開股東特別大會，處理有關要求所指明任何事項的相關議程。有關召開股東大會之規定及程序之詳情載於本公司網站企業管治部分。

Corporate Governance Report

企業管治報告

PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Shareholders may send their enquiries and concerns to the Board of the Company by addressing them to the principal place of business of the Company in Hong Kong at 17th Floor, Empress Plaza, 17-19 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong by post or by email to kingmkra@netvigator.com for the attention of the company secretary of the Company.

Upon receipt of the enquiries, the company secretary will forward:

1. communications relating to matters within the Board's purview to the executive Directors of the Company;
2. communications relating to matters within a Board committee's area of responsibility to the chairman of the appropriate committee; and
3. communications relating to ordinary business matters, such as suggestions, inquiries and complaints, to the appropriate management of the Company.

VOTING BY POLL

Pursuant to the Listing Rules, all voting at the Company's general meetings shall be conducted by poll. The Company's bye-laws have set out the procedures and requirements of voting by poll. Such voting procedure would be explained by the Chairman at the commencement of the general meeting of shareholders.

CODE OF CONDUCT

To enhance the standards of employees, the Company has set out standards of professional and ethical conduct for all employees of the Group. The employees at all levels are expected to conduct themselves in an honest, diligent and responsible manner.

CONCLUSION

The Company will continue its enduring effort in reviewing the corporate governance practices from time to time and will try its best in maintaining, strengthening and improving the standard and quality of the Company's corporate governance to meet with the continuous changing environment and for the benefit of the shareholders.

向董事會查詢之程序

股東可向本公司董事會寄發查詢及關注事宜，以郵寄方式寄往本公司於香港之主要營業地點（地址為香港九龍尖沙咀漆咸道南17-19號帝后廣場17樓），或電郵至kingmkra@netvigator.com，收件人為本公司之公司秘書。

收到查詢後，公司秘書將轉發：

1. 與董事會職權範圍內有關事宜之通訊予本公司執行董事；
2. 與董事會委員會職權範圍內有關事宜之通訊予相關委員會主席；及
3. 與日常事務有關事宜（如建議、查詢及投訴）之通訊予本公司相關管理層。

以投票方式表決

根據上市規則，本公司股東大會上之所有表決須以投票方式進行。本公司之公司細則已載列以投票方式表決之程序及規定。於股東大會開始時主席亦會闡釋該等表決程序。

行為守則

為提升僱員水準，本公司已為本集團所有僱員制訂專業及操守標準。各級僱員均須本著誠實、勤奮及盡責之態度行事。

結論

本公司將繼續致力不時檢討其企業管治常規，盡力維持、鞏固及改善本公司企業管治標準及質素，以迎合瞬息萬變之環境及照顧股東利益。

Directors and Senior Management Profiles 董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Huang Hsiu-duan, Helen 黃秀端	60	Executive director and Chief Executive Officer (appointed on 29 June 2016) 執行董事及行政總裁 (於二零一六年六月 二十九日獲委任)	36	<p>Madam Huang is a co-founder of the Group. She is also a member of the Remuneration Committee of the Company and serves as a director for the subsidiaries of the Company. She is responsible for formulating the overall business strategies and future development plans for the Group, the purchasing function and human resources management of the Group. Madam Huang has more than 40 years' experience in the footwear industry. Madam Huang is the mother of Ms. Chen Zi-yun, Fiona Apple and Mr. Chen Yi-wu, Ares.</p> <p>黃女士為本集團創辦人之一。彼亦為本公司薪酬委員會成員並於本公司多家附屬公司擔任董事。負責制定本集團整體業務策略及未來發展計劃、本集團採購及人力資源管理。黃女士具有逾40年製鞋業經驗。黃女士為陳子芸小姐及陳奕舞先生之母親。</p>
Kimmel, Phillip Brian 柯民佑	65	Executive director 執行董事	23	<p>Mr. Kimmel has been with the Group since 1994. He is responsible for the Group's sales and marketing, customer relations. Mr. Kimmel has more than 41 years' extensive experience in the footwear industry. He holds a Bachelor's degree from the University of Southern California and a Master's degree from the University of Washington in China Regional Studies.</p> <p>柯先生於一九九四年加入本集團。主要負責本集團之營銷推廣及客戶關係事宜。柯先生在製鞋業有超過41年之豐富經驗。彼擁有美國南加州大學學士學位及華盛頓大學中國研究碩士學位。</p>
Mumma, Adin David 馬大衛	67	Executive director (appointed on 1 October 2016) 執行董事(於二零一六年 十月一日獲委任)	1	<p>Mr. Mumma is also an executive vice president of the Group. He is in charge of the Group's production and customer relations. Mr. Mumma has over 34 years' experience in the footwear industry. Since 2000, he has started to provide advice to the Company including the feasibility studies on new projects, organizational structure, transition to lean manufacturing system and labour matters. Mr. Mumma holds a bachelor's degree of Arts from the Millersville State College in 1971.</p> <p>馬先生亦為本集團執行副總裁。彼現負責本集團的生產及客戶關係工作。馬先生擁有逾34年製鞋業經驗。彼自二零零零年以來一直就新項目可行性研究、組織架構、過渡至精益生產系統及勞工事宜向本公司提供建議。馬先生於一九七一年獲Millersville State College頒發文學學士學位。</p>

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Wong Hei-chiu 黃禧超	50	Executive director 執行董事	9	<p>Mr. Wong is also the chief financial officer of the Group and company secretary of the Company. Mr. Wong is responsible for the supervision and management of the Group's overall financial matters and investor relations. Mr. Wong holds an Executive Master's degree in business administration from The Chinese University of Hong Kong and a Bachelor's degree in business administration from Lingnan University, Hong Kong. He is a Certified Public Accountant (Practising), a fellow member of The Association of Chartered Certified Accountants in the United Kingdom, an associate member of The Institute of Chartered Accountants in England and Wales and an associate member of Hong Kong Institute of Certified Public Accountants. Mr. Wong is also a fellow member of the Hong Kong Institute of Directors.</p> <p>黃先生亦為本集團之首席財務官兼本公司之公司秘書。黃先生負責監督及管理本集團之整體財務事宜及投資者關係。黃先生持有香港中文大學EMBA碩士學位及香港嶺南大學商業管理學士學位。彼為執業會計師，乃英國特許公認會計師公會資深會員、英格蘭及威爾斯特許會計師公會會員及香港會計師公會會員。黃先生亦為香港董事學會資深會員。</p> <p>Mr. Wong has over 26 years of corporate finance and financial management experience in Hong Kong and the PRC. Prior to joining the Group in 2008, Mr. Wong has worked as the group financial controller and company secretary in a Hong Kong listed electronics manufacturing company for over 8 years; and as the finance director and company secretary in another Hong Kong listed wholesale and distribution company for over 4 years. Mr. Wong was also an independent non-executive director of Hong Wei (Asia) Holdings Company Limited, a company listed on the Growth Enterprise Market of the Stock Exchange, during the period from December 2013 to June 2016.</p> <p>黃先生在香港及中國積累逾26年企業財務及財務管理方面之經驗。黃先生於二零零八年加入本集團前，曾於一間在香港上市之電子製造公司擔任集團財務總監及公司秘書逾8年；並曾於另一間在香港上市之批發及分銷公司擔任財務董事及公司秘書逾4年。於二零一三年十二月至二零一六年六月期間，黃先生亦為鴻偉（亞洲）控股有限公司（一間於聯交所創業板上市之公司）之獨立非執行董事。</p>

Directors and Senior Management Profiles 董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chow Wing-kin, Anthony, SBS, J.P. 周永健 銀紫荊星章·太平紳士	67	Non-executive director 非執行董事	23	<p>Mr. Chow serves as a member of the Nomination Committee and the Audit Committee of the Company. 周先生為本公司提名委員會及審核委員會之成員。</p> <p>Mr. Chow is a solicitor admitted to practise in Hong Kong and England and Wales. He has been a practising solicitor in Hong Kong for over 37 years and is currently a senior consultant of the law firm Messrs. Guantao & Chow Solicitors and Notaries. His principal areas of practice include corporate and commercial, property law, probate and civil litigation. Mr. Chow is a China-Appointed Attesting Officer and member of South China International Economic and Trade Arbitration Commission. He is the Deputy Chairman of the board of stewards of The Hong Kong Jockey Club. He is also an independent non-executive director of MTR Corporation Limited and S.F. Holdings Co., Ltd. (formerly known as Maanshan Dingtai Rare Earth & New Materials Co., Ltd), both of which are listed on the Main Board of the Hong Kong Stock Exchange and Shenzhen Stock Exchange respectively. Mr. Chow is the Chairman of the Process Review Panel of Financial Reporting Council and a member of The Exchange Fund Advisory Committee and The EFAC Governance Subcommittee of Hong Kong Monetary Authority. Mr. Chow was a non-executive director of Asia Allied Infrastructure Holdings Limited (formerly known as China City Construction Group Holdings Limited) during the period from February 2015 to October 2016 and an independent non-executive director of Link Asset Management Limited as manager of Link Real Estate Investment Trust during the period from May 2006 to May 2015 and Fountain Set (Holdings) Limited during the period from September 2004 to June 2016, all of which are listed on the Main Board of the Stock Exchange. He is the former president of the Law Society of Hong Kong and was the chairman of the Process Review Panel for the Securities and Futures Commission.</p> <p>周先生分別於香港、英格蘭及威爾斯獲認為執業律師。彼於香港擔任執業律師逾37年，現為觀韜律師事務所（香港）之高級顧問。彼之主要執業範圍包括公司法及商業法、產權法、遺產事務及民事訴訟。周先生為中國委託公證人及華南國際經濟貿易仲裁委員會委員。彼為香港賽馬會董事局副主席。彼亦為香港鐵路有限公司及順豐控股股份有限公司（前稱馬鞍山鼎泰稀土新材料股份有限公司）之獨立非執行董事（分別於聯交所主板及深圳交易所上市之公司）。周先生為財務匯報局程序覆檢委員會主席以及香港金融管理局外匯基金諮詢委員會及外匯基金諮詢委員會轄下的管治委員會之委員。於二零一五年二月至二零一六年十月期間，周先生為亞洲聯合基建控股有限公司（前稱中國城建集團股份有限公司）之非執行董事，於二零零六年五月至二零一五年五月期間及於二零零四年九月至二零一六年六月期間，周先生分別為領展資產管理有限公司（作為領展房地產投資信託基金之管理人）及福田實業（集團）有限公司之獨立非執行董事（三間均為於聯交所主板上市之公司）。彼為香港律師會前任會長及證券及期貨事務監察委員會程序覆檢委員會主席。</p>

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chan Ho-man, Daniel 陳浩文	62	Non-executive director and Chairman (appointed on 29 June 2016) 非執行董事兼主席 (於二零一六年六月二十九日 獲委任)	21	<p>Mr. Chan has been with the Group since 1996. He is responsible for formulate, advising the management on the corporate strategy and policy development. Mr. Chan also serves as the Chairman of the Nomination Committee with effect from 29 June 2016.</p> <p>陳先生於一九九六年加入本集團。負責制定就企業策略及政策發展並就此向管理層提供意見。陳先生亦自二零一六年六月二十九日起擔任提名委員會主席。</p> <p>Mr. Chan is a fellow member of the Association of Chartered Certified Accountants and an associate member of Hong Kong Institute of Certified Public Accountants. Mr. Chan is also the company secretary of Kin Yat Holdings Limited, a company listed on the Main Board of the Stock Exchange. Mr. Chan has more than 38 years' accounting and corporate finance experience in Hong Kong.</p> <p>陳先生為英國特許公認會計師公會資深會員及香港會計師公會會員。陳先生亦為建溢集團有限公司之公司秘書，該公司於聯交所主板上市。陳先生具有逾38年香港會計及公司財務經驗。</p>

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Tam King-ching, Kenny 譚競正	68	Independent non-executive director 獨立非執行董事	23	<p>Mr. Tam serves as the Chairman of the Audit Committee, and a member of each of the Nomination Committee and Remuneration Committee of the Company. He is a practising Certified Public Accountant in Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Chartered Professional Accountants of Ontario, Canada. Mr. Tam is serving as a member of the Small and Medium Practitioners Committee and the Insolvency SD Vetting Committee in the Hong Kong Institute of Certified Public Accountants. He is a past president of The Society of Chinese Accountants and Auditors. Mr. Tam also serves as an independent non-executive director of eight other listed companies on the Main Board of the Stock Exchange, namely, Shougang Concord Grand (Group) Limited, CCT Fortis Holdings Limited, Starlite Holdings Limited, Hong Kong Shanghai Alliance Holdings Limited (formerly Van Shung Chong Holdings Limited), BeijingWest Industries International Limited, West China Cement Limited, CCT Land Holdings Limited and Wisdom Education International Holdings Company Limited.</p> <p>譚先生為本公司審核委員會之主席及提名委員會及薪酬委員會之成員。彼為香港執業會計師。彼為香港會計師公會之資深會員及加拿大安全略省特許專業會計師公會會員。譚先生為香港會計師公會中小型執業所委員會及破產重整專項資格核准委員會委員。彼為香港華人會計師公會前任會長。譚先生亦出任其他八間於聯交所主板上市之公司（即首長四方（集團）有限公司、中建富通集團有限公司、星光集團有限公司、滬港聯合控股有限公司（前稱萬順昌集團有限公司）、京西重工國際有限公司、中國西部水泥有限公司、中建置地集團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。</p>

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Yung Tse-kwong, Steven 戎子江	67	Independent non-executive director 獨立非執行董事	12	<p>Mr. Yung serves as the Chairman of the Remuneration Committee, and a member of each of the Audit Committee and the Nomination Committee of the Company. Mr. Yung was the former Chief Executive Officer of Imagi International Holdings Limited and was the former Chairman of Clear Media Limited, both of which are listed on the Main Board of the Stock Exchange. As Managing Partner of Glocal LLC, Mr. Yung has over 36 years' management experience from leading multinational companies in the media, entertainment, consumer and retail industries. Mr. Yung began his career as a producer with Hong Kong Commercial Broadcasting Company Limited and has since held various senior management positions at The Coca-Cola Company in the United States of America and Asia, served as Regional Managing Director of AC Nielsen China, Hong Kong, Taiwan and Korea and as President of Nielsen Media International. He had been a director of the Cable and Satellite Broadcasting Association of Asia (CASBAA), and is currently a Director of the Child Development Matching Fund.</p> <p>戎先生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。戎先生為意馬國際控股有限公司之前任行政總裁，並為白馬戶外媒體有限公司之前任主席，兩者均於聯交所主板上市。作為Glocal LLC之管理合夥人，戎先生擁有超過36年於領先跨國企業，包括媒體、娛樂、消費及零售業務之管理經驗。戎先生的職途始於香港商業廣播有限公司，當時擔任監製一職，隨後曾於美國及亞洲地區可口可樂公司任職多個高級管理職位，擔任尼爾森之地區董事長專責中國、香港、台灣及韓國，及Nielsen Media International之總裁。彼曾任Cable and Satellite Broadcasting Association of Asia (CASBAA)董事，現為兒童發展配對基金董事。</p>

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chan Mei-bo, Mabel 陳美寶	45	Independent non-executive director 獨立非執行董事	6	Ms. Chan serves as a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Ms. Chan is the founder of Mabel Chan & Co, Certified Public Accountants (Practicing) and became the deputy managing partner of Grant Thornton Limited in 2015. Ms. Chan has over 24 years' experience in professional accounting field in Hong Kong. She holds a master degree of business administration from the Hong Kong University of Science and Technology in 2000 and a degree of Bachelor of Arts (Hons) in accountancy from City Polytechnic of Hong Kong (now known as City University of Hong Kong) in 1993. Ms. Chan is a Certified Public Accountant (Practicing) in Hong Kong, a fellow member of The Association of Chartered Certified Accountants, a council member and an associate member of The Hong Kong Institute of Certified Public Accountants, and an associate member of The Institute of Chartered Accountants in England and Wales. Ms. Chan is a certified tax adviser and a member of The Taxation Institute of Hong Kong in 2010. She is the past president of The Society of Chinese Accountants and Auditors, past president and council member of the Association of Women Accountants (Hong Kong), and a member of The Hong Kong Institute of Directors. Ms. Chan is also a member of the Barristers Disciplinary Tribunal Panel, a member of Appeal Panel (Housing), a member of the CreateSmart Initiative Vetting Committee appointed by the Secretary for Commerce and Economic Development of Hong Kong, a member of the Council of the Hong Kong Baptist University and president of Hong Kong Institute of Certified Public Accountants since December 2016.

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
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陳女士為本公司審核委員會、提名委員會及薪酬委員會之成員。陳女士為陳美寶會計師事務所的創辦人，並於二零一五年成為致同(香港)會計師事務所有限公司副管理合夥人。陳女士於香港之專業會計方面擁有逾24年經驗。彼於二零零零年獲得香港科技大學工商管理碩士學位，並於一九九三年獲香港城市理工學院(現時稱為香港城市大學)頒授文學學士(榮譽)學位，主修會計。陳女士為香港執業會計師、英國特許公認會計師公會之資深會員、香港會計師公會會員理事及會員，以及英格蘭和威爾斯特許會計師公會會員。陳女士於二零一零年為香港稅務學會註冊稅務師及會員。彼為香港華人會計師公會的前會長、香港女會計師協會的前會長及理事及香港董事學會會員。陳女士亦為大律師紀律審裁團成員、上訴委員會(房屋)的成員、香港商務及經濟發展局局長委任的創意智優計劃審核委員會的成員、香港浸會大學理事及自二零一六年十二月起，彼為香港會計師公會會長。

Ms. Chan currently serves as an independent non-executive director of another listed company on the Main Board of the Stock Exchange, namely Bank of Zhengzhou Co., Ltd. Ms. Chan was an independent non-executive director of a listed company on the Main Board of the Stock Exchange, namely China Weaving Materials Holdings Limited during the period from December 2011 to December 2014 and of another listed company on the Growth Enterprise Market of the Stock Exchange, namely South China Assets Holdings Limited during the period from May 2013 to March 2017.

陳女士現時擔任於聯交所主板上市的另一間公司(即鄭州銀行股份有限公司)的獨立非執行董事。陳女士為一間於聯交所主板上市之公司的獨立非執行董事，即於二零一一年十二月至二零一四年十二月期間為中國織材控股有限公司的獨立非執行董事，並於二零一三年五月至二零一七年三月期間在聯交所創業板上市的另一間公司(即南華資產控股有限公司)擔任獨立非執行董事。

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Hong Kong Office 香港辦事處				
Lai Chi-hang, David 黎志恆	50	Group financial controller 集團財務總監	24	Mr. David Lai has been with the Group since 1993. He is responsible for the Group's accounting and financial management. Mr. Lai holds a Master's degree in business administration from University of Wales. He has more than 28 years' experience in auditing, financial accounting and financial management. 黎志恆先生於一九九三年加入本集團。負責本集團之會計及財務管理。黎先生持有威爾斯大學工商管理碩士學位，具有超過28年核數、財務會計及財務管理經驗。
PRC base 中國大陸區				
Yang Mu Lang 楊木龍	56	Senior manager 執行協理	13	Mr. Yang Mu Lang has been with the Group since 2004. He is in charge of the factory operation in Zhuhai. Mr. Yang has more than 33 years' experience in footwear factory. 楊木龍先生於2004年加入本集團，主要負責珠海廠之營運。楊先生在製鞋廠有超過33年之經驗。
South Asia base 南亞區				
Hsu Ming-hsien, Jack 許明顯	58	Vice president 副總經理	13	Mr. Jack Hsu has been with the Group since 2004. He is in charge of the factory production in Vietnam and also factory operations in Cambodia. Mr. Hsu has more than 35 years' experience in the footwear industry. 許明顯先生於二零零四年加入本集團。主要負責越南廠之生產事宜及兼管柬埔寨廠之營運。許先生在製鞋業有超過35年之經驗。

Directors and Senior Management Profiles

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chen Zi-yun, Fiona Apple 陳子芸	34	Assistant to Chief Executive Officer 行政總裁助理	10	<p>Ms. Fiona Apple Chen has been with the Group since 2007. She was previously the Managing Director and was in charge of the Group's retailing business. She assists the Chief Executive Officer for the implementation of corporate strategies and coordination among different departments and business units of the Group. She is responsible for the overall administration and management information systems of the Group and oversees the Group's business operation in Taiwan. She also serves as a director for the subsidiaries of the Company. She holds a Bachelor's degree from National Taiwan University in International Business. After graduation, she studied footwear design at De Montfort University, the United Kingdom. Ms. Chen is a daughter of Madam Huang Hsiu-duan, Helen and a sister of Mr. Chen Yi-wu Ares.</p> <p>陳子芸小姐自二零零七年加入本集團。彼先前為董事總經理，負責本集團的零售業務。彼現協助行政總裁落實企業戰略及各部門與本集團業務單位之間的協調。彼負責本集團的整體行政與管理資訊系統及監管本集團台灣的業務營運。彼亦於本公司多家附屬公司擔任董事。彼擁有國立台灣大學學士學位，主修國際商務。畢業後，彼在英國De Montfort University繼續深造，主修鞋類設計。陳小姐為黃秀端女士之女兒，並為陳奕舞先生的姐姐。</p>
Chen Yi-wu, Ares 陳奕舞	25	Assistant Vice president 助理副總裁	1	<p>Mr. Ares Chen joined the Group in 2016. Mr. Chen assists executive vice presidents for the Group's production and customer relations. He holds a bachelor's degree of Arts in Economics from Tamkang University. After graduation, he continues to further his studies a master's degree in Business Psychology at University of Leeds, United Kingdom. Mr. Chen is the son of Madam Huang Hsiu-duan, Helen and a brother of Ms. Chen Zi-yun, Fiona Apple.</p> <p>陳奕舞先生於二零一六年加入本集團。陳先生協助行政副總裁管理本集團的生產及客戶關係。彼持有淡江大學經濟學學士學位。畢業後，彼於英國利茲大學繼續攻讀商業心理學碩士學位。陳先生為黃秀端女士之子，並為陳子芸小姐的弟弟。</p>

Report of the Directors

董事會報告

The directors (the “Directors”) of the Company present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries are set out in note 39 to the financial statements. There were no significant changes in the nature of the principal activities of the Group during the year.

BUSINESS REVIEW

A discussion and analysis of the activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance, including a fair review of the business, a discussion of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year 2017, and an indication of likely future development in the Group’s business, are provided in the sections headed “Chairman’s Statement”, “Management Discussion and Analysis”, and “Environmental, Social and Governance Report” set out on pages 6 to 37 of this annual report.

For the year ended 31 March 2017 and up to the date of this report, to the best knowledge of the Directors, the Group complied with applicable laws, rules and regulations in all material respects.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 March 2017 and the Group’s financial position at that date are set out in the financial statements on pages 91 to 231.

本公司董事（「董事」）謹此提呈董事會報告及本公司與本集團截至二零一七年三月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務詳情載於財務報表附註39。本集團主要業務之性質在本年度並無重大變動。

業務回顧

香港公司條例附表五所規定之本集團活動之討論與分析，包括對業務之中肯審閱、本集團面臨的主要風險和不明朗因素之討論、在二零一七年財政年度完結後發生並對本集團有影響的重大事件及本集團業務日後可能發展的指標，載於本年度報告第6至37頁的「主席報告」、「管理層討論及分析」和「環境、社會及管治報告」各節內。

於截至二零一七年三月三十一日止年度及直至本報告日期，就董事所知，本集團於所有重大方面遵守適用法律、規則及法規。

業績及股息

本集團於截至二零一七年三月三十一日止年度之溢利及本集團於該日之財務狀況載於財務報表第91至231頁。

Report of the Directors

董事會報告

An interim dividend of HK4.2 cents per ordinary share and a special dividend of HK3.8 cents per ordinary share were paid on 25 January 2017. The Directors recommend the payment of a final dividend of HK5.5 cents per ordinary share and a special dividend of HK4.5 cents per ordinary share in respect of the year to shareholders whose names appear on the register of members on 7 September 2017. Details are set out in note 13 to the financial statements. Subject to the passing of the relevant resolutions at the forthcoming annual general meeting of the Company, such dividends will be payable on or about 26 September 2017 in cash in Hong Kong dollars.

CLOSURE OF REGISTER OF MEMBERS

Entitlement to attend and vote at the Annual General Meeting

The Annual General Meeting of the Company is scheduled to be held on Tuesday, 29 August 2017. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 24 August 2017 to Tuesday, 29 August 2017, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the Annual General Meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 23 August 2017.

Entitlement to the proposed final and special dividends

The record date for entitlement to the proposed final and special dividends is Thursday, 7 September 2017. For determining the entitlement to the proposed final and special dividends, the register of members of the Company will be closed from Tuesday, 5 September 2017 to Thursday, 7 September 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final and special dividends, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, for registration not later than 4:30 p.m. on Monday, 4 September 2017.

本集團已於二零一七年一月二十五日派付中期股息每股普通股4.2港仙及特別股息每股普通股3.8港仙。董事建議派發本年度末期股息每股普通股5.5港仙及特別股息每股普通股4.5港仙予於二零一七年九月七日名列股東名冊之股東。詳情載於財務報表附註13。待於本公司應屆股東週年大會上通過有關決議案後，有關股息將於二零一七年九月二十六日或該日前後以港元現金派發。

暫停辦理股份過戶登記

出席股東週年大會並於會上投票的資格

本公司股東週年大會謹訂於二零一七年八月二十九日（星期二）舉行。為釐定出席股東週年大會並於會上投票的資格，本公司將由二零一七年八月二十四日（星期四）至二零一七年八月二十九日（星期二）（包括首尾兩日）暫停辦理股東登記手續，於此期間不會辦理任何股份過戶手續。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票，須不遲於二零一七年八月二十三日（星期三）下午四時三十分，送達本公司之香港股份過戶登記分處卓佳登捷時有限公司，地址為香港灣仔皇后大道東183號合和中心22樓，以辦理登記手續。

擬派末期及特別股息的資格

獲派擬派末期及特別股息之記錄日期為二零一七年九月七日（星期四）。為釐定獲派擬派末期及特別股息的資格，本公司將由二零一七年九月五日（星期二）至二零一七年九月七日（星期四）（包括首尾兩日）暫停辦理股東登記手續，於此期間不會辦理任何股份過戶手續。為符合資格獲派擬派末期及特別股息，所有股份過戶文件連同有關股票，須不遲於二零一七年九月四日（星期一）下午四時三十分，送達本公司之香港股份過戶登記分處卓佳登捷時有限公司，以辦理登記手續。

SUMMARY OF FINANCIAL INFORMATION

財務資料概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below. This summary does not form part of the audited financial statements.

本集團於過往五個財政年度之業績及資產與負債之概要載列如下。本概要並非經審核財務報表之一部分。

Results

業績

	Year ended 31 March 截至三月三十一日止年度				
	2017	2016	2015	2014	2013
	二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
	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
		(Re-presented)	(Re-presented)	(Re-presented)	(Re-presented)
		(經重列)	(經重列)	(經重列)	(經重列)
CONTINUING OPERATIONS 持續經營業務					
REVENUE 收益	1,830,267	2,308,161	2,326,399	1,868,663	1,766,758
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS 除稅前溢利持續經營業務	163,083	152,797	124,952	109,281	138,798
Income tax expense 所得稅開支	(14,631)	(12,743)	(12,853)	(13,515)	(16,540)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS 來自持續經營業務之年內溢利	148,452	140,054	112,099	95,766	122,258
DISCONTINUED OPERATION 已終止經營業務					
Loss for the year from discontinued operation 來自已終止經營業務之年內虧損	(17,099)	(20,682)	(22,785)	(28,174)	(28,288)
PROFIT FOR THE YEAR 年內溢利	131,353	119,372	89,314	67,592	93,970
Attributable to: 下列各項應佔:					
Equity holders of the Company 本公司權益持有人	132,556	120,205	92,480	67,592	93,970
Non-controlling interests 非控股權益	(1,203)	(833)	(3,166)	-	-
	131,353	119,372	89,314	67,592	93,970

Report of the Directors

董事會報告

Assets and liabilities

資產及負債

	As at 31 March 於三月三十一日				
	2017	2016	2015	2014	2013
	二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
	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
PROPERTY, PLANT AND EQUIPMENT					
物業、廠房及設備	338,037	523,592	522,949	453,019	403,752
PREPAID LAND LEASE PAYMENTS					
預付土地租賃款項	51,587	86,579	78,159	55,321	56,890
INVESTMENT PROPERTIES					
投資物業	136,484	123,247	115,692	110,694	93,845
DEPOSITS					
按金	3,916	22,440	24,793	21,625	1,862
INVESTMENTS IN ASSOCIATES					
聯營公司投資	57,558	–	–	–	–
INVESTMENTS IN CLUB MEMBERSHIPS					
會所會籍投資	870	887	906	925	941
AVAILABLE-FOR-SALE INVESTMENTS					
可供出售投資	530	489	892	1,490	2,399
CURRENT ASSETS 流動資產	1,152,205	1,078,747	1,015,636	937,624	925,409
TOTAL ASSETS 總資產	1,741,187	1,835,981	1,759,027	1,580,698	1,485,098
CURRENT LIABILITIES 流動負債	(556,115)	(664,684)	(622,281)	(519,405)	(428,432)
NON-CURRENT LIABILITIES 非流動負債	(19,877)	(16,878)	(20,228)	(18,942)	(14,844)
TOTAL LIABILITIES 總負債	(575,992)	(681,562)	(642,509)	(538,347)	(443,276)
NON-CONTROLLING INTERESTS 非控股權益	(19,638)	(22,324)	(19,335)	–	–
	1,145,557	1,132,095	1,097,183	1,042,351	1,041,822

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 27 and 28 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company or the Companies Act 1981 of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

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

During the year, the Company repurchased and cancelled its 3,406,000 shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors considered that the share repurchases are beneficial to the shareholders of the Company who retain their investments in the Company. Details of the share repurchases are set out below:

股本及購股權

年內，本公司股本及購股權變動之詳情及理由分別載於財務報表附註27及28。

優先購買權

本公司之公司細則或百慕達一九八一年公司法概無有關優先購買權之規定，故本公司毋須按比例向現有股東發行新股。

購買、贖回或出售本公司之上市證券

年內，本公司於香港聯合交易所有限公司（「聯交所」）購回及註銷其3,406,000股股份。董事認為，股份購回對保留於本公司之投資之股東有利。股份購回之詳情載列如下：

Month/Year 月/年	Number of shares repurchased 購回之股份數目	Highest price per share 每股最高價 HK\$ 港元	Lowest price per share 每股最低價 HK\$ 港元	Aggregate consideration (excluding transaction cost) 代價總額 (不包括交易成本) HK\$'000 千港元
June 2016 二零一六年六月	100,000	1.68	1.67	168
July 2016 二零一六年七月	2,382,000	1.94	1.75	4,404
October 2016 二零一六年十月	924,000	1.90	1.70	1,704
Total 總計	3,406,000			6,276

Report of the Directors

董事會報告

Further details of these transactions are set out in note 27 to the financial statements.

Except as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

DISTRIBUTABLE RESERVES

As at 31 March 2017, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda, amounted to HK\$361,931,000, of which HK\$38,483,000 and HK\$31,486,000 have been proposed as a final dividend and a special dividend, respectively, for the year after the reporting period. In addition, the Company's share premium account, in the amount of HK\$119,059,000, may be distributed in the form of fully paid bonus shares.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totalling HK\$240,000.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, the Group's sales to the five largest customers accounted for 93.5% of the total sales for the year and sales to the largest customer included therein amounted to 31.5%. Purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases for the year.

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

該等交易之進一步詳情載於財務報表附註27。

除上文所披露者外，本公司或其任何附屬公司年內概無購買、贖回或出售本公司之任何上市證券。

可供分派儲備

根據百慕達一九八一年公司法計算，於二零一七年三月三十一日，本公司可供分派之儲備總額為361,931,000港元，其中38,483,000港元及31,486,000港元分別為年內報告期結束後擬派末期股息及特別股息。此外，本公司之股份溢價賬為119,059,000港元，可以繳足紅股之方式分派。

慈善捐款

年內，本集團作出慈善捐款合共240,000港元。

主要客戶及供應商

於回顧年度內，本集團對五大客戶之銷售額佔本年度總銷售額93.5%，而其中本集團對最大客戶之銷售額則佔31.5%。本集團向五大供應商之採購額佔本年度總採購額少於30%。

本公司董事、其任何緊密聯繫人或就董事們所知擁有本公司已發行股本5%以上之任何本公司股東概無擁有本集團五大客戶及供應商之任何實益權益。

DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

Executive Directors:

Mr. Chen Ming-hsiung, Mickey (passed away on 14 April 2016)
Mdm. Huang Hsiu-duan, Helen
Mr. Kimmel, Phillip Brian
Mr. Mumma, Adin David
(appointed with effect from 1 October 2016)
Mr. Wong Hei-chiu

Non-executive Directors:

Mr. Chow Wing-kin, Anthony, SBS, J.P.
Mr. Chan Ho-man, Daniel

Independent Non-executive Directors:

Mr. Tam King-ching, Kenny
Mr. Yung Tse-kwong, Steven
Ms. Chan Mei-bo, Mabel

Pursuant to bye-law 86(2) of the bye-laws of the Company, Mr. Mumma, Adin David, who was appointed as an executive director with effect from 1 October 2016, will hold office only until the forthcoming annual general meeting, and will retire from office and offer himself for re-election at the forthcoming annual general meeting. In addition, pursuant to bye-law 87 of the bye-laws of the Company, Mdm. Huang Hsiu-duan, Helen and Mr. Yung Tse-kwong, Steven will retire from office by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

董事

年內及截至本報告當日本公司之董事如下：

執行董事：

陳敏雄先生（於二零一六年四月十四日辭世）
黃秀端女士
柯民佑先生
馬大衛先生
(委任自二零一六年十月一日起生效)
黃禧超先生

非執行董事：

周永健先生，銀紫荊星章，太平紳士
陳浩文先生

獨立非執行董事：

譚競正先生
戎子江先生
陳美寶女士

根據本公司之公司細則第86(2)條規定，馬大衛先生獲委任為執行董事，自二零一六年十月一日起生效，彼將僅任職至應屆股東週年大會，並將於應屆股東週年大會上退任惟願意膺選連任。此外，根據本公司之公司細則第87條規定，黃秀端女士及戎子江先生將於應屆股東週年大會上輪值退任，並符合資格及願意膺選連任。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' REMUNERATION

The Directors' remuneration is recommended by the Remuneration Committee and subject to approval by the Company's board of Directors with reference to Directors' duties, responsibilities and performance and the results of the Group.

PERMITTED INDEMNITY PROVISION

According to the bye-laws of the Company, the Directors for the time being of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their respective offices. The Company has maintained appropriate directors liability insurance in respect of legal action against the Directors during the year ended 31 March 2017.

MANAGEMENT CONTRACTS

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

董事之服務合約

於應屆股東週年大會上膺選連任之董事概無與本公司訂立本公司一年內不作賠償（法定賠償除外）則不得終止之服務合約。

董事酬金

董事酬金由薪酬委員會建議，並須待本公司董事會參考董事職責、責任及表現，以及本集團業績而批准釐定。

獲准許的彌償保證條文

根據本公司之公司細則，本公司當時之董事可從本公司的資產及利潤獲得彌償，該等人士或任何該等人士因執行各自的職務時因所作出、發生的作為或不作為而招致或蒙受或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免於就此受任何損害。於截至二零一七年三月三十一日止年度，本公司已為針對董事的法律訴訟投購適當的董事責任保險。

管理合約

年內概無訂立或存有任何有關本公司整體或任何重大業務部分之管理及行政合約。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

The related party transactions as set out in note 33 to the financial statements constitute connected transactions of the Company exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company confirmed that it has complied with the applicable disclosure requirements of Chapter 14A of the Listing Rules. Apart from those contracts disclosed in note 33 to the financial statements, no Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2017, the interests and short positions of the Directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

董事於交易、安排或合約之權益

財務報表附註33載列之關聯方交易構成本公司之關連交易，但獲豁免遵守上市規則第14A章所載有關申報、公佈及獨立股東批准之規定。本公司確認已遵守上市規則第14A章之適用披露規定。除財務報表附註33所披露者外，年內，各董事或董事之關連人士在本公司或其任何附屬公司所訂立且與本集團業務有重大關係之交易、安排或合約中，並無直接或間接擁有重大權益。

董事於股份及相關股份所擁有之權益及淡倉

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352條須存置之登記冊所示，董事於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股本及相關股份中擁有權益及淡倉，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

Report of the Directors

董事會報告

Long positions in ordinary shares of the Company: 本公司普通股之好倉：

Name of director 董事姓名	Number of shares held, capacity and nature of interest 所持股份數目、身份及權益性質				Percentage of the Company's issued shares 佔本公司 已發行股份之 百分比
	Directly beneficially owned	Through spouse or minor children	Through controlled corporation	Total	
	直接實益擁有	透過配偶或 未成年子女	透過受控制公司	總計	
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	500,000	265,764,041 (Note 1) (附註1)	34,507,500 (Note 2) (附註2)	300,771,541	42.99
Mr. Kimmel Phillip Brian 柯民佑先生	1,000,000	-	-	1,000,000	0.14
Mr. Chan Ho-man, Daniel 陳浩文先生	5,170,000	-	-	5,170,000	0.74
Mr. Wong Hei-chiu 黃禧超先生	2,755,000	-	-	2,755,000	0.39
Mr. Chow Wing-kin, Anthony, SBS, J.P. 周永健先生，銀紫荊星章，太平紳士	3,088,000	-	-	3,088,000	0.44
Mr. Tam King-ching, Kenny 譚競正先生	510,000	-	-	510,000	0.07
Mr. Yung Tse-kwong, Steven 戎子江先生	1,600,000	-	-	1,600,000	0.23

Notes:

附註：

- These shares comprised (i) 1,804,000 shares held by the late Mr. Chen Ming-hsiung, Mickey, which were transmitted to the children of the late Mr. Chen and Mdm. Huang subsequent to 31 March 2017, and (ii) 263,960,041 shares held by King Strike Limited, which was owned by the late Mr. Chen Ming-hsiung, Mickey as to 77.45% and Mdm. Huang Hsiu-duan, Helen as to 22.55%. Mdm. Huang Hsiu-duan, Helen is the widow of the late Mr. Chen who passed away on 14 April 2016. The 77.45% of King Strike Limited which formed part of the estate of the late Mr. Chen was being administered by Mdm. Huang.
- These shares represented 4.93% of the issued share capital of the Company and were beneficially owned by Fat Tat Assets Limited, which was in turn 100% beneficially owned by Mdm. Huang Hsiu-duan, Helen.

- 此等股份包括(i)已故之陳敏雄先生持有之1,804,000股股份(有關股份於二零一七年三月三十一日後轉讓予已故之陳先生及黃女士之子女)及(ii) King Strike Limited持有之263,960,041股股份(該公司由已故之陳敏雄先生及黃秀端女士分別擁有77.45%及22.55%)。黃秀端女士為陳先生之遺孀，陳先生已於二零一六年四月十四日辭世。King Strike Limited的77.45%權益為陳先生遺產的一部分，由黃女士管理。
- 此等股份佔本公司已發行股本4.93%，由Fat Tat Assets Limited實益擁有，而Fat Tat Assets Limited由黃秀端女士100%實益擁有。

Report of the Directors

董事會報告

Long positions in share options of the Company:

本公司購股權之好倉：

Name of Director 董事姓名	Number of options directly beneficially owned 直接實益擁有之購股權數目
Executive Directors: 執行董事：	
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	150,000
Mr. Kimmel, Phillip Brian 柯民佑先生	1,600,000
Mr. Wong Hei-chiu 黃禧超先生	120,000
Non-executive Directors: 非執行董事：	
Mr. Chow Wing-kin, Anthony, SBS, J.P. 周永健先生，銀紫荊星章，太平紳士	90,000
Mr. Chan Ho-man, Daniel 陳浩文先生	120,000
Independent Non-executive Directors: 獨立非執行董事：	
Mr. Tam King-ching, Kenny 譚競正先生	1,170,000
Mr. Yung Tse-kwong, Steven 戎子江先生	600,000
Ms. Chan Mei-bo, Mabel 陳美寶女士	1,350,000
	5,200,000

In addition to the above, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

除上述者外，若干董事純粹為符合公司基本股東數目規定而代本公司持有若干附屬公司之非實益個人股權。

Save as disclosed above, as at 31 March 2017, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一七年三月三十一日，概無董事登記擁有根據證券及期貨條例第352條須予登記，或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團股份、相關股份或債券之權益或淡倉。

Report of the Directors

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the share option scheme disclosures in note 28 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

Details of the Company's share option scheme are disclosed in note 28 to the financial statements. No share options were granted under the share option scheme during the year ended 31 March 2017.

SHARE AWARD SCHEME

Details of the Company's share award scheme are disclosed in note 28 to the financial statements. No shares were awarded under the share award scheme for the year ended 31 March 2017.

EQUITY-LINKED AGREEMENTS

Other than the share option scheme and share award scheme of the Company, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

董事購買股份或債券之權利

除財務報表附註28所披露有關購股權計劃之資料外，於年內任何時間，各董事或彼等各自之配偶或未成年子女並無獲授或行使任何可藉購入本公司股份或債券而獲益之權利；或本公司或其任何附屬公司亦無參與任何安排，致使董事可購買任何其他法人團體之該等權利。

購股權計劃

本公司購股權計劃之詳情於財務報表附註28中披露。於截至二零一七年三月三十一日止年度，概無根據購股權計劃授出購股權。

股份獎勵計劃

本公司股份獎勵計劃之詳情於財務報表附註28中披露。於截至二零一七年三月三十一日止年度，概無根據股份獎勵計劃獎勵任何股份。

股票掛鈎協議

除本公司的購股權計劃及股份獎勵計劃外，於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

主要股東及其他人士於股份及相關股份所擁有之權益

As at 31 March 2017, the following interests of 5% or more of the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

於二零一七年三月三十一日，以下本公司已發行股本及購股權5%或以上權益已記錄於本公司根據證券及期貨條例第336條須存置之權益登記冊內：

Long positions:

好倉：

Name 名稱	Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
King Strike Limited (Note 1) (附註1)	Beneficially owned 實益擁有	263,960,041	37.73
Aberdeen Asset Management Plc and its associates (Note 2) Aberdeen Asset Management Plc及其聯繫人(附註2)	Investment manager 投資經理	55,600,000	7.95
Mr. David Michael Webb (Note 3) David Michael Webb先生(附註3)	Beneficially owned/ Through control corporation 實益擁有/ 透過受控法團	41,970,000	6.00
HSBC Global Asset Management (Hong Kong) Limited (Note 4) 滙豐環球投資管理(香港)有限公司(附註4)	Investment manager 投資經理	35,730,000	5.11

Notes:

附註：

- The issued share capital of King Strike Limited was owned by the late Mr. Chen Ming-hsiung, Mickey (who passed away on 14 April 2016) as to 77.45% and Mdm. Huang Hsiu-duan, Helen as to 22.55%. The 77.45% of King Strike Limited which formed part of the estate of the late Mr. Chen was being administered by Mdm. Huang.
- The 55,600,000 shares were held in the capacity as an investment manager by Aberdeen Asset Management Plc and its associates.

- King Strike Limited之已發行股本由已故之陳敏雄先生(於二零一六年四月十四日辭世)及由黃秀端女士分別擁有77.45%及22.55%。King Strike Limited的77.45%權益為陳先生遺產的一部分，由黃女士管理。
- Aberdeen Asset Management Plc及其聯繫人作為投資經理持有55,600,000股股份。

Report of the Directors

董事會報告

3. Mr. David Michael Webb is interested in a total of 41,970,000 shares, comprising 14,614,002 shares held by him as beneficial owner and 27,355,998 shares held by Preferable Situation Assets Limited, the entire share capital of which is owned by Mr. David Michael Webb.
4. The 35,730,000 shares were held in the capacity as an investment manager by HSBC Global Asset Management (Hong Kong) Limited.

Save as disclosed above, as at 31 March 2017, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITOR

Ernst & Young retire and a resolution for the re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Chan Ho-man, Daniel

Chairman

Hong Kong
28 June 2017

3. David Michael Webb先生於合共41,970,000股股份（包括其本身實益擁有的14,614,002股股份及 Preferable Situation Assets Limited（其全部已發行股本由David Michael Webb先生擁有）擁有的27,355,998股股份）中擁有權益。
4. 滙豐環球投資管理（香港）有限公司作為投資經理持有35,730,000股股份。

除上文所披露者外，於二零一七年三月三十一日，除本公司董事（其所持權益載於上文「董事於股份及相關股份所擁有之權益及淡倉」一節）外，並無人士登記擁有根據證券及期貨條例第336條須予登記之本公司股份或相關股份之權益或淡倉。

足夠之公眾持股量

根據本公司可公開取得之資料，以及就董事所知，於本報告日期，公眾人士持有之本公司已發行股份總數不少於25%。

核數師

安永會計師事務所任滿退任，有關續聘安永會計師事務所為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

陳浩文

主席

香港
二零一七年六月二十八日



**To the shareholders of
Kingmaker Footwear Holdings Limited**
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Kingmaker Footwear Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 91 to 231, which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致信星鞋業集團有限公司
(於百慕達註冊成立之有限公司)
全體股東

意見

本核數師(以下簡稱「我們」)已審計列載於第91至231頁的信星鞋業集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表。此財務報表包括於二零一七年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《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截至該日止年度的綜合財務表現及綜合現金流量，並已根據香港《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 are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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》（「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。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。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。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期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。就以下各事項而言，我們是在該背景下提供我們在審計中處理該事項的方式。

我們已履行本報告「核數師就審計綜合財務報表承擔的責任」部分所述的責任，包括與該等事項相關之責任。據此，我們的審計包括執行程序，以應對我們對綜合財務報表重大錯誤陳述風險的評估。我們的審計程序（包括為處理下列事項而採取的程序）的結果，為我們就隨附的綜合財務報表發表的審計意見提供基礎。

KEY AUDIT MATTERS *(continued)*

Key audit matter

Provision for inventories

As at 31 March 2017, the Group had net inventories of HK\$159 million, representing 14% and 9% of the Group's total current assets and total assets, respectively. The estimation of the inventory provision requires significant management judgement, which includes the recoverability of the cost of inventories, the nature and condition of inventories, the marketability of finished goods and the future usage of raw materials.

Related disclosures are included in notes 3, 7 and 20 to the financial statements.

關鍵審計事項

存貨撥備

於二零一七年三月三十一日，貴集團擁有存貨淨額159,000,000港元，分別相當於貴集團流動資產總額及總資產的14%及9%。存貨撥備的估計需要管理層作出重大判斷，包括存貨成本的可收回性、存貨的性質和狀況，製成品的市場和原材料的未來使用情況。

相關披露載於財務報表附註3、7及20。

關鍵審計事項 (續)

How our audit addressed the key audit matter

We tested the ageing analysis of the Group's inventories. We recalculated the inventory provision based on management's estimate and assessed the assumptions being used in the inventory provision calculation by reviewing the basis, the rationale and the consistency of the inventory provision estimate, considering the historical and current inventory ageing information and taking into account the historical sales pattern of aged inventories.

我們的審計如何處理關鍵審計事項

我們已對貴集團存貨的賬齡分析進行測試。我們基於管理層估計對存貨撥備作出重新計量，評估了存貨撥備計算使用的假設，方法為檢討存貨撥備估計的基準、理由和一致性，考慮歷史及當前存貨賬齡信息，並計入陳舊存貨的歷史銷售模式。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

Key audit matter

Estimation of fair value of investment properties

As at 31 March 2017, the Group's investment properties amounted to HK\$136 million, representing 23% of the Group's total non-current assets and 8% of the Group's total assets. Management appointed an external valuer to determine the fair value of the Group's investment properties twice a year. The valuation of the investment properties at fair value was highly dependent on estimates and assumptions, such as rental value, rental growth rate, market yield, market knowledge and historical transactions.

Related disclosures are included in notes 3 and 16 to the financial statements.

關鍵審計事項

投資物業公平值的估計

於二零一七年三月三十一日，貴集團的投資物業達136,000,000港元，分別相當於貴集團非流動資產總額及總資產的23%及8%。管理層已委任外部估值師每年兩次釐定貴集團投資物業的公平值。投資物業的公平值估值高度倚賴估計和假設，如租金價格、租金增長率、市場收益率、市場通識及歷史交易。

相關披露載於財務報表附註3及16。

關鍵審計事項 (續)

How our audit addressed the key audit matter

We involved our internal valuation specialists to assist us in assessing the assumptions and estimates made by management and the external valuer in the valuation methodology about the property related data supporting the fair value of the investment properties. We considered the competence, capabilities and objectivity of the external valuer. We also assessed the disclosures relating to the significant assumptions.

我們的審計如何處理關鍵審計事項

我們的內部估值專家參與協助評估管理層及外部估值師在有關物業相關數據估值方法中作出的假設及估計，以支持投資物業公平值。我們已考慮外部估值師的資歷、能力及客觀性。我們亦對有關重大假設的披露進行評估。

KEY AUDIT MATTERS (continued)

Key audit matter

Tax

As at 31 March 2017, the Group had tax payable of HK\$207 million and deferred tax liabilities of HK\$20 million, representing 39% of the Group's total liabilities in aggregate. Management is required to make judgement and estimates in relation to tax risks when determining the tax provision. The Group operates in a number of tax jurisdictions. Due to the complexity of local and international tax legislation, judgements have to be made by management on the tax treatment on transactions in advance of the ultimate tax determination being certain. Where the amount of tax payable or recoverable is uncertain, the Group estimates provisions based on management's judgement of the probable amount of the liability, or expected amounts recoverable, which may be materially different from the estimated provision.

Related disclosures are included in notes 3, 10 and 26 to the financial statements.

關鍵審計事項

稅項

於二零一七年三月三十一日，貴集團擁有應付稅項207,000,000港元及遞延稅項負債20,000,000港元，合共相當於貴集團總負債之39%。計提稅務撥備要求管理層就稅務風險作出判斷及估計。貴集團於多個稅務司法權區經營業務。由於當地和國際稅務立法的複雜性，在最終稅務確定前，管理層須就交易之稅務處理作出判斷。倘應付稅項或可收回稅項金額不確定，貴集團會依據管理層對負債估計金額或預計可收回金額的判斷估計撥備，其可能與估計撥備有重大差異。

相關披露載於財務報表附註3、10及26。

關鍵審計事項 (續)

How our audit addressed the key audit matter

We involved our tax specialists to review the tax provision of the Group. We assessed management's judgements in respect of estimates of tax exposures by considering the associated fact pattern and the Group's correspondence with relevant tax authorities and recent developments in the tax jurisdictions which may have impact on existing tax exposures.

我們的審計如何處理關鍵審計事項

我們的稅務專家參與審閱貴集團之稅務撥備。我們已對管理層就估計稅務風險作出的判斷進行評估，方法為考慮相關的事實模式、貴集團與有關稅務機關的通訊及可能對現有稅務風險產生影響的稅務機關的近期發展情況。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises 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.

年報所載的其他信息

貴公司董事須對其他信息負責。其他信息包括刊載於年報內的信息，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。倘若我們基於已執行的工作，認為其他信息存在重大錯誤陳述，我們須報告該事實。我們就此並無任何報告。

RESPONSIBILITIES OF THE DIRECTORS 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

董事對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監控負責。

在擬備綜合財務報表時，貴公司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，除非貴公司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。

貴公司董事在審計委員會協助下，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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional 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.

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。根據百慕達公司法（一九八一年）第90條，我們僅向閣下（作為整體）報告，除此之外，本報告不可作其他用途。我們不會就本報告內容向任何其他人士負責或承擔任何責任。

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。

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

- 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.
 - 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.
- 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。
 - 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。

Independent Auditor's Report

獨立核數師報告

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chung Yuk Man.

核數師就審計綜合財務報表承擔的責任 (續)

除其他事項外，我們與審計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。

我們還向審計委員會提交聲明，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。

從與審計委員會溝通的事項中，我們確定哪些事項對本期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鍾育文。

Ernst & Young

Certified Public Accountants

22/F, CITIC Tower

1 Tim Mei Avenue

Central

Hong Kong

28 June 2017

安永會計師事務所

執業會計師

香港

中環

添美道1號

中信大廈22樓

二零一七年六月二十八日

Consolidated Statement of Profit or Loss

綜合損益表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
CONTINUING OPERATIONS 持續經營業務			
REVENUE 收益	5	1,830,267	2,308,161
Cost of sales 銷售成本		(1,500,431)	(1,941,260)
Gross profit 毛利		329,836	366,901
Other income and gains/(losses), net 其他收入及收益／(虧損)淨額	5	16,359	(12,324)
Distribution and selling expenses 分銷及銷售開支		(53,573)	(54,384)
Administrative expenses 行政開支		(128,339)	(147,385)
Finance costs 融資成本	6	(4)	(11)
Share of losses of associates 應佔聯營公司虧損		(1,196)	-
PROFIT BEFORE TAX			
FROM CONTINUING OPERATIONS 來自持續經營業務之除稅前溢利	7	163,083	152,797
Income tax expense 所得稅開支	10	(14,631)	(12,743)
PROFIT FOR THE YEAR			
FROM CONTINUING OPERATIONS 來自持續經營業務之年內溢利		148,452	140,054
DISCONTINUED OPERATION 已終止經營業務			
Loss for the year from discontinued operation 來自已終止經營業務之年內虧損	11	(17,099)	(20,682)
PROFIT FOR THE YEAR 年內溢利			
Attributable to: 下列各項應佔:		131,353	119,372
Equity holders of the Company 本公司權益持有人		132,556	120,205
Non-controlling interests 非控股權益		(1,203)	(833)
		131,353	119,372

Consolidated Statement of Profit or Loss

綜合損益表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
本公司權益持有人應佔每股盈利：			
	12		
Basic 基本			
- For profit for the year 一年內溢利		HK19.05 cents 港仙	HK17.38 cents港仙
- For profit from continuing operations —來自持續經營業務之溢利		HK21.51 cents 港仙	HK20.37 cents港仙
Diluted 攤薄			
- For profit for the year 一年內溢利		HK18.94 cents 港仙	HK17.28 cents港仙
- For profit from continuing operations —來自持續經營業務之溢利		HK21.38 cents 港仙	HK20.25 cents港仙

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
PROFIT FOR THE YEAR 年內溢利		131,353	119,372
OTHER COMPREHENSIVE INCOME/(EXPENSE) 其他全面收益／（開支）			
Other comprehensive income/(expense) to be reclassified to profit or loss in subsequent periods: 期後重新分類至損益表之其他全面收益／（開支）：			
Available-for-sale investment revaluation reserve: 可供出售投資重估儲備：			
Changes in fair value 公平值變動	19	41	(403)
Exchange differences: 匯兌差額：			
Exchange differences on translation of foreign operations 換算海外經營業務之匯兌差額		(25,475)	(25,752)
Reclassification adjustment for a foreign operation disposed of during the year 年內出售的海外經營業務之重新分類調整	30	7,279	-
		(18,196)	(25,752)
Net other comprehensive expense to be reclassified to profit or loss in subsequent periods 期後重新分類至損益表之其他全面開支淨額		(18,155)	(26,155)
Other comprehensive income/(expense) not to be reclassified to profit or loss in subsequent periods: 期後不會重新分類至損益表之其他全面收益／（開支）：			
Asset revaluation reserve: 資產重估儲備			
Gain on revaluation of a building 重估樓宇之收益	14	17,313	-
Income tax effect 所得稅影響	26	(4,328)	-
		12,985	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods 期後不會重新分類至損益表之其他全面收益淨額		12,985	-

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
OTHER COMPREHENSIVE EXPENSE FOR THE YEAR 年度其他全面開支	(5,170)	(26,155)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR 年度全面收益總額	126,183	93,217
Attributable to: 下列各項應佔:		
Equity holders of the Company 本公司權益持有人	127,386	94,050
Non-controlling interests 非控股權益	(1,203)	(833)
	126,183	93,217

Consolidated Statement of Financial Position

綜合財務狀況表

31 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
NON-CURRENT ASSETS 非流動資產			
Property, plant and equipment 物業、廠房及設備	14	338,037	523,592
Prepaid land lease payments 預付土地租賃款項	15	51,587	86,579
Investment properties 投資物業	16	136,484	123,247
Deposits 按金	17	3,916	22,440
Investments in associates 聯營公司投資	18	57,558	–
Investments in club memberships 會所會籍投資		870	887
Available-for-sale investments 可供出售投資	19	530	489
Total non-current assets 非流動資產總額		588,982	757,234
CURRENT ASSETS 流動資產			
Inventories 存貨	20	158,673	233,848
Accounts and bills receivable 應收賬項及票據	21	141,459	165,549
Prepayments, deposits and other receivables 預付款項、按金及其他應收賬項		8,410	13,535
Due from an associate 應收聯營公司款項	18	11,116	–
Tax recoverable 可收回稅項		207	110
Cash and cash equivalents 現金及等同現金項目	22	775,816	665,705
Assets of disposal groups classified as held for sale 出售集團分類為持作出售之資產	11	56,524	–
Total current assets 流動資產總額		1,152,205	1,078,747
CURRENT LIABILITIES 流動負債			
Accounts and bills payable 應付賬項及票據	23	148,822	226,814
Accrued liabilities and other payables 應計負債及其他應付賬項		192,067	245,851
Tax payable 應付稅項		197,684	191,500
Derivative financial instruments 衍生金融工具	24	–	519
Liabilities directly associated with the assets classified as held for sale 與分類為可供出售資產直接有關之負債	11	17,542	–
Total current liabilities 流動負債總額		556,115	664,684

Consolidated Statement of Financial Position

綜合財務狀況表

31 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
NET CURRENT ASSETS 流動資產淨值		596,090	414,063
TOTAL ASSETS LESS CURRENT LIABILITIES 資產總額減流動負債		1,185,072	1,171,297
NON-CURRENT LIABILITIES 非流動負債			
Deferred tax liabilities 遞延稅項負債	26	19,877	16,878
Net assets 資產淨值		1,165,195	1,154,419
EQUITY 權益			
Equity attributable to equity holders of the Company 本公司權益持有人應佔權益			
Issued share capital 已發行股本	27	69,969	69,584
Reserves 儲備	29	1,075,588	1,062,511
		1,145,557	1,132,095
Non-controlling interests 非控股權益		19,638	22,324
Total equity 權益總額		1,165,195	1,154,419

Chan Ho-man, Daniel 陳浩文
Director 董事

Wong Hei-chiu 黃禧超
Director 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

Attributable to equity holders of the Company
本公司權益持有人應佔

	Issued share capital	Share premium account	Capital redemption reserve	Share option reserve	Exchange fluctuation reserve	Asset revaluation reserve	Available-for-sale investment revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	已發行股本	股份溢價賬	股本贖回儲備	購股權儲備	匯兌波動儲備	資產重估儲備	可供出售投資重估儲備	保留溢利	合計	非控股權益	權益總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2015 於二零一五年四月一日	68,849	102,291	4,668	9,075	80,390	30,237	820	800,853	1,097,183	19,335	1,116,518
Profit for the year 年內溢利	-	-	-	-	-	-	-	120,205	120,205	(833)	119,372
Changes in fair value of available-for-sale investments 可供出售投資之公平值變動	-	-	-	-	-	-	(403)	-	(403)	-	(403)
Exchange differences on translation of foreign operations 換算海外經營業務之匯兌差額	-	-	-	-	(25,752)	-	-	-	(25,752)	-	(25,752)
Total comprehensive income/ (expense) for the year 年度全面收益/(開支)總額	-	-	-	-	(25,752)	-	(403)	120,205	94,050	(833)	93,217
Issue of shares (note 27) 發行股份(附註27)	1,033	15,098	-	(3,639)	-	-	-	-	12,492	-	12,492
Loans from non-controlling interests 非控股權益貸款	-	-	-	-	-	-	-	-	-	3,822	3,822
Shares repurchased (note 27) 購回股份(附註27)	(298)	(4,388)	298	-	-	-	-	(298)	(4,686)	-	(4,686)
Final 2015 dividend declared and paid (note 13) 已宣派及派付之二零一五年度末期股息(附註13)	-	-	-	-	-	-	-	(29,088)	(29,088)	-	(29,088)
Special 2015 dividend declared and paid (note 13) 已宣派及派付之二零一五年度特別股息(附註13)	-	-	-	-	-	-	-	(13,852)	(13,852)	-	(13,852)
Interim 2016 dividend paid (note 13) 已派付二零一六年度中期股息(附註13)	-	-	-	-	-	-	-	(26,337)	(26,337)	-	(26,337)
Recognition of equity-settled share-based payments (note 28) 確認以權益結算以股份支付之款項(附註28)	-	-	-	2,333	-	-	-	-	2,333	-	2,333
At 31 March 2016 於二零一六年三月三十一日	69,584	113,001*	4,966*	7,769*	54,638*	30,237*	417*	851,483*	1,132,095	22,324	1,154,419

Consolidated Statement of Changes in Equity

綜合權益變動表

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

	Attributable to equity holders of the Company 本公司權益持有人應佔										
	Issued share capital	Share premium account	Capital redemption reserve	Share option reserve	Exchange fluctuation reserve	Asset revaluation reserve	Investment revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	已發行股本	股份溢價賬	股本贖回儲備	購股權儲備	匯兌波動儲備	資產重估儲備	可供出售投資重估儲備	保留溢利	合計	非控股權益	權益總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2016 於二零一六年四月一日	69,584	113,001	4,966	7,769	54,638	30,237	417	851,483	1,132,095	22,324	1,154,419
Profit for the year 年內溢利	-	-	-	-	-	-	-	132,556	132,556	(1,203)	131,353
Changes in fair value of available-for-sale investments 可供出售投資之公平值變動	-	-	-	-	-	-	41	-	41	-	41
Exchange differences related to foreign operations 與海外經營業務有關之匯兌差額	-	-	-	-	(18,196)	-	-	-	(18,196)	-	(18,196)
Changes in fair value of a building recognised directly in equity, net of tax 直接於權益確認之樓宇之公平值變動，扣除稅項	-	-	-	-	-	12,985	-	-	12,985	-	12,985
Total comprehensive income/ (expense) for the year 年度全面收益／(開支)總額	-	-	-	-	(18,196)	12,985	41	132,556	127,386	(1,203)	126,183
Issue of shares (note 27) 發行股份(附註27)	726	11,993	-	(1,717)	-	-	-	-	11,002	-	11,002
Shares repurchased (note 27) 購回股份(附註27)	(341)	(5,935)	341	-	-	-	-	(341)	(6,276)	-	(6,276)
Final 2016 dividend declared and paid (note 13) 已宣派及派付之二零一六年度末期股息(附註13)	-	-	-	-	-	-	-	(36,072)	(36,072)	-	(36,072)
Special 2016 dividend declared and paid (note 13) 已宣派及派付之二零一六年度特別股息(附註13)	-	-	-	-	-	-	-	(27,747)	(27,747)	-	(27,747)
Interim 2017 dividend paid (note 13) 已派付二零一七年度中期股息(附註13)	-	-	-	-	-	-	-	(29,375)	(29,375)	-	(29,375)
Special 2017 dividend paid (note 13) 已派付二零一七年度特別股息(附註13)	-	-	-	-	-	-	-	(26,578)	(26,578)	-	(26,578)
Dividend paid to non-controlling shareholders 向非控股股東派付股息	-	-	-	-	-	-	-	-	-	(1,483)	(1,483)
Recognition of equity-settled share-based payments (note 28) 確認以權益結算以股份支付之款項(附註28)	-	-	-	1,122	-	-	-	-	1,122	-	1,122
At 31 March 2017 於二零一七年三月三十一日	69,969	119,059*	5,307*	7,174*	36,442*	43,222*	458*	863,926*	1,145,557	19,638	1,165,195

* These reserve accounts comprise the consolidated reserves of HK\$1,075,588,000 (2016: HK\$1,062,511,000) in the consolidated statement of financial position.

* 該等儲備賬組成綜合財務狀況表之綜合儲備1,075,588,000港元(二零一六年: 1,062,511,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Notes 附註		
CASH FLOWS FROM OPERATING ACTIVITIES			
經營活動之現金流量			
Profit/(loss) before tax: 除稅前溢利/(虧損):			
From continuing operations 來自持續經營業務		163,083	152,797
From discontinued operation 來自已終止經營業務		(17,099)	(20,682)
Adjustments for: 經調整:			
Finance costs 融資成本	6	4	11
Depreciation 折舊	14	55,255	61,986
Amortisation of prepaid land lease payments 攤銷預付土地租賃款項	15	2,325	2,546
Provision/(write-back of provision) for inventories 存貨撥備/(撥備撥回)		(11,724)	3,532
Loss/(gain) on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目虧損/(收益)淨額		(1,308)	2
Gain on disposal of subsidiaries 出售附屬公司之收益	30	(4,167)	-
Amortisation of a club membership 會所會籍攤銷	7	17	19
Fair value losses on revaluation of investment properties 重估投資物業之公平值虧損	16	1,703	8,731
Impairment of property, plant and equipment 物業、廠房及設備減值	14	1,609	13,815
Write-off of items of property, plant and equipment 撇銷物業、廠房及設備項目	14	600	-
Interest income 利息收入		(9,351)	(8,191)
Dividend income 股息收入	7	(20)	(38)
Equity-settled share option expense 以權益結算之購股權開支	7	1,122	2,333
Share of losses of associates 應佔聯營公司虧損		1,196	-
Effect of foreign exchange rate changes 匯率變動之影響		(1,895)	7,449
		181,350	224,310
Decrease in inventories 存貨減少		86,899	83,420
Decrease in accounts and bills receivable 應收賬項及票據減少		23,443	75,224
Decrease/(increase) in prepayments, deposits and other receivables 預付款項、按金及其他應收賬項減少/(增加)		(5,182)	3,108
Decrease in accounts and bills payable 應付賬項及票據減少		(77,528)	(42,730)
Increase/(decrease) in accrued liabilities and other payables 應計負債及其他應付賬項增加/(減少)		(32,422)	60,449
Decrease in derivative financial liabilities 衍生財務負債減少		(519)	(758)

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash generated from operations 經營所得現金		176,041	403,023
Interest received 已收利息		9,351	8,191
Interest paid 已付利息		(4)	(11)
Hong Kong profits tax paid 已付香港利得稅		(532)	(215)
Overseas taxes refunded 已收回海外稅項		689	387
Dividends paid 已付股息		(119,772)	(69,277)
Net cash flows from operating activities 經營活動提供之現金流量淨額		65,773	342,098
CASH FLOWS FROM INVESTING ACTIVITIES			
投資活動之現金流量			
Dividend received 已收股息		20	38
Purchases of items of property, plant and equipment 購置物業、廠房及設備項目	14, 36	(34,130)	(104,257)
Proceeds from disposal of items of property, plant and equipment 出售物業、廠房及設備項目所得款項		2,447	2,385
Disposal of subsidiaries 出售附屬公司	30	89,578	–
Capital contribution to an associate 向聯營公司注資		(30)	–
Increase in an amount due from an associate 應收聯營公司款項增加		(11,116)	–
Deposits for prepaid land lease payments 預付土地租賃款項之按金		–	(14,919)
Decrease in restricted bank balance 受限制銀行結餘減少		–	1,695
Increase in time deposits with original maturity of over three months when acquired 於收購時原定到期日逾三個月之定期存款增加		(111,637)	(431,496)
Net cash flows used in investing activities 投資活動所用現金流量淨額		(64,868)	(546,554)

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES			
融資活動之現金流量			
Issue of shares 發行股份	27	11,002	12,492
Repurchase of shares 購回股份	27	(6,276)	(4,686)
Dividend paid to non-controlling interests 向非控股權益派付股息		(1,483)	-
Decrease in amounts due to non-controlling interests 應付非控股權益金額減少		-	(1,334)
Increase in loans from non-controlling interests 非控股權益貸款增加		-	3,822
Net cash flows from financing activities 融資活動提供現金流量淨額		3,243	10,294
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
現金及等同現金項目增加／(減少)淨額			
Cash and cash equivalents at beginning of year 年初之現金及等同現金項目		4,148	(194,162)
Effect of foreign exchange rate changes, net 匯率變動之影響淨額		203,968	406,166
		(1,246)	(8,036)
CASH AND CASH EQUIVALENTS AT END OF YEAR 年終之現金及等同現金項目		206,870	203,968
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及等同現金項目結餘之分析			
Cash and bank balances 現金及銀行結餘	22	101,923	133,232
Time deposits with original maturity of less than three months when acquired 於收購時原定少於三個月到期之定期存款	22	101,689	70,736
Cash and bank balances attributable to disposal groups classified as held for sale 出售集團應佔分類為持作出售之現金及銀行結餘		3,258	-
Cash and cash equivalents as stated in the consolidated statement of cash flows 綜合現金流量表列示之現金及等同現金項目		206,870	203,968

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

1. CORPORATE AND GROUP INFORMATION

Kingmaker Footwear Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

During the year, the Group was involved in the manufacture, trading and retailing of footwear. Particulars of the Company's principal subsidiaries are detailed in note 39 to the financial statements.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, available-for-sale investments and derivative financial instruments which have been measured at fair value. Disposal groups held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in note 2.4. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司資料

信星鞋業集團有限公司為於百慕達註冊成立之有限責任公司。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

年內，本集團從事製造、買賣及零售鞋類。本公司主要附屬公司之詳情載於財務報表附註39。

2.1 編製基準

此等財務報表已根據香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」，其包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計原則以及香港公司條例之披露規定編製。財務報表乃根據歷史成本法而編製，惟投資物業、可供出售投資及衍生金融工具則按公平值計量。誠如附註2.4進一步所述，持作出售集團以其賬面值與公平值減銷售成本之較低者列賬。此等財務報表以港元（「港元」）呈列，除另有註明者外，所有款項已捨入至最接近之千位數。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2017. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.1 編製基準 (續)

綜合賬目基準

綜合財務報表包括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之財務報表。附屬公司乃本公司直接或間接控制之實體(包括結構性實體)。當本集團對參與投資對象業務之浮動回報承擔風險或享有權利以及能透過對投資對象之權力(如本集團獲賦予現有能力以主導投資對象相關活動之既存權利)影響該等回報時,即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利之權利,本集團於評估其是否擁有對投資對象之權力時會考慮一切相關事實及情況,包括:

- (a) 與投資對象其他投票持有人之合約安排;
- (b) 其他合約安排所產生之權利;及
- (c) 本集團之投票權及潛在投票權。

附屬公司與本公司之財務報表之報告期間相同,並採用一致之會計政策編製。附屬公司之業績由本集團獲得控制權當日起作綜合入賬,並繼續入賬直至有關控制權終止當日為止。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準 (續)

綜合賬目基準 (續)

損益及其他全面收益之各組成部分歸屬於本公司權益持有人及非控股權益，即使此舉將導致非控股權益出現虧損結餘。所有集團內公司間之資產及負債、權益、收入、開支以及與本集團成員公司間之交易有關之現金流量均於綜合賬目時悉數對銷。

倘事實及情況反映上文所述三項控制權因素之其中一項或多項有變，則本集團會重估是否仍然控制投資對象。附屬公司擁有權益之變動（並無失去控制權），於入賬時列作權益交易。

倘本集團失去對附屬公司之控制權，則終止確認(i)該附屬公司之資產（包括商譽）及負債，(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計換算差額；及確認(i)已收代價之公平值，(ii)所保留任何投資之公平值及(iii)任何因此於損益表內產生之溢利或虧損。先前於其他全面損益表內確認之本集團應佔部分按猶如本集團已直接出售相關資產或負債所規定之相同基準重新分類至損益或保留溢利（如適當）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11 and HKFRS 14	<i>Accounting for Acquisitions of Interests in Joint Operations</i> <i>Regulatory Deferral Accounts</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
<i>Annual Improvements 2012-2014 Cycle</i>	Amendments to a number of HKFRSs

2.2 會計政策及披露之變更

本集團已首次就本年度之財務報表應用以下新增及經修訂香港財務報告準則。

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 (二零一一年) 之修訂	投資實體：應用綜合的例外情況
香港財務報告準則第11號之修訂	收購於合營經營的權益的會計處理
香港財務報告準則第14號	規管遞延賬目
香港會計準則第1號之修訂	披露動議
香港會計準則第16號及香港會計準則第38號之修訂	澄清折舊及攤銷之可接受方法
香港會計準則第16號及香港會計準則第41號之修訂	農業：生產性植物
香港會計準則第27號 (二零一一年) 之修訂	獨立財務報表之權益法
二零一二年至二零一四年週期之年度改進	修訂多項香港財務報告準則

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Except for the amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011), amendments to HKFRS 11, HKFRS 14, amendments to HKAS 16 and HKAS 41, amendments to HKAS 27 (2011), and certain amendments included in the *Annual Improvements 2012-2014 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the amendments are described below:

- (a) Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:
- (i) the materiality requirements in HKAS 1;
 - (ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;
 - (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
 - (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The amendments have had no significant impact on the Group's financial statements.

2.2 會計政策及披露之變更(續)

除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(二零一一年)之修訂、香港財務報告準則第11號之修訂、香港財務報告準則第14號、香港會計準則第16號及香港會計準則第41號之修訂、香港會計準則第27號(二零一一年)之修訂及二零一二年至二零一四年週期之年度改進所載之若干修訂並非與編製本集團之財務報表有關外，修訂的性質及影響詳情如下：

- (a) 香港會計準則第1號之修訂載有對財務報表之呈報及披露範疇內具針對性的改善。該等修訂釐清：
- (i) 香港會計準則第1號內之重大性要求；
 - (ii) 損益表及財務狀況表內之特定項目可予細分；
 - (iii) 實體就彼等呈列財務報表附註之順序擁有靈活性；及
 - (iv) 使用權益法入賬之應佔聯營公司及合營企業之其他全面收益必須作為單獨項目匯總呈列，且在將會或不會在其後重新分類至損益的該等項目之間進行分類。

此外，該等修訂釐清於財務狀況表及損益表內呈列額外小計時須應用之要求。該等修訂對本集團之財務報表並無任何重大影響。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (b) *Annual Improvements to HKFRSs 2012-2014 Cycle* issued in October 2014 sets out amendments to a number of HKFRSs. Details of the amendments are as follows:

HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations: Clarifies that changes to a plan of sale or a plan of distribution to owners should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. Accordingly, there is no change in the application of the requirements in HKFRS 5. The amendments also clarify that changing the disposal method does not change the date of classification of the non-current assets or disposal group held for sale. The amendments are applied prospectively. The amendments have had no impact on the Group as the Group did not have any change in the plan of sale or disposal method in respect of the disposal group held for sale during the year.

2.2 會計政策及披露之變更(續)

- (b) 於二零一四年十月頒佈的二零一二年至二零一四年週期香港財務報告準則之年度改進載列對多項香港財務報告準則的修訂。該等修訂之詳情如下：

香港財務報告準則第5號持作出售之非流動資產及已終止經營業務：澄清出售計劃或向擁有人分派計劃之變動不應被視為一項新處置計劃，而是原有計劃之延續。因此，香港財務報告準則第5號所要求之應用不變。該等修訂亦澄清轉變處置方法並不改變持作出售之非流動資產或出售集團之分類日期。該等修訂即將被應用。由於本集團於年內並無改變出售計劃或持作出售出售集團之處置方法，故該等修訂對本集團並無任何影響。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ²
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ²
HKFRS 9	<i>Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
HKFRS 16	<i>Leases</i> ³
Amendments to HKAS 7	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹
HK(IFRIC) Interpretation 22	<i>Foreign Currency Transactions and Advance Consideration</i> ²
Amendments to HKAS 40	<i>Transfers of Investment Property</i> ²
Annual Improvements 2014-2016 Cycle	Amendments to a number of HKFRSs ^{1,2}

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於此等財務報表中應用以下已頒佈但尚未生效的新增及經修訂香港財務報告準則。

香港財務報告準則第2號之修訂	以股份支付之交易之分類及計量 ²
香港財務報告準則第4號之修訂	應用香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合約 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號 (二零一一年) 之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴
香港財務報告準則第15號	來自客戶合約之收入 ²
香港財務報告準則第15號之修訂	對香港財務報告準則第15號來自客戶合約之收入之澄清 ²
香港財務報告準則第16號	租約 ³
香港會計準則第7號之修訂	披露動議 ¹
香港會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 ¹
香港 (國際財務報告外幣交易與預收對價) 詮釋委員會 詮釋第22號	香港 (國際財務報告外幣交易與預收對價) 詮釋委員會 詮釋第22號
香港會計準則第40號之修訂	轉讓投資物業 ²
二零一四年至二零一六年週期之年度改進	修訂多項香港財務報告準則 ^{1,2}

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

- 1 Effective for annual periods beginning on or after 1 January 2017
- 2 Effective for annual periods beginning on or after 1 January 2018
- 3 Effective for annual periods beginning on or after 1 January 2019
- 4 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have any significant impact on its results of operations and financial position.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

- 1 於二零一七年一月一日或之後開始的年度期間生效
- 2 於二零一八年一月一日或之後開始的年度期間生效
- 3 於二零一九年一月一日或之後開始的年度期間生效
- 4 尚未釐定強制生效日期，但可予以採納

本集團現正就首次採納該等新增及經修訂香港財務報告準則之影響作出評估，惟尚未能確定該等新增及經修訂香港財務報告準則會否對其經營業績及財務狀況構成重大影響。

2.4 重大會計政策概要

於聯營公司及合營企業的投資

聯營公司為本集團於其一般不少於20%股本投票權中擁有長期權益的實體，且可對其發揮重大影響力。重大影響力指的是參與投資對象的財務和經營決策的權力，但不是控制或共同控制這些決策的權力。

合營企業指一種合營安排，對安排擁有共同控制權之訂約方據此對合營企業之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有之控制，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4 重大會計政策概要 (續)

於聯營公司及合營企業的投資 (續)

本集團於聯營公司及合營企業的投資乃按本集團根據權益會計法應佔資產淨值減任何減值虧損於綜合財務狀況表列賬。倘出現任何不相符的會計政策，即會作出調整加以修正。本集團應佔聯營公司或合營企業收購後業績及其他全面收益分別計入綜合損益表及綜合其他全面收益表。此外，倘於聯營公司或合營企業的權益直接確認變動，則本集團會於綜合權益變動表確認其應佔任何變動（倘適用）。本集團與其聯營公司或合營企業間交易的未變現收益及虧損將以本集團於聯營公司或合營企業的投資為限對銷，惟倘未變現虧損證明所轉讓資產減值則除外。收購聯營公司或合營企業所產生的商譽已計入作本集團於聯營公司或合營企業投資的一部分。

倘於聯營公司之投資變成於合營企業之投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。在所有其他情況下，失去對聯營公司之重大影響力或對合營企業之共同控制權後，本集團按其公平值計量及確認任何剩餘投資。聯營公司或合營企業於失去重大影響力或共同控制權時的賬面值與剩餘投資及出售所得款項的公平值之間的任何差額乃於損益內確認。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

The Group measures its investment properties, available-for-sale investments and derivative financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 重大會計政策概要 (續)

公平值計量

本集團於各報告期末按公平值計量其投資物業、可供出售投資及衍生金融工具。公平值乃市場參與者於計量日期在有序交易中出售資產所收取之價格或轉讓負債所支付之價格。公平值計量乃根據假設出售資產或轉讓負債之交易於資產或負債主要市場或（在無主要市場情況下）於資產或負債最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入之市場。資產或負債之公平值乃按假設市場參與者於資產或負債定價時會假設以彼等最佳經濟利益行事而計量。

非財務資產之公平值計量須計及市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途之其他市場參與者所產生之經濟效益。

本集團採納適用於不同情況且具備充分數據以供計量公平值之估值方法，盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | | |
|---------|---|---|
| Level 1 | – | based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | – | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | – | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策概要 (續)

公平值計量 (續)

所有載於財務報表計量或披露之資產及負債乃基於對公平值計量整體而言屬重大之最低層輸入數據按以下公平值等級分類：

- | | | |
|-----|---|--|
| 第一級 | – | 基於相同資產或負債於活躍市場之報價 (未經調整) |
| 第二級 | – | 基於對公平值計量而言屬重大之可觀察 (直接或間接) 最低層輸入數據之估值方法 |
| 第三級 | – | 基於對公平值計量而言屬重大之不可觀察最低層輸入數據之估值方法 |

就按經常性基準於本財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類 (基於對公平值計量整體而言屬重大之最低層輸入數據) 確定是否發生不同等級轉移。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重大會計政策概要 (續)

非財務資產減值

倘若出現任何減值跡象，或當有需要為資產（不包括存貨、財務資產、投資物業及分類為持作出售出售集團）進行每年減值測試，則會估計資產的可收回金額。除非某類資產產生之現金流量不能很大程度上獨立於其他資產或多項資產所產生之現金流量（在此情況下，可收回金額按資產所屬之現金產生單位釐定），否則資產的可收回金額按資產或現金產生單位的使用價值與其公平值減出售成本兩者中的較高者計算，並按個別資產釐定。

僅於資產的賬面值超過可收回金額時，減值虧損方予確認。評估使用價值時是以除稅前之折扣率計算預計未來之現金流量的現值，而該貼現率反映當時市場對貨幣之時間價值之評估及該項資產的特有風險。減值虧損在其於符合減值資產功能的開支類別中所產生期間計入損益表。

於各報告期末，將評定是否有跡象顯示先前確認之減值虧損不再存在或減少。倘出現該等跡象，則會估計可收回金額。先前確認之資產（商譽除外）減值虧損，只會在用以釐定資產之可收回金額之估計有所改變時撥回，惟撥回之金額不得超過該項資產倘於過往年度未獲確認減值虧損而釐定的賬面值（經扣除任何折舊）。所撥回之減值虧損，乃於撥回期間計入損益表。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 重大會計政策概要 (續)

物業、廠房及設備及折舊

物業、廠房及設備（在建工程除外）乃按成本減累計折舊及任何減值虧損列賬。倘物業、廠房及設備項目歸類為持作出售或屬於歸類為持作出售之出售組合，則不予折舊而根據香港財務報告準則第5號入賬，詳情請參閱「持作出售之非流動資產及出售組合」之會計政策。物業、廠房及設備項目之成本，包括其購買價及使該項資產達至其營運狀態及地點以用於其擬定用途之任何直接應佔成本。物業、廠房及設備項目於運作後所產生之支出，包括維修及保養費乃通常於產生時計入該期間之損益表內。如符合確認條件，則有關主要查驗之支出乃於資產之賬面值中資本化為重置。倘物業、廠房及設備之重要部分須不時重置，則本集團將確認該等部分為擁有特定使用年期之獨立資產，並將該等資產進行相應折舊。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Leasehold land under finance leases	Over the lease term
Buildings	5%
Leasehold improvements	Over the shorter of the lease terms and 10% to 25%
Machinery, furniture, equipment and motor vehicles	10% to 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 重大會計政策概要 (續)

物業、廠房及設備及折舊 (續)

折舊乃採用直線法於每項物業、廠房及設備項目估計可使用年限內將其成本撇銷至其剩餘價值。為此目的所使用的主要年率如下：

永久業權土地	不計算折舊
融資租約之租賃土地	按租約年期
樓宇	5%
租賃物業裝修	按租期及10%至25% (以較短者為準)
機器、傢具、設備及汽車	10%至25%

當一項物業、廠房及設備項目的各部分有不同的可使用年期，該項目各部分的成本按合理基礎分配，而每部分將作個別折舊。

剩餘價值、可使用年期和折舊方法至少於各財政年度末進行檢討和修正（如適合）。

一項物業、廠房及設備項目（包括初步獲確認的任何重要部分）於出售時或預計經其使用或出售而不再產生日後經濟效益時，將被取消確認。於年內被取消確認的資產因其出售或報廢並在損益表被確認的任何收益或虧損乃有關資產的出售所得款項淨額與賬面值的差額。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

(continued)

Construction in progress represents the costs incurred in connection with the construction of property, plant and equipment less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investments in club memberships

The useful lives of club memberships are assessed to be either finite or indefinite. Club memberships with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the club memberships may be impaired. The amortisation period and the amortisation method for club memberships with a finite useful life are reviewed at least at each financial year end.

Club memberships with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such club memberships are not amortised. The useful life of a club membership with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 重大會計政策概要 (續)

物業、廠房及設備及折舊 (續)

在建工程指興建物業、廠房和設備產生之相關成本扣除任何減值虧損，且不會予以折舊。成本包括建築期間之直接建築成本。在建工程於完工並投入使用後重新列入物業、廠房及設備之適當類別。

會所會籍投資

會所會籍之可使用年期評估為有限或無限。年期有限之會所會籍其後於可使用年期內攤銷，並評估是否有跡象顯示會所會籍可能出現減值。可使用年期有限之會所會籍之攤銷年期及攤銷方法至少於各財政年度末檢討一次。

無限可使用年期之會所會籍於每年按個別或於現金產生單位作減值測試。該等會所會籍不予攤銷。具無限年期之會所會籍之可使用年期於每年作評估，以釐定無限可使用年期之評估是否持續可靠。如不可靠，則可使用年期之評估自此由按無限年期更改為有限年期按前瞻基準列賬。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is dealt with as movements in the asset revaluation reserve.

2.4 重大會計政策概要 (續)

投資物業

投資物業是指在持有以賺取租金收入及／或資本增值而非用作生產、提供貨品、服務、行政用途或在日常業務過程中持作銷售之土地和樓宇之權益。該等物業初始時按成本（包括交易成本）計量。於初始確認後，該等投資物業於報告期末以反映市況之公平值列賬。

投資物業公平值的變動產生之收益或虧損於其產生當年之損益表中列賬。

任何投資物業因被棄用或出售而產生之收益或虧損於被棄用或出售當年之損益表中確認。

倘投資物業轉撥為自置物業，進行後續會計處理之物業之被視作成本為其改變用途之日的公平值。倘本集團所佔用之自置物業變為投資物業，則按「物業、廠房及設備及折舊」所述政策將截至改變用途當日之相關物業入賬，而該日相關物業賬面值與公平值之任何差額將於資產重估儲備變動中處理。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

2.4 重大會計政策概要 (續)

持作出售之非流動資產及出售組合

倘非流動資產及出售組合的賬面值主要透過銷售交易而非持續使用收回，則歸類為持作出售。在此情況下，資產或出售組合須可按現狀即時出售，惟須符合出售該等資產或出售組合的慣常條款及出售須具十分把握。歸類為出售組合的附屬公司所有資產及負債重新分類為持作出售，而不論出售後本集團有否保留所持前附屬公司的非控股權益。

歸類為持作出售的非流動資產及出售組合（投資物業及金融資產除外）按賬面值與公平值減銷售成本之較低者計算。歸類為持作出售的物業、廠房及設備與無形資產不予折舊或攤銷。

投資及其他財務資產

初步確認及計量

財務資產於初始確認時按適用情況分類為按公平值計入損益之財務資產、貸款及應收款項以及可供出售財務投資，或指定為有效對沖之對沖工具之衍生工具。財務資產於初始確認時以公平值加收購該財務資產時應佔之交易成本計量，惟透過損益以公平值列賬之財務資產則除外。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

初步確認及計量 (續)

所有一般買賣之財務資產概於交易日(即本集團承諾購買或出售該資產之日期)予以確認。一般買賣乃指按照市場一般規定或慣例在一定期間內交付資產之財務資產買賣。

其後計量

財務資產之其後計量取決於其以下分類：

透過損益以公平值列賬之財務資產

透過損益以公平值列賬之財務資產包括持作買賣之財務資產及透過損益按公平值計算並於初始確認時獲指定之財務資產。財務資產如以短期賣出為目的而收購，則分類為持作買賣之財務資產。根據香港會計準則第39號所定義，包括個別嵌入式衍生工具在內之衍生工具亦分類為持作買賣，除非其已被指定為有效對沖工具。

以公平值計入損益之金融資產按公平值於財務狀況報表入賬，公平值正淨變動於損益表呈列為其他收入及收益，而公平值負淨變動則呈列為融資成本。該等公平值變動淨額並不包括任何於該等財務資產賺取之股息或利息，該等股息根據下文「收益確認」所載之政策確認。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Financial assets at fair value through profit or loss (continued)

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in expenses.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

透過損益以公平值列賬之財務資產 (續)

透過損益按公平值計算並於初始確認時獲指定之財務資產，將於初始確認之日期並僅於符合香港會計準則第39號之準則時獲確認。

倘主合約之嵌入式衍生工具之經濟特性及風險並非與主合約密切相關及主合約並非持作交易用途或指定按公平值於損益表列賬，主合約之嵌入式衍生工具乃入賬列作獨立衍生工具並按公平值入賬。該等嵌入式衍生工具乃按公平值計量，而公平值之變動於損益表確認。倘合約條款有所變動而導致合約項下所須現金流量有重大修改或對按公平值於損益類別列賬之財務資產重新分類，方會進行重新評估。

貸款及應收款項

貸款及應收款項為具有固定或可確定付款，但在活躍市場中無報價之非衍生性質之財務資產。初步計量後，該等資產其後運用實際利率方法計算按攤銷成本減去任何減值撥備計量。攤銷成本考慮到收購之任何折讓或溢價後計算，並包括屬於實際利率組成部分之費用及成本。實際利率之攤銷將計入損益表。減值所產生之虧損於損益表之開支項下確認。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other gains or losses. Dividends earned whilst holding the available-for-sale financial investments are reported as dividend income and are recognised in the statement of profit or loss as other income in accordance with the policy set out for "Revenue recognition" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

可供出售財務投資

可供出售財務投資指上市股本投資之非衍生財務資產。分類為可供出售股本投資指既未分類為持作買賣亦未指定按損益釐定公平值之投資。

在初始確認後，可供出售財務投資其後按公平值計量，未變現收益或虧損於可供出售投資估值儲備中確認為其他全面收益，直至該投資終止確認時，則會將累計損益於損益表內確認為其他收入；或直至該投資釐定為出現減值時，則會將累計損益自可供出售投資重估儲備重新分類至損益表內之其他收益或虧損。持有可供出售財務投資所得股息呈報為股息收入，並根據下文「收益確認」所載之政策於損益表中確認為其他收入。

倘非上市股本投資之公平值不能可靠地計量，原因是(a)合理公平值估計之範圍變動對投資而言屬重大；或(b)該範圍內多項估計之可能性，不能合理估計以及用於估計公平值時，則該等投資以成本減任何減值虧損列賬。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

可供出售財務投資 (續)

本集團在評估其可供出售財務資產時，會考慮在近期出售資產之能力及意向是否仍屬恰當。倘在罕有情況下，本集團因市場不活躍而無法買賣該等財務資產，倘管理層有能力及意向將該等資產持有至可預見未來或持有至到期為止，本集團可能會選擇將該等財務資產重新分類。

對於重新分類被剔除可供出售類別外之財務資產，其於重新分類日期之公平賬面值將成為其新攤銷成本，而有關該資產之任何先前的收益或虧損已於權益確認且於投資之餘下期限內採用實際利率在損益表中攤銷。新攤銷成本與到期金額之間之任何差額亦於資產之餘下年期內採用實際利率攤銷。倘該資產其後釐定為減值，則於股本列值之賬項被重新分類至損益表。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 重大會計政策概要 (續)

取消確認財務資產

財務資產 (或倘適用, 一項財務資產之一部分或一組同類財務資產之一部分) 在下列情況將取消確認 (即自本集團之綜合財務狀況表內移除):

- 收取該項資產所得現金流量之權利已經屆滿; 或
- 本集團轉讓收取該項資產所得現金流量之權利, 或已根據一項「轉付」安排, 在未有對第三方造成嚴重延緩之情況, 已承擔全數支付所收取現金流量之責任; 及不論(a)本集團已轉讓該項資產之絕大部分風險及回報; 或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報, 但已轉讓該項資產之控制權。

本集團凡轉讓其收取該項資產所得現金流量之權利或訂立轉付安排, 本集團將評估有否保留擁有該資產之風險及回報以及其程度。當無轉讓或保留該項資產之絕大部分風險及回報, 且並無轉讓該項資產之控制權, 本集團繼續以其持續參與程度為限確認所轉讓之資產。在該情況下, 本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團已保留權利及責任之基準計量。

倘為就所轉讓資產提供擔保之形式持續參與有關資產, 則該已轉讓資產乃以該項資產之原賬面值及本集團或須償還之代價數額上限 (以較低者為準) 計量。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

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. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor 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 observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

2.4 重大會計政策概要 (續)

財務資產減值

本集團於各報告期末評估是否有客觀證據表明一項財務資產或一組財務資產出現減值。倘於初步確認資產後發生一項或多項事件對該項或該組財務資產能可靠估計之估計未來現金流量造成影響，則存在減值。減值證據包括債務人或一組債務人遇到重大財務困難、違約或拖欠利息或本金、可能宣佈破產或進行其他財務重組，及有可觀測數據顯示估計未來現金流量出現可計量之減少，例如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本入賬之財務資產

就按攤銷成本入賬之財務資產而言，本集團首先對具個別重要性之財務資產進行個別評估，評估個別資產是否存在減值，或對非具個別重要性之財務資產進行共同評估。倘本集團認為經個別評估之財務資產（無論具有重要性與否）並無存在客觀減值證據，則會將該資產歸入一組具有相若信貸風險特性之財務資產內，然後共同評估減值。個別評估減值及為其確認或繼續確認減值虧損之資產，不包括在共同評估減值之內。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

The amount of any impairment loss identified 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 yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of profit or loss.

2.4 重大會計政策概要 (續)

財務資產減值 (續)

按攤銷成本入賬之財務資產 (續)

任何已識別之減值虧損金額按資產之賬面值與估計未來現金流量之現值(不包括尚未產生之日後信貸虧損)之間之差額計算。估計未來現金流量之現值按財務資產原有實際利率(即初步確認時之實際利率)折現。

資產賬面值通過使用撥備賬調減，而虧損於損益表中確認。利息收入於減少後賬面值中採用計量減值虧損時用以折現未來現金流量之利率持續累計。當預期將來並不可能收回時，貸款與應收賬款連同任何相關之撥備應被撇銷，而所有抵押品已被本集團變現或轉撥。

倘於其後期間估計減值虧損金額增加或減少，且此增加或減少因與確認減值後發生之事項有關，則先前確認之減值虧損將會透過調整撥備賬予以增加或減少。倘撇減稍後回撥，則回撥計入損益表。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss – is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

2.4 重大會計政策概要 (續)

財務資產減值 (續)

可供出售財務投資

就可供出售財務投資而言，本集團於各報告期末評估有否客觀證據顯示一項投資或一組投資出現減值。

倘一項可供出售資產出現減值，其成本（扣除任何本金付款及攤銷）與其現行公平值之差額減去前在損益表中確認之任何減值虧損之金額，自其他全面收益移除並在損益表中確認。

倘股本投資被列作可供銷售類別，則客觀證據將包括該項投資之公平值大幅或長期下跌至低於其成本值。「大幅」是相對於投資之原始成本評估，而「長期」則相對於公平值低於原始成本之時期而評估。倘有減值證據，則累計虧損（按收購成本與現時公平值之差額減去該項投資前在損益表內確認之任何減值虧損計量）將從其他全面收益中移除，並於損益表內確認。分類作可供銷售之股本工具之減值虧損不會透過損益表回撥，而其公平值於減值後之增加部分直接於其他全面收益中確認。

釐定何為「大幅」或「長期」需作出判斷。於作出此判斷時，本集團評估（其中包括）投資之公平值較其成本低之期間或程度。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include accounts and bills payable, other payables, amounts due to non-controlling interests and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the statement of profit or loss.

2.4 重大會計政策概要 (續)

財務負債

初步確認及計量

財務負債於初步確認時可分類為按損益釐定公平值之財務負債、貸款及借貸，或指定為有效對沖之對沖工具之衍生工具（倘適用）。

所有財務負債初步按公平值確認及倘為貸款及借貸，則扣除直接應佔交易成本。

本集團之財務負債包括應付賬項及票據、其他應付賬項、應付非控股權益款項及衍生金融工具。

其後計量

財務負債之其後計量取決於其以下分類：

貸款及借貸

於初步確認後，附息貸款及借貸隨後以實際利率法按攤銷成本計量，倘折現之影響並不重大，於該情況下則按成本列賬。當取消確認負債時，收益及虧損以實際利率按攤銷過程於損益表內確認。

計算攤銷成本時會計及收購所產生之任何折現或溢價，以及作為實際利率一部分之費用或成本。實際利率攤銷已計入損益表。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

2.4 重大會計政策概要 (續)

財務負債 (續)

財務擔保合約

本集團所發行的財務擔保合約指明因債務人未能根據債務工具的條款於到期時付款而須就持有人所招致的損失向其付款以補償持有人的合約。一份財務擔保合約初步計量按其公平值並就發出該等財務擔保合約直接相關的交易成本進行調整後，確認為負債。初步確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)於報告期末對履行現有義務所需支出的最佳估計金額；及(ii)初步確認的金額減(倘適用)累計攤銷額。

取消確認財務負債

當負債責任獲解除或註銷或屆滿時，即取消確認財務負債。

倘現有財務負債被來自同一借方但不同條款之另一筆財務負債替代，或現有負債之條款被大幅修訂，此變動或修訂被視作取消確認原來負債並確認新負債，而各賬面金額間之差額則於損益表中確認。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, e.g., forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

2.4 重大會計政策概要(續)

抵銷金融工具

當具法定權利抵銷已確認金額及計劃以淨額結算，或同時變賣資產以清償負債，財務資產與財務負債可互相抵銷，並在財務狀況表內以淨額列示。

衍生金融工具

初步確認及其後計量

本集團利用衍生金融工具（例如遠期貨幣合約）對沖外匯風險。該等衍生金融工具初步以訂立衍生合約當日以公平值確認，並隨後以公平值重新計量。倘公平值為正數，衍生工具以資產入賬，而倘公平值為負數，則以負債入賬。

衍生工具之公平值變動所產生之任何盈虧乃直接計入損益表，惟現金流對沖之實際部分除外，其於其他全面收益確認及其後於對沖項目影響損益時重新分類至損益。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments (continued)

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 重大會計政策概要 (續)

衍生金融工具 (續)

流動與非流動分類對比

並無指定為有效對沖工具之衍生工具乃根據對事實及情況之評估 (即相關合約現金流量) 分類為流動或非流動, 或分開為流動或非流動部分。

- 倘本集團預期持有衍生工具作為經濟對沖 (而並無應用對沖會計處理方法) 至超過報告期末後十二個月期間, 該衍生工具乃與相關項目之分類一致分類為非流動 (或分開為流動及非流動部分)。
- 與主合約並非密切聯繫之嵌入式衍生工具乃與主合約之現金流量一致分類。
- 指定為及為有效對沖工具之衍生工具乃與相關對沖項目之分類一致分類。衍生工具僅於可作出可靠分配時分開為流動部分及非流動部分。

存貨

存貨按成本值與可變現淨值兩者中之較低者列賬。成本值乃根據先入先出法計算, 就在製品及製成品而言, 成本值包括直接材料、直接人工及適當比例之經常性費用。可變現淨值以估計售價扣除完成及出售時預期所產生之任何估計成本計算。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 重大會計政策概要 (續)

撥備

倘因過往事件而產生之現時責任（法律或推定），且將來極可能需有資源流出以應付有關責任時，則確認撥備，惟責任所涉及之數額必須能可靠地估計。

倘貼現之影響屬重大時，所確認撥備之數額乃為預期須履行有關責任之未來開支於報告期末之現值。因時間流逝而導致所貼現之現值增加之數額，乃計入損益表中。

所得稅

所得稅包括即期及遞延稅項。有關損益表外確認項目的所得稅，於其他全面收益或直接於權益內確認。

即期稅項資產及負債乃根據於報告期末已頒佈或實際上已頒佈的稅率（及稅法），並考慮本集團業務所在國家的現有詮釋及慣例，按預期可獲稅務當局退回或支付予稅務當局之金額計算。

遞延稅項為就財務申報而言，於報告期末就資產與負債之稅基與彼等賬面值差額之所有暫時差額，利用負債法作出撥備。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項負債就所有應課稅暫時差額予以確認，惟以下情況除外：

- 倘遞延稅項負債是由於並非業務合併之交易中首次確認之資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司及聯營公司之投資有關之應課稅暫時差額而言，可以控制撥回暫時差額之時間及可能不會在可見將來撥回暫時差額。

遞延稅項資產乃就所有可予扣減暫時差額、未動用稅項抵免結轉及未動用稅項虧損而確認。於可能獲得應課稅溢利作為抵銷，以動用該等可予扣減暫時差額、未動用稅項抵免結轉及未動用稅項虧損之情況下，均確認為遞延稅項資產，惟以下情況除外：

- 倘與可扣稅暫時差額有關之遞延稅項資產是由於並非業務合併之交易中首次確認之資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司及聯營公司之投資有關之可予扣減暫時差額而言，僅於暫時差額可能會在可見將來撥回及將有應課稅溢利作為抵銷，以動用暫時差額時，才確認遞延稅項資產。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Treasury shares

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項資產之賬面值乃於各報告期末進行審閱，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部分遞延稅項資產為止。未確認之遞延稅項資產乃於各報告期末重新評估，並於應課稅溢利足以可收回全部或部分遞延稅項資產時確認。

遞延稅項資產及負債乃根據於報告期末已實施或已大致上已實施之稅率（及稅務法例），按變現資產或清償負債之期間預期適用之稅率予以計量。

倘存在可依法執行的權利，可將即期稅項資產抵銷即期稅項負債，而遞延稅項涉及同一稅務實體及同一稅務機關時，遞延稅項資產及遞延稅項負債方可互相抵銷。

庫存股份

購回及持有本公司或本集團本身股本工具（庫存股份）乃按成本直接於權益中確認。不會於損益表確認因購買、出售、發行或註銷本集團本身股本工具之盈虧。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 重大會計政策概要 (續)

租約

將資產擁有權(法定所有權除外)所附帶之絕大部分回報與風險轉予本集團之租約均入賬為融資租約。當融資租約開始時,租賃之資產成本乃按最低租約款項之現值撥充資本,並連同責任(不包括利息部分)入賬,以反映購買與融資情況。按資本融資租約所持有之資產(包括融資租約項下之預付土地租賃款項)列入物業、廠房及設備內,並按資產租約年期及估計可使用年期兩者中較低者折舊。該等租約之融資成本乃於損益表內扣除,以便於租約年期按固定比率扣除費用。

經營租約乃指資產擁有權所涉之絕大部分回報及風險仍屬於出租者之租約。倘本集團為出租者,本集團根據經營租約所租賃之資產乃計入非流動資產,經營租約之應收租金乃於租約期內以直線法形式計入損益表。倘本集團乃承租者,經營租約之應付租金均按照租約年期以直線法自損益表扣除。

經營租約之預付土地租賃款項,初步以成本列賬,並隨後於租期內以直線法確認。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 重大會計政策概要 (續)

外幣

該等財務報表以港元呈列，該貨幣為本公司之功能貨幣。本集團內各實體自行釐定本身之功能貨幣，各實體列入財務報表之項目均以有關實體之功能貨幣計量。本集團之實體錄得之外幣交易初步按其各自的交易日期適用的功能貨幣匯率列賬。以外幣計值的貨幣資產與負債按於報告期末適用的功能貨幣匯率換算。結算或換算貨幣項目產生的差額均於損益表確認。

按外幣歷史成本計量的非貨幣項目按首次交易日期的匯率換算。按外幣公平值計量的非貨幣項目採用釐定公平值當日的匯率換算。換算按公平值計量的非貨幣項目所產生之損益根據確認該項目公平值變動所產生之損益而衡量（即該項目公平值損益於其他全面收益或損益確認之換算差額，亦各自於其他全面收益或損益確認）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 重大會計政策概要 (續)

外幣 (續)

若干海外附屬公司的功能貨幣並非港元。於報告期末，該等實體的資產與負債按報告期末的現行匯率換算為港元，其損益表則按本年度的加權平均匯率換算為港元。因此而產生的匯兌差額於其他全面收益確認及於匯兌波動儲備累計。出售外國經營業務時，有關該項外國業務之其他全面收益之組成部分於損益表中確認。

就綜合現金流量表而言，海外附屬公司之現金流量乃以現金流量日期之適用匯率換算為港元。海外附屬公司於整個年度內產生之經常性現金流量乃以年內之加權平均匯率換算為港元。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income, on a time proportion basis over the lease terms;
- (c) interest income, on an accrual basis using the effective interest rate method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (d) dividend income, when the shareholder's right to receive payment has been established.

2.4 重大會計政策概要 (續)

收益確認

收益於本集團將可能獲得經濟利益及該收益能可靠地計算時按下列基準確認入賬：

- (a) 出售貨品所得收益於所有權之絕大部分風險及回報已轉歸予買方後確認入賬，惟本集團須對該等貨品已再沒有參與任何涉及所有權之管理，亦對已售貨品再無任何有效控制權；
- (b) 租金收入根據租約年期按時間比例入賬；
- (c) 利息收入以實際利率法按應計基準確認，實際利率乃將金融工具預計年期內或較短期間（如適用）的估計未來現金收入準確貼現至財務資產賬面淨值之利率；及
- (d) 股息收入於股東獲得收款之權利確立時入賬。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 重大會計政策概要 (續)

關連人士

在下列情況下，一方將被視為與本集團有關：

- (a) 一方為一名人士或該人士的家族近親，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層人員的其中一名成員；

或

- (b) 一方為實體，且符合下列任何條件：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體的母公司、附屬公司或同系附屬公司）；
 - (iii) 該實體與本集團為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃；
 - (vi) 該實體受(a)項定義的人士控制或共同控制；
 - (vii) 於(a)(i)項定義的人士對該實體有重大影響或屬該實體（或該實體的母公司）主要管理層人員；及
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團母公司提供主要管理層人員服務。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Company operates a share option scheme and a share award scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using an appropriate pricing model, further details of which are given in note 28 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 重大會計政策概要 (續)

以股份支付的款項

本公司設有購股權計劃及股份獎勵計劃，為所有對本集團成功經營之業務作出貢獻之合資格參與者提供鼓勵和獎賞。本集團的僱員（包括董事）會收取以股份支付的酬金，而僱員會提供服務作為權益工具之代價（「以權益結算之交易」）。

與僱員進行之以權益結算之交易的成本，乃參照授出日期的公平值而計量。公平值乃由外聘估值師以適合之定價模式釐定。進一步詳情載於財務報表附註28。

以權益結算之交易的成本，連同在績效及／或服務條件獲達成之期間內權益相應增加部分於僱員福利開支內確認。在歸屬日期前，各報告期末確認的以權益結算之交易的累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬的權益工具數目的最佳估計。在某一期間內在損益表內之扣除或進賬，乃反映累計開支於期初與期末確認時的變動。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 重大會計政策概要 (續)

以股份支付的款項 (續)

釐定獎勵之授出日公平值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬為本集團權益工具數目之最佳估計之一部分。市場表現條件將反映在授出日之公平值。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。反映非歸屬條件之獎勵公平值若當中亦不包含服務及／或表現條件時乃即時支銷該獎勵。

因未能達至非市場表現及／或服務條件而導致最終並無歸屬之獎勵並不會確認支銷。倘獎勵包括一項市場或非歸屬條件，無論市場或非歸屬條件是否達成，該等交易均會被視為已歸屬，前提是所有其他表現及／或服務條件須已達成。

倘若以權益結算之獎勵的條款有所變更（倘獎勵的原有條款獲達成），所確認的開支最少須達到猶如條款並無任何變更的水準。此外，倘若按變更日期計量，任何變更導致以股份支付的款項的總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Retirement benefit schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 重大會計政策概要 (續)

以股份支付的款項 (續)

倘若以權益結算之獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未確認的獎勵的開支，均應立刻確認。此包括非歸屬條件於本集團或僱員控制範圍內未能達成的任何獎勵。然而，若授予新獎勵代替已註銷的獎勵，並於授出日期指定為替代獎勵，則一如前段所述，已註銷的獎勵及新獎勵均應被視為原獎勵的變更。

計算每股盈利時，未行使購股權的攤薄效應，反映為額外股份攤薄。

其他僱員福利

退休福利計劃

本集團已遵照強制性公積金計劃條例為合資格參與定額供款強制性公積金退休福利計劃（「強積金計劃」）之僱員管理強積金計劃。供款乃按僱員基本薪金某個百分比作出，並於根據強積金計劃之規則應付時自損益表扣除。強積金計劃之資產與本集團之資產分開，由獨立管理之基金持有。本集團之僱主一旦就強積金計劃作出供款，有關供款將悉數歸予該僱員所有。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

Retirement benefit schemes (continued)

The employees of the Group's subsidiaries which operate in Vietnam, Cambodia and Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and the Group recognises restructuring costs involving the payment of termination benefits.

Cash and cash equivalents

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

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

2.4 重大會計政策概要 (續)

其他僱員福利 (續)

退休福利計劃 (續)

本集團於越南、柬埔寨及中國內地經營的附屬公司之僱員為需要參加地方市政府運作之中央退休金計劃之成員。該等附屬公司須按工資若干百分比向中央退休金計劃作出供款。供款於根據中央退休金計劃規則應付時自損益表扣除。

終止受僱福利

終止受僱福利於本集團不再可撤回該等福利要約時及本集團確認涉及支付終止受僱福利之重組成本時(以較早者為準)確認。

現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目乃指手頭現金及活期存款及可隨時轉換為已知金額現金之短期高流動性投資，該等投資之價值轉變風險較低，並為較短期之投資項目（一般為於購入日期起計三個月內到期），並已減去須於要求時償還並構成本集團現金管理之主要部分之銀行透支。

就綜合財務狀況表而言，現金及等同現金項目乃指用途不受限制之手頭現金及銀行存款（包括定期存款）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

3. 重大會計判斷及估計

編製本集團財務報表需要管理層作出會影響所呈報收入、費用、資產及負債之金額及其隨附之披露以及或然負債披露之判斷、估計及假設。由於有關該等假設及估計之不確定因素，可能導致須就日後受影響之資產或負債之賬面值作出重大調整。

判斷

於應用本集團會計政策之過程中，除有關估計者外，管理層曾作出以下對財務報表之確認數額有最重大影響之判斷：

經營租約承擔 – 本集團作為出租人

本集團就其投資物業組合訂立商業物業租賃，並決定保留根據經營租約租出之該等物業擁有權之所有重大風險及回報。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計判斷及估計 (續)

判斷 (續)

投資物業及自置物業兩者間之分類

本集團決定其物業是否屬投資物業，並制定有關判斷標準。投資物業為持作賺取租金收入或資本增值（或上述兩者）之物業。因此，本集團對物業可否產生現金流量之評估，大致上獨立於本集團持有之其他資產。若干物業包含部分持作賺取租金收入或資本升值及部分持作生產，或提供商品或服務，或作行政用途。如該等部分可獨立出售（或獨立以融資租約形式出租），本集團會將該等部分分別入賬。倘該等部分不可獨立出售，該物業（僅在物業之極少部分持作生產，或提供商品或服務，或作行政用途之情況下）則列作投資物業。輔助服務是否因重要而使物業不被列為投資物業乃按個別物業基準作出判斷。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

Estimation uncertainty

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

Provision for inventories

The estimation of the inventory provision requires significant management judgement, which includes the recoverability of the cost of inventories, the nature and condition of inventories, the marketability of finished goods and the future usage of raw materials.

Impairment of accounts receivable

The Group makes impairment of accounts receivable based on an assessment of the recoverability of accounts receivable. Allowances are applied to accounts and bills receivable where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, the differences will have impact on the carrying value of the receivables and doubtful debt expenses/write-back in the period in which the estimate has been changed.

3. 重大會計判斷及估計 (續)

不確定因素之估計

於報告期末有關未來之主要假設及其他不確定因素估計之主要來源，具有導致下個財政年度之資產及負債賬面值出現重大調整之重大風險，詳情於下文討論。

存貨撥備

存貨撥備的估計需要管理層作出重大判斷，包括存貨成本的可收回性、存貨的性質和狀況，製成品的市場和原材料的未來使用情況。

應收賬項減值

本集團根據應收賬項之可收回程度評估作出應收賬項減值準備。倘發生事件或情況改變顯示該等結餘有可能不能收回時，則會就應收賬項及應收票據撥備。識別呆賬需作出判斷和估計。倘日後之實際結果或預期與原來估計有別，該等差額將對該估計改變之期間內之應收賬項賬面值及呆賬開支／撥回構成影響。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of fair value of investment properties

The best evidence of fair value is current prices in an active market for properties in the same location and condition and subject to similar lease and other contracts. In the absence of such information, the Group considers information from a variety of sources. The valuation of the investment properties at fair value was highly dependent on estimates and assumptions, such as rental value, rental growth rate, market yield, market knowledge and historical transactions.

Further details, including the key assumptions used for fair value measurement, a sensitivity analysis and the carrying amount of investment properties, are given in note 16 to the financial statements.

3. 重大會計判斷及估計 (續)

不確定因素之估計 (續)

投資物業公平值估計

公平值的最佳證據是在相同地點及狀況下，擁有相似租賃及其他合約的物業，在活躍市場的現時價格。沒有該等資料情況下，本集團考慮不同來源的資料，投資物業的公平值估值高度倚賴估計和假設，如租金價格、租金增長率、市場收益率、市場通識及歷史交易。

進一步詳情（包括公平值計量所用之主要假設、敏感度分析及投資物業之賬面值）載於財務報表附註16。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Tax

The Group is subject to income taxes in several tax jurisdictions. Due to the complexity of local and international tax legislation, judgements have to be made by management on the tax treatment on transactions in advance of the ultimate tax determination being certain. Where the amount of tax payable or recoverable is uncertain, the Group estimates provisions based on management's judgement of the probable amount of the liability, or expected amounts recoverable, which may be materially different from the estimated provision.

4. OPERATING SEGMENT INFORMATION

The Group's primary operating segment is manufacturing and sale of footwear products after the discontinuation of the retailing and wholesaling business (the "Discontinuation") in the current year. Further details of the Discontinuation are set out in note 11 to the financial statements. Since the manufacturing and sale of footwear products business is the only continuing operating segment of the Group, no further analysis thereof is presented.

3. 重大會計判斷及估計 (續)

不確定因素之估計 (續)

稅項

本集團於若干稅務司法權區內繳納所得稅。由於地方及國際稅收立法的複雜性，管理層必須於最終稅收決定確定之前對交易的稅務處理作出判斷。當應付稅項或可收回稅項金額不確定時，本集團根據管理層對可能的負債金額或預計可收回金額的判斷估計撥備，其可能與估計撥備有重大不同。

4. 營運分部資料

於本年度終止經營零售及批發業務（「終止經營」）後，本集團之主要經營分類為生產及銷售鞋類產品。終止經營之進一步詳情載於財務報表附註11。由於生產及銷售鞋類產品業務為本集團唯一持續經營分類，因此並無就此呈列進一步分析。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Geographical information

(a) Revenue from external customers

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
The United States of America 美國	382,199	479,405
Europe 歐洲	578,227	760,308
Asia 亞洲	616,841	761,924
Others 其他	253,000	306,524
	1,830,267	2,308,161

The revenue information of continuing operations above is based on the locations of the customers.

上述持續經營業務的收益資料以客戶所在地為依據。

(b) Non-current assets

	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	24,541	27,707
Mainland China 中國內地	228,033	301,105
Cambodia 柬埔寨	109,663	113,984
Vietnam 越南	166,264	311,097
Others 其他	1,523	1,965
	530,024	755,858

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments, club memberships and investments in associates.

上述持續經營業務的非流動資產資料以資產所在地為依據，且未計及金融工具、會所會籍及於聯營公司投資。

4. 營運分部資料 (續)

地區資料

(a) 來自外界客戶的收益

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
The United States of America 美國	382,199	479,405
Europe 歐洲	578,227	760,308
Asia 亞洲	616,841	761,924
Others 其他	253,000	306,524
	1,830,267	2,308,161

上述持續經營業務的收益資料以客戶所在地為依據。

(b) 非流動資產

	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	24,541	27,707
Mainland China 中國內地	228,033	301,105
Cambodia 柬埔寨	109,663	113,984
Vietnam 越南	166,264	311,097
Others 其他	1,523	1,965
	530,024	755,858

上述持續經營業務的非流動資產資料以資產所在地為依據，且未計及金融工具、會所會籍及於聯營公司投資。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Information about major customers

Revenue from continuing operations derived from the manufacturing and sale of footwear products business with over 10% of the total revenue from continuing operations of the Group during the years ended 31 March 2017 and 2016 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
Customer A 客戶A	584,265	334,804
Customer B 客戶B	467,716	416,537
Customer C 客戶C	315,475	366,748
Customer D 客戶D	244,842	346,743
Customer E 客戶E	N/A 不適用*	687,316
	1,612,298	2,152,148

* Sales to the customer during the year ended 31 March 2017 amounted to less than 10% of the total revenue from continuing operations of the Group other than those disclosed in the above table.

The above amounts include sales to a group of entities which are known to be under common control with these customers.

5. REVENUE, OTHER INCOME AND GAINS/ (LOSSES), NET

Revenue represents the aggregate of the net invoiced value of goods sold, after allowances for returns and trade discounts, and after eliminations of intra-group transactions.

4. 營運分部資料 (續)

主要客戶資料

截至二零一七年及二零一六年三月三十一日止年度內，佔本集團來自持續經營業務的總收益超過10%之生產及銷售鞋類產品業務所產生之來自持續經營業務的收益如下：

* 於截至二零一七年三月三十一日止年度，向客戶的銷售佔本集團來自持續經營業務的總收益低於10%，不計及上表所披露者。

上述金額包括向一組實體（該等實體受上述客戶共同控制）的銷售額。

5. 收益、其他收入及收益／（虧損）淨額

收益指扣除退貨及貿易折扣後所出售貨品之發票淨值總和，並已抵銷集團內公司間之交易。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

5. REVENUE, OTHER INCOME AND GAINS/ (LOSSES), NET (continued)

An analysis of revenue, other income and gains/(losses), net from continuing operations is as follows:

5. 收益、其他收入及收益／（虧損）淨額（續）

來自持續經營業務之收益、其他收入及收益／（虧損）淨額分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Revenue 收益		
Sale of goods 出售貨品	1,830,267	2,308,161
Other income and gains/(losses), net		
其他收入及收益／（虧損）淨額		
Bank interest income 銀行利息收入	7,944	7,081
Interest income from accounts receivable 應收賬項之利息收入	1,334	951
Fair value losses on derivative financial instruments 衍生金融工具之公平值虧損	(530)	(220)
Gain on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目之收益淨額	1,308	298
Gain on disposal of subsidiaries (note 30) 出售附屬公司之收益（附註30）	4,167	-
Impairment of property, plant and equipment 物業、廠房及設備減值	(1,609)	(12,302)
Impairment of other receivables 其他應收賬項減值	(921)	-
Write-off of items of property, plant and equipment 物業、廠房及設備項目撇銷	(27)	-
Fair value losses on revaluation of investment properties 重估投資物業之公平值虧損	(1,703)	(8,731)
Gross rental income 租金收入總額	8,608	8,556
Foreign exchange differences, net 匯兌差額淨值	(6,487)	(10,284)
Dividend income 股息收入	20	38
Others 其他	4,255	2,289
	16,359	(12,324)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

6. FINANCE COSTS

An analysis of finance costs from continuing operations 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
Interest on bank loans 銀行貸款之利息	4	11

6. 融資成本

來自持續經營業務之融資成本分析如下：

7. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Cost of inventories sold 銷售存貨成本	940,490	1,182,847
Depreciation 折舊	55,148	60,934
Amortisation of prepaid land lease payments 攤銷預付土地租賃款項	2,325	2,546
Provision/(write-back of provision) for inventories* 存貨撥備/(撥備撥回)*	(11,724)	4,334
Minimum lease payments under operating leases 經營租約項下之最低應付租金	2,353	2,096
Gain on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目收益淨額	(1,308)	(298)
Write-off of items of property, plant and equipment 物業、廠房及設備項目撇銷	27	-
Gain on disposal of subsidiaries (note 30) 出售附屬公司之收益(附註30)	(4,167)	-
Auditor's remuneration 核數師酬金	2,069	1,700
Employee benefit expense (including directors' remuneration (note 8)): 僱員福利開支(包括董事酬金(附註8)):		
Wages and salaries 工資及薪金	455,162	569,732
Equity-settled share option expense 以權益結算之購股權開支	1,122	2,333
Pension scheme contributions 退休金計劃供款	51,195	73,592
	507,479	645,657

7. 除稅前溢利

本集團來自持續經營業務之除稅前溢利乃經扣除/(計入)以下項目：

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

7. PROFIT BEFORE TAX (continued)

The Group's profit before tax from continuing operations is arrived at after charging/(crediting): (continued)

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Amortisation of a club membership** 會所會籍攤銷**	17	19
Fair value losses on derivative financial instruments 衍生金融工具之公平值虧損	530	220
Fair value losses on revaluation of investment properties 重估投資物業之公平值虧損	1,703	8,731
Impairment of property, plant and equipment 物業、廠房及設備減值	1,609	12,302
Impairment of other receivables 其他應收賬項減值	921	-
Bank interest income 銀行利息收入	(7,944)	(7,081)
Interest income from accounts receivable 應收賬項之利息收入	(1,334)	(951)
Foreign exchange differences, net 匯兌差額淨值	6,487	10,284
Dividend income 股息收入	(20)	(38)
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties 賺取租金之投資物業所產生之直接經營開支(包括維修及保養)	1,826	1,423

Cost of sales includes HK\$417,637,000 (2016: HK\$530,193,000) relating to direct staff costs and depreciation of manufacturing facilities, which are also included in the respective total amounts disclosed above for each of these types of expenses.

* Provision for inventories is included in "Cost of sales" in the consolidated statement of profit or loss.

** Amortisation of a club membership is included in "Administrative expenses" in the consolidated statement of profit or loss.

7. 除稅前溢利(續)

本集團來自持續經營業務之除稅前溢利乃經扣除/(計入)以下項目:(續)

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Amortisation of a club membership** 會所會籍攤銷**	17	19
Fair value losses on derivative financial instruments 衍生金融工具之公平值虧損	530	220
Fair value losses on revaluation of investment properties 重估投資物業之公平值虧損	1,703	8,731
Impairment of property, plant and equipment 物業、廠房及設備減值	1,609	12,302
Impairment of other receivables 其他應收賬項減值	921	-
Bank interest income 銀行利息收入	(7,944)	(7,081)
Interest income from accounts receivable 應收賬項之利息收入	(1,334)	(951)
Foreign exchange differences, net 匯兌差額淨值	6,487	10,284
Dividend income 股息收入	(20)	(38)
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties 賺取租金之投資物業所產生之直接經營開支(包括維修及保養)	1,826	1,423

銷售成本包括關於直接員工成本及製造設施折舊共417,637,000港元(二零一六年: 530,193,000港元),其亦已包含於以上披露相關總額之各類開支內。

* 存貨撥備已計入綜合損益表之「銷售成本」內。

** 會所會籍攤銷已計入綜合損益表之「行政開支」內。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事酬金

年內，董事酬金按照上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及《公司(披露董事利益資料)規例》第2部披露如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Fees 袍金		
– Independent non-executive directors – 獨立非執行董事	558	540
– Non-executive directors – 非執行董事	876	540
	1,434	1,080
Other emoluments: 其他酬金：		
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	6,479	6,778
Discretionary bonuses 酌定獎金	2,460	1,935
Pension scheme contributions 退休金計劃供款	36	36
Equity-settled share option expense 以權益結算之購股權開支	456	1,012
	9,431	9,761
	10,865	10,841

During the year and in prior years, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 28 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

於本年度內及於過往年度內，若干董事在本公司購股權計劃之下，根據其對本集團之服務獲授予購股權，進一步詳情載於財務報表附註28。在歸屬期內已於損益表確認之該等購股權之公平值於授出日期釐定，而包含於本年度財務報表之數額則載於以上董事薪金披露部分內。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

8. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

2017 二零一七年	Fees	Equity-settled share option expense	Total remuneration
	袍金 HK\$'000 千港元	以權益結算之 購股權開支 HK\$'000 千港元	酬金總額 HK\$'000 千港元
Mr. Tam King-ching, Kenny 譚競正先生	186	45	231
Mr. Yung Tse-kwong, Steven 戎子江先生	186	45	231
Ms. Chan Mei-bo, Mabel 陳美寶女士	186	45	231
	558	135	693

2016 二零一六年	Fees	Equity-settled share option expense	Total remuneration
	袍金 HK\$'000 千港元	以權益結算之 購股權開支 HK\$'000 千港元	酬金總額 HK\$'000 千港元
Mr. Tam King-ching, Kenny 譚競正先生	180	95	275
Mr. Yung Tse-kwong, Steven 戎子江先生	180	95	275
Ms. Chan Mei-bo, Mabel 陳美寶女士	180	95	275
	540	285	825

There were no other emoluments payable to the independent non-executive directors during the year (2016: Nil).

8. 董事酬金 (續)

(a) 獨立非執行董事

年內支付予獨立非執行董事之袍金如下：

2017 二零一七年	Fees	Equity-settled share option expense	Total remuneration
	袍金 HK\$'000 千港元	以權益結算之 購股權開支 HK\$'000 千港元	酬金總額 HK\$'000 千港元
Mr. Tam King-ching, Kenny 譚競正先生	186	45	231
Mr. Yung Tse-kwong, Steven 戎子江先生	186	45	231
Ms. Chan Mei-bo, Mabel 陳美寶女士	186	45	231
	558	135	693

2016 二零一六年	Fees	Equity-settled share option expense	Total remuneration
	袍金 HK\$'000 千港元	以權益結算之 購股權開支 HK\$'000 千港元	酬金總額 HK\$'000 千港元
Mr. Tam King-ching, Kenny 譚競正先生	180	95	275
Mr. Yung Tse-kwong, Steven 戎子江先生	180	95	275
Ms. Chan Mei-bo, Mabel 陳美寶女士	180	95	275
	540	285	825

年內並無其他應付獨立非執行董事之酬金(二零一六年：無)。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

8. DIRECTORS' REMUNERATION (continued)

8. 董事酬金 (續)

(b) Executive directors and non-executive directors

(b) 執行董事及非執行董事

	Salaries, allowances and benefits		Discretionary bonuses	Pension scheme contributions	Equity-settled share option expense	Total remuneration
	Fees	in kind				
	袍金	薪金、津貼及實物利益	酌定獎金	退休金計劃供款	以權益結算之購股權開支	酬金總額
2017	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零一七年	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors: 執行董事:						
Mr. Chen Ming-hsiung, Mickey ^ 陳敏雄先生^	-	886	-	-	-	886
Mdm. Huang Hsiu-duan, Helen * 黃秀端女士*	-	1,116	292	-	77	1,485
Mr. Kimmel, Phillip Brian 柯民佑先生	-	1,901	624	-	77	2,602
Mr. Mumma, Adin David ** 馬大衛先生**	-	1,280	780	-	-	2,060
Mr. Wong Hei-chiu 黃禧超先生	-	1,296	464	18	61	1,839
	-	6,479	2,160	18	215	8,872
Non-executive directors: 非執行董事:						
Mr. Chan Ho-man, Daniel 陳浩文先生	690	-	300	18	61	1,069
Mr. Chow Wing-kin, Anthony 周永健先生	186	-	-	-	45	231
	876	-	300	18	106	1,300
	876	6,479	2,460	36	321	10,172

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and non-executive directors (continued)

	Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Pension scheme contributions	Equity-settled share option expense	Total remuneration
	袍金	薪金、津貼及實物利益	酌定獎金	退休金計劃供款	以權益結算之購股權開支	酬金總額
2016	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零一六年	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors: 執行董事:						
Mr. Chen Ming-hsiung, Mickey ^ 陳敏雄先生^	-	3,004	1,076	-	57	4,137
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	-	1,061	304	-	158	1,523
Mr. Kimmel, Phillip Brian 柯民佑先生	-	1,513	390	-	163	2,066
Mr. Wong Hei-chiu 黃禧超先生	-	1,200	135	18	127	1,480
	-	6,778	1,905	18	505	9,206
Non-executive directors: 非執行董事:						
Mr. Chan Ho-man, Daniel 陳浩文先生	360	-	30	18	127	535
Mr. Chow Wing-kin, Anthony 周永健先生	180	-	-	-	95	275
	540	-	30	18	222	810
	540	6,778	1,935	36	727	10,016

^ Mr. Chen Ming-hsiung, Mickey, who was also the chief executive of the Group, passed away on 14 April 2016.

* Mdm. Huang Hsiu-duan, Helen was appointed the chief executive of the Group on 29 June 2016.

** Mr. Mumma, Adin David was appointed as an executive director on 1 October 2016.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2016: Nil).

8. 董事酬金 (續)

(b) 執行董事及非執行董事 (續)

^ 陳敏雄先生亦為本集團行政總裁，於二零一六年四月十四日辭世。

* 黃秀端女士於二零一六年六月二十九日獲委任為本集團行政總裁。

** 馬大衛先生於二零一六年十月一日獲委任為執行董事。

董事概無於年內訂立任何安排放棄或同意放棄任何酬金 (二零一六年: 無)。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors of the Company (2016: four directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining one highest paid employee who is not a director are as follows:

9. 五名最高薪僱員

年內五名最高薪僱員包括本公司四名董事（二零一六年：四名董事），其酬金詳情載於上文附註8。本年度其餘一名非董事之最高薪僱員之酬金詳情如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	491	414
Discretionary bonuses 酌定獎金	595	559
Equity-settled share option expense 以權益結算之購股權開支	61	127
	1,147	1,100

The remuneration of the remaining one (2016: one) non-director, highest paid employee fell within the band of HK\$1,000,001 to HK\$1,500,000 (2016: HK\$1,000,001 to HK\$1,500,000).

其餘一名（二零一六年：一名）非董事之最高薪僱員之酬金組別介乎1,000,001港元至1,500,000港元（二零一六年：1,000,001港元至1,500,000港元）。

In prior years, share options were granted to a non-director highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 28 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director, highest paid employee's remuneration disclosures.

於過往年度，一名非董事之最高薪僱員就其向本集團提供之服務獲授購股權，進一步詳情於財務報表附註28中披露。該等購股權之公平值於歸屬期間在損益表確認，並於授出日期釐定，而包含於本年度財務報表之數額則載於以上非董事之最高薪僱員之酬金披露部分內。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

10. 所得稅

香港利得稅乃根據年內於香港賺取之估計應課稅溢利按16.5% (二零一六年: 16.5%)之稅率撥備。其他地區有關應課稅溢利之稅項乃按本集團經營業務所在國家/司法權區之當時稅率計算。

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current – Hong Kong 即期稅項 – 香港		
Charge for the year 本年度稅項支出	847	1,688
Underprovision in prior years 過往年度撥備不足	585	127
Current – Elsewhere 即期稅項 – 其他地區		
Charge for the year 本年度稅項支出	32,394	27,675
Overprovision in prior years 過往年度超額撥備	(18,914)	(14,431)
Deferred (note 26) 遞延 (附註26)	(281)	(2,316)
Total tax charge for the year 本年度稅項支出總額	14,631	12,743

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

10. INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit before tax from continuing operations at the statutory rates for the countries/jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense from continuing operations at the effective tax rate is as follows:

10. 所得稅 (續)

按本公司及其大部分附屬公司所在國家／司法權區之法定稅率計算適用於來自持續經營業務之除稅前溢利之稅項支出與按實際稅率計算之來自持續經營業務之稅項支出之對賬如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Profit before tax from continuing operations 來自持續經營業務之除稅前溢利	163,083	152,797
Tax at the applicable tax rates 按適用稅率計算之稅項	28,832	21,380
Adjustments to tax charge in respect of prior years 過往年度稅項開支之調整	(18,329)	(14,304)
Income not subject to tax 毋須課稅收入	(268)	(259)
Expenses not deductible for tax 不可扣稅之開支	3,954	3,680
Tax losses not recognised 未確認稅項虧損	442	2,246
Tax charge at the Group's effective rate 按本集團實際稅率計算之稅項開支	14,631	12,743

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

10. INCOME TAX (continued)

The applicable tax rate is calculated based on the Hong Kong profits tax rate of 16.5% (2016: 16.5%), the Vietnam Corporate Tax rates of 15% to 22% (2016: 15% to 22%), the Cambodia Corporate Tax rate of 20% (2016: 20%), the Taiwan Corporate Tax rate of 17% (2016: 17%), the Corporate Income Tax rate in Mainland China of 25% (2016: 25%) and the respective tax holidays granted to the subsidiaries of the Group in Vietnam and Cambodia.

Pursuant to the Corporate Income Tax Law of the PRC, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rates are 5% and 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

In addition, pursuant to Cambodian withholding tax regulations, a 14% withholding tax is levied on dividends declared to non-resident shareholders. Therefore, the Group is liable for withholding taxes on dividends distributed by those subsidiaries established in Cambodia in respect of earnings generated.

10. 所得稅 (續)

適用稅率根據香港利得稅稅率16.5% (二零一六年: 16.5%)、越南企業稅稅率15%至22% (二零一六年: 15%至22%)、柬埔寨企業稅稅率20% (二零一六年: 20%)、台灣企業稅稅率17% (二零一六年: 17%)、中國內地企業所得稅稅率25% (二零一六年: 25%) 及本集團於越南及柬埔寨之附屬公司所獲有關免稅期計算。

根據中國企業所得稅法，於中國內地成立之外資企業向外國投資者宣派之股息將被徵收10%預扣稅。該規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後產生之盈利。倘中國內地與外國投資者所屬司法權區之間訂立稅務條約，則可應用較低之預扣稅率。就本集團而言，適用稅率為5%及10%。本集團因而須就於中國內地成立之附屬公司就二零零八年一月一日產生之盈利所派發之股息繳納預扣稅項。

此外，根據柬埔寨預扣稅條例，向非本地居民股東宣派之股息將被徵收14%預扣稅。因此，本集團須就於柬埔寨成立之附屬公司產生之盈利所派發之股息繳納預扣稅。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

10. INCOME TAX (continued)

At 31 March 2017, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China and Cambodia. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with undistributed profit on Mainland China and Cambodia subsidiaries for which deferred tax liabilities have not been recognised totalled approximately HK\$48,826,000 (2016: HK\$49,386,000) at 31 March 2017.

The Group has estimated tax losses of approximately HK\$82,662,000 (2016: HK\$69,203,000) arising in Hong Kong that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is considered not probable that the Group can utilise these losses in the foreseeable future.

10. 所得稅 (續)

於二零一七年三月三十一日，並無就本集團於中國內地及柬埔寨成立之附屬公司應繳納預扣稅之未匯出盈利之應付預扣稅確認遞延稅項。董事認為，該等附屬公司於可見將來不大可能分派有關盈利。於二零一七年三月三十一日，就中國內地及柬埔寨之附屬公司之未確認遞延稅項負債之未分派溢利相關之暫時性差額合共約48,826,000港元（二零一六年：49,386,000港元）。

本集團估計於香港產生之稅項虧損約為82,662,000港元（二零一六年：69,203,000港元），該等虧損可無限期用作抵銷錄得虧損之公司日後應課稅溢利。由於該等附屬公司一直錄得虧損，且本集團在可見將來使用該等虧損之可能性不大，故並無就有關虧損確認遞延稅項資產。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(a) Discontinued operation

On 29 August 2016, the Company announced the decision of its board of directors to wind down, discontinue or sell its retailing and wholesaling business (the “Retailing and Wholesaling Business”). The Group has decided to cease the Retailing and Wholesaling Business because it plans to focus its resources on its manufacturing and sale of footwear products business. As at 31 March 2017, final negotiations for the sale of the Retailing and Wholesaling Business were in progress and the Retailing and Wholesaling Business was classified as a disposal group held for sale and as a discontinued operation. With the Retailing and Wholesaling Business being classified as a discontinued operation, the retailing and wholesaling business is no longer included in the note for operating segment information.

11. 已終止經營業務及持作出售出售集團

(a) 已終止經營業務

於二零一六年八月二十九日，本公司公佈其董事會縮減、終止經營或出售其零售及批發業務（「零售及批發業務」）之決定。本集團已決定終止經營零售及批發業務，因其計劃集中資源於生產及銷售鞋類產品業務。於二零一七年三月三十一日，出售零售及批發業務之最後磋商正在進行，而零售及批發業務已分類為持作出售出售集團及已終止經營業務。隨著零售及批發業務被分類為已終止經營業務，零售及批發業務不再列入經營分類資料附註。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(continued)

(a) Discontinued operation (continued)

The results of the Retailing and Wholesaling Business for the year are presented below:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue 收益	23,099	35,040
Cost of sales 銷售成本	(9,056)	(17,726)
Gross profit 毛利	14,043	17,314
Other income and gains/(losses), net 其他收入及收益／(虧損)淨額	(78)	(877)
Distribution and selling expenses 分銷及銷售開支	(22,733)	(28,229)
Administrative expenses 行政開支	(8,331)	(8,890)
Loss before tax from discontinued operation 來自已終止經營業務之除稅前虧損	(17,099)	(20,682)
Income tax expense 所得稅開支	-	-
Loss for the year from discontinued operation 來自已終止經營業務之年度虧損	(17,099)	(20,682)

11. 已終止經營業務及持作出售出售集團 (續)

(a) 已終止經營業務 (續)

零售及批發業務之年度業績呈列如下：

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(continued)

(a) Discontinued operation (continued)

The major classes of assets and liabilities of the Retailing and Wholesaling Business as at 31 March 2017 are as follows:

11. 已終止經營業務及持作出售出售集團 (續)

(a) 已終止經營業務 (續)

零售及批發業務於二零一七年三月三十一日之資產及負債之主要類別如下:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Assets 資產</i>		
Accounts and bills receivable 應收賬項及票據	647	-
Prepayments, deposits and other receivables 預付款項、按金及其他應收賬項	568	-
Cash and cash equivalents 現金及等同現金項目	4,073	-
Assets classified as held for sale 分類為持作出售之資產	5,288	-
<i>Liabilities 負債</i>		
Accounts and bills payable 應付賬項及票據	(464)	-
Accrued liabilities and other payables 應計負債及其他應付賬項	(1,098)	-
Liabilities directly associated with the assets classified as held for sale 分類為可供出售資產直接有關之負債	(1,562)	-
Net assets directly associated with the disposal group 與出售集團直接有關之資產淨值	3,726	-

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(continued)

(a) Discontinued operation (continued)

The net cash flows incurred by the Retailing and Wholesaling Business 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
Operating activities 經營活動	(4,525)	(2,431)
Investing activities 投資活動	2,243	(1,177)
Net cash outflow 現金流出淨額	(2,282)	(3,608)
Loss per share: 每股虧損:		
Basic, from discontinued operation 基本—來自已終止經營業務	HK(2.46) cents港仙	HK(2.99) cents港仙
Diluted, from discontinued operation 攤薄—來自已終止經營業務	HK(2.46) cents港仙	HK(2.99) cents港仙

No adjustment has been made to the basic loss per share amounts from discontinued operation presented for the years ended 31 March 2017 and 2016 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted loss per share from discontinued operation are based on:

11. 已終止經營業務及持作出售出售集團 (續)

(a) 已終止經營業務 (續)

零售及批發業務產生之現金流量淨額如下:

並無就截至二零一七年及二零一六年三月三十一日止年度呈報的來自已終止經營業務之每股基本虧損金額作出攤薄調整，原因是尚未行使購股權對所呈報的每股基本虧損金額具有反攤薄影響。

來自已終止經營業務之每股基本與攤薄虧損乃按以下計算:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss 虧損		
Loss attributable to ordinary equity holders of the parent from discontinued operation 來自已終止經營業務之母公司普通權益持有人應佔虧損	(17,099)	(20,682)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(continued)

(a) Discontinued operation (continued)

The calculations of basic and diluted loss per share from discontinued operation are based on: (continued)

11. 已終止經營業務及持作出售出售集團 (續)

(a) 已終止經營業務 (續)

來自已終止經營業務之每股基本與攤薄虧損乃按以下計算：(續)

	Number of shares	
	2017 二零一七年	2016 二零一六年
Shares 股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation (note 12) 就計算每股基本盈利為目的之於年內發行之普通股加權平均數 (附註12)	695,673,705	691,674,196
Weighted average number of ordinary shares used in the diluted earnings per share calculation (note 12) 就計算每股攤薄盈利為目的之普通股加權平均數 (附註12)	699,920,106	695,800,219

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(continued)

(b) Disposal group held for sale

On 28 December 2016, the Group entered into a sale and purchase agreement with an independent third party, Talent Union (Hong Kong) Investments Limited (the "Purchaser"), pursuant to which the Purchaser has conditionally agreed to acquire and the Group has conditionally agreed to dispose of 100% equity interest of Kingmaker Footwear (Zhong Shan) Co., Ltd. ("Kingmaker Zhong Shan"), a wholly-owned subsidiary of the Group, at a cash consideration of RMB168,000,000, equivalent to approximately HK\$188,000,000. As at 31 March 2017, the disposal of Kingmaker Zhong Shan was not completed and subject to the fulfilment of condition precedent. Kingmaker Zhong Shan was classified as a disposal group held for sale. Subsequent to year end, the registration process with the relevant industrial and commercial administration in the PRC in respect of the transfer of the entire equity interest in Kingmaker Zhong Shan had been completed in April 2017. Pursuant to the sale and purchase agreement, 50% of the consideration had already been released by the escrow agent to the Group, while the remaining 50% of the consideration is expected to be released by the escrow agent to the Group before late July 2017 on the condition that the Group has settled all the encumbrances (including but not limited to taxes, penalties, utility charges, etc.) incurred by Kingmaker Zhong Shan prior to the date of completion, failing which the purchaser is entitled to deduct the amount equals to such encumbrances from the payment of the remaining consideration.

11. 已終止經營業務及持作出售出售集團 (續)

(b) 持作出售出售集團

於二零一六年十二月二十八日，本集團與一名獨立第三方匯駿（香港）投資有限公司（「買方」）訂立買賣協議，據此，買方已有條件同意收購而本集團已有條件同意出售順星製鞋（中山）有限公司（「順星中山」，本集團之全資附屬公司）的全部股權，現金代價為人民幣168,000,000元（相當於約188,000,000港元）。於二零一七年三月三十一日，出售順星中山尚未完成，惟須待達成先決條件。順星中山被分類為持作出售出售集團。於年結日後，有關轉讓順星中山之全部股權向中國相關工商行政管理局辦理登記程序已於二零一七年四月完成。根據買賣協議，代價之50%已由託管代理向本集團發放，而代價之餘下50%預期將由託管代理於二零一七年七月底向本集團發放，條件為本集團已清償順星中山於完成日期前產生之所有產權負擔（包括但不限於稅項、罰款、公共設施費用等），倘未能達成此項條件，買方將有權自餘下代價之付款中扣除相等於有關產權負擔之金額。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

11. DISCONTINUED OPERATION AND DISPOSAL GROUPS HELD FOR SALE

(continued)

(b) Disposal group held for sale (continued)

The major classes of assets and liabilities of Kingmaker Zhong Shan classified as held for sale as at 31 March 2017 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
<i>Assets 資產</i>		
Property, plant and equipment 物業、廠房及設備	43,441	—
Prepaid land lease payments 預付土地租賃款項	7,440	—
Cash and cash equivalents 現金及等同現金項目	355	—
Assets of a disposal group classified as held for sale 出售集團分類為持作出售之資產	51,236	—
<i>Liabilities 負債</i>		
Accrued liabilities and other payables 應計負債及其他應付賬項	(6,998)	—
Tax payable 應付稅項	(8,982)	—
Liabilities directly associated with the assets classified as held for sale 分類可供出售資產直接有關之負債	(15,980)	—
Net assets directly associated with the disposal group 與出售集團直接有關之資產淨值	35,256	—

11. 已終止經營業務及持作出售出售集團 (續)

(b) 持作出售出售集團 (續)

截至二零一七年三月三十一日，順星中山分類為持作出售之主要資產及負債類別如下：

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

12. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to equity holders of the Company of HK\$132,556,000 (2016: HK\$120,205,000), and the weighted average number of ordinary shares of 695,673,705 (2016: 691,674,196) in issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to equity holders of the Company of HK\$132,556,000 (2016: HK\$120,205,000) and 699,920,106 (2016: 695,800,219) ordinary shares, being the weighted average number of ordinary shares in issue during the year, adjusted for the effects of the potentially dilutive ordinary shares outstanding during the year.

12. 本公司權益持有人應佔每股盈利

每股基本盈利金額乃根據本公司權益持有人應佔年度溢利132,556,000港元(二零一六年: 120,205,000港元)及年內已發行普通股加權平均數695,673,705股(二零一六年: 691,674,196股)計算。

每股攤薄盈利金額乃根據本公司權益持有人應佔年度溢利132,556,000港元(二零一六年: 120,205,000港元)及經年內已發行潛在攤薄普通股之影響作出調整後之年內已發行普通股加權平均數699,920,106股(二零一六年: 695,800,219股)計算。

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Earnings 盈利		
Profit/(loss) attributable to equity holders of the Company: 本公司權益持有人應佔溢利/(虧損):		
From continuing operations 來自持續經營業務	149,655	140,887
From discontinued operation 來自已終止經營業務	(17,099)	(20,682)
	132,556	120,205

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

12. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(continued)

12. 本公司權益持有人應佔每股盈利 (續)

	Number of shares 股份數目	
	2017 二零一七年	2016 二零一六年
Shares 股份		
Weighted average number of ordinary shares used in calculating the basic earnings per share 就計算每股基本盈利為目的之普通股加權平均數	695,673,705	691,674,196
Weighted average number of ordinary shares assumed to have been issued at no consideration on deemed exercise of all dilutive options in issue during the year 年內視作因行使全部已發行可攤薄購股權而假設無償發行之普通股加權平均數	4,246,401	4,126,023
Weighted average number of ordinary shares used in calculating the diluted earnings per share 就計算每股攤薄盈利為目的之普通股加權平均數	699,920,106	695,800,219

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

13. DIVIDENDS

13. 股息

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Dividends paid during the year 年內已派付股息		
Final in respect of the financial year ended		
31 March 2016 – HK5.2 cents per ordinary share (2016: final dividend of HK4.2 cents per ordinary share, in respect of the financial year ended 31 March 2015) 就截至二零一六年三月三十一日止財政年度的末期股息 — 每股普通股5.2港仙 (二零一六年: 就截至二零一五年 三月三十一日止財政年度, 末期股息每股普通股4.2港仙)	36,072	29,088
Special in respect of the financial year ended		
31 March 2016 – HK4.0 cents per ordinary share (2016: special dividend of HK2.0 cents per ordinary share, in respect of the financial year ended 31 March 2015) 就截至二零一六年三月三十一日止財政年度的特別股息 — 每股普通股4.0港仙 (二零一六年: 就截至二零一五年 三月三十一日止財政年度, 特別股息每股普通股2.0港仙)	27,747	13,852
Interim – HK4.2 cents (2016: HK3.8 cents) per ordinary share 中期股息— 每股普通股4.2港仙 (二零一六年: 3.8港仙)	29,375	26,337
Special – HK3.8 cents (2016: Nil) per ordinary share 特別股息— 每股普通股3.8港仙 (二零一六年: 無)	26,578	–
	119,772	69,277
Proposed final dividend 擬派末期股息		
HK5.5 cents (2016: HK5.2 cents) per ordinary share 每股普通股5.5港仙 (二零一六年: 5.2港仙)	38,483	36,184
Proposed special dividend 擬派特別股息		
HK4.5 cents (2016: HK4.0 cents) per ordinary share 每股普通股4.5港仙 (二零一六年: 4.0港仙)	31,486	27,834
	69,969	64,018

The proposed final dividend and the proposed special dividend for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting. These financial statements do not reflect the dividends payable.

本年度擬派末期股息及擬派特別股息須經本公司股東於即將舉行之股東週年大會上批准後, 方可作實。該等財務報表並無反映應付股息。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

	Land and buildings 土地及樓宇 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Machinery, furniture, equipment, leasehold improvements and motor vehicles 機器、傢具、設備、租賃物業裝修及汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 March 2017 二零一七年三月三十一日				
Cost: 成本:				
At beginning of year 於年初	583,846	58,187	502,800	1,144,833
Additions 添置	2,163	10,742	7,959	20,864
Disposals 出售	-	-	(74,659)	(74,659)
Write-off 撇減	-	-	(7,520)	(7,520)
Disposal of subsidiaries (note 30) 出售附屬公司(附註30)	(66,934)	-	(30,015)	(96,949)
Transfers 轉撥	13,811	(13,811)	-	-
Transfer to investment properties (note 16) 轉入投資物業(附註16)	(17,387)	-	-	(17,387)
Assets included in a disposal group classified as held for sale (note 11) 計入分類為持作出售之 出售集團資產(附註11)	(114,286)	-	(3,927)	(118,213)
Exchange realignment 外匯調整	(23,375)	(199)	(16,864)	(40,438)
At 31 March 2017 於二零一七年三月三十一日	377,838	54,919	377,774	810,531

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

(continued)

14. 物業、廠房及設備 (續)

	Land and buildings	Construction in progress	Machinery, furniture, equipment, leasehold improvements and motor vehicles	Total
	土地及樓宇	在建工程	機器、傢具、設備、租賃物業裝修及汽車	合計
31 March 2017 (continued)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零一七年三月三十一日 (續)	千港元	千港元	千港元	千港元
Accumulated depreciation and impairment:				
累計折舊及減值：				
At beginning of year 於年初	252,704	-	368,537	621,241
Depreciation provided during the year				
年內計提折舊	25,048	-	30,207	55,255
Impairment provided during the year				
年內計提減值	-	-	1,609	1,609
Disposals 出售	-	-	(73,520)	(73,520)
Write-off 撇減	-	-	(6,920)	(6,920)
Disposal of subsidiaries (note 30)				
出售附屬公司 (附註30)	(4,283)	-	(6,434)	(10,717)
Transfer to investment properties (note 16)				
轉入投資物業 (附註16)	(12,295)	-	-	(12,295)
Assets included in a disposal group classified as held for sale (note 11)				
計入分類為持作出售之				
出售集團資產 (附註11)	(70,845)	-	(3,927)	(74,772)
Exchange realignment 外匯調整	(12,968)	-	(14,419)	(27,387)
At 31 March 2017				
於二零一七年三月三十一日	177,361	-	295,133	472,494
Net book value: 賬面淨值：				
At 31 March 2017				
於二零一七年三月三十一日	200,477	54,919	82,641	338,037

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

(continued)

14. 物業、廠房及設備 (續)

	Land and buildings	Construction in progress	Machinery, furniture, equipment, leasehold improvements and motor vehicles 機器、傢具、 設備、租賃物業 裝修及汽車	Total
	土地及樓宇	在建工程	裝修及汽車	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
31 March 2016 二零一六年三月三十一日				
Cost: 成本:				
At beginning of year 於年初	581,699	54,207	477,188	1,113,094
Additions 添置	385	76,348	39,121	115,854
Disposals 出售	–	–	(9,372)	(9,372)
Transfers 轉撥	60,451	(72,019)	11,568	–
Transfer to investment properties (note 16) 轉入投資物業 (附註16)	(38,036)	–	–	(38,036)
Exchange realignment 外匯調整	(20,653)	(349)	(15,705)	(36,707)
At 31 March 2016 於二零一六年三月三十一日	583,846	58,187	502,800	1,144,833

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

(continued)

14. 物業、廠房及設備 (續)

	Land and buildings	Construction in progress	Machinery, furniture, equipment, leasehold improvements and motor vehicles 機器、傢具、 設備、租賃物業 裝修及汽車	Total
	土地及樓宇	在建工程	裝修及汽車	合計
31 March 2016 (continued)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零一六年三月三十一日 (續)	千港元	千港元	千港元	千港元
Accumulated depreciation and impairment:				
累計折舊及減值：				
At beginning of year 於年初	254,166	–	335,979	590,145
Depreciation provided during the year				
年內計提折舊	24,296	–	37,690	61,986
Impairment provided during the year				
年內計提減值	–	–	13,815	13,815
Disposals 出售	–	–	(6,985)	(6,985)
Transfer to investment properties (note 16)				
轉入投資物業 (附註16)	(16,273)	–	–	(16,273)
Exchange realignment 外匯調整	(9,485)	–	(11,962)	(21,447)
At 31 March 2016				
於二零一六年三月三十一日	252,704	–	368,537	621,241
Net book value: 賬面淨值：				
At 31 March 2016				
於二零一六年三月三十一日	331,142	58,187	134,263	523,592

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

(continued)

During the year ended 31 March 2017, certain buildings and the corresponding prepaid land lease payment with carrying amounts of HK\$5,092,000 (2016: HK\$21,763,000) and Nil (2016: HK\$1,837,000), respectively, were transferred to investment properties at fair value of HK\$22,405,000 (2016: HK\$23,600,000) based on valuation by Castores Magi (Hong Kong) Limited, independent professionally qualified valuers. Accordingly, a gain on revaluation of HK\$17,313,000 (2016: Nil) was recorded in the asset revaluation reserve.

During the year ended 31 March 2017, furniture, equipment and leasehold improvements for manufacturing and sale of footwear products business of HK\$1,609,000 (2016: HK\$12,302,000) were fully impaired as the Group restructured the operation to which the property, plant and equipment belong.

During the year ended 31 March 2016, the furniture and leasehold improvements for the Retailing and Wholesaling Business of HK\$1,513,000 were impaired because the business had been loss-making for some time.

14. 物業、廠房及設備 (續)

截至二零一七年三月三十一日止年度，根據獨立專業合資格估值師嘉漫(香港)有限公司的估值後，賬面值分別為5,092,000港元(二零一六年：21,763,000港元)及零港元(二零一六年：1,837,000港元)的若干樓宇及相應的預付土地租賃款乃按22,405,000港元(二零一六年：23,600,000港元)的公平值轉入投資物業。因此，就重估於資產重估儲備確認收益17,313,000港元(二零一六年：無)。

於截至二零一七年三月三十一日止年度，製造及銷售鞋類產品業務的傢具、設備及租賃物業裝修1,609,000港元(二零一六年：12,302,000港元)，因本集團調整物業、廠房及設備所屬的營運而悉數減值。

於截至二零一六年三月三十一日止年度，零售及批發業務的傢具及租賃物業裝修1,513,000港元，因業務一段時間以來一直虧損而減值。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

15. PREPAID LAND LEASE PAYMENTS

15. 預付土地租賃款項

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at beginning of year 於年初之賬面值	89,038	80,277
Transfer from deposits 轉撥自按金	-	16,769
Transfer to investment properties (note 16) 轉入投資物業(附註16)	-	(1,837)
Amortised during the year 於年內攤銷	(2,325)	(2,546)
Disposal of subsidiaries (note 30) 出售附屬公司(附註30)	(23,078)	-
Assets included in disposal group held for sale (note 11) 計入持作出售之出售集團資產(附註11)	(7,440)	-
Exchange realignment 外匯調整	(2,866)	(3,625)
Carrying amount at 31 March 於三月三十一日之賬面值	53,329	89,038
Current portion included in prepayments, deposits and other receivables 列入預付款項、按金及其他應收款項之即期部分	(1,742)	(2,459)
Non-current portion 非即期部分	51,587	86,579

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

16. INVESTMENT PROPERTIES

16. 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
Fair value at beginning of year 於年初之公平值	123,247	115,692
Fair value losses on revaluation 重估公平值虧損	(1,703)	(8,731)
Transfer from property, plant and equipment (note 14) 轉撥自物業、廠房及設備 (附註14)	22,405	21,763
Transfer from prepaid land lease payments (note 15) 轉撥自預付土地租賃款項 (附註15)	-	1,837
Exchange realignment 外匯調整	(7,465)	(7,314)
Fair value at 31 March 於三月三十一日之公平值	136,484	123,247

The Group has determined that the investment properties consist of two classes of assets, i.e., commercial and industrial, based on the nature, characteristics and risks of each property.

The Group's investment properties were revalued on 31 March 2017 based on valuations performed by Castores Magi (Hong Kong) Limited, independent professionally qualified valuers, at HK\$136,484,000 (2016: HK\$123,247,000). There has been no change from the valuation technique used in prior years.

Each year, the Group appoints an external valuer to be responsible for the external valuations of the Group's properties. Selection criteria of an external valuer include market knowledge, reputation, independence and whether professional standards are maintained. The Group discusses with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 31 to the financial statements.

本集團已決定根據各物業之性質、特點及風險將該等投資物業分類為兩類資產（即商業物業及工業物業）。

於二零一七年三月三十一日，本集團之投資物業由獨立專業合資格估值師嘉漫（香港）有限公司進行估值，並重估為136,484,000港元（二零一六年：123,247,000港元）。過往年度所使用之估值方法並無變動。

每年，本集團委聘外聘估值師負責對本集團之物業進行外部估值。外聘估值師之甄選準則包括市場知識、聲譽、獨立性及是否可保持專業標準。本集團每年兩次於中期及年度財務報告期間進行估值時與估值師對估值假設及估值結果進行討論。

該等投資物業乃根據經營租約租予第三方，進一步概要詳情載於財務報表附註31。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

16. INVESTMENT PROPERTIES (continued)

Fair value hierarchy

The fair values of the Group's investment properties as at 31 March 2017 and 31 March 2016 are estimated by using significant unobservable inputs and the fair value measurements are categorised under Level 3.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2016: Nil).

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

16. 投資物業 (續)

公平值層級

於二零一七年三月三十一日及二零一六年三月三十一日，本集團之投資物業之公平值乃使用重大不可觀察輸入數據估計及公平值計量分類至第三級。

年內，第一級與第二級之間概無轉換公平值計量，亦無轉入第三級或自第三級轉出（二零一六年：無）。

於公平值層級第三級內分類之公平值計量對賬：

	Commercial properties 商業物業	Industrial properties 工業物業	Total 合計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Carrying amount at 1 April 2015			
於二零一五年四月一日之賬面值	10,185	105,507	115,692
Fair value losses on revaluation recognised in profit or loss			
於損益中確認之重估公平值虧損	(359)	(8,372)	(8,731)
Transfer from property, plant and equipment (note 14)			
轉撥自物業、廠房及設備（附註14）	-	21,763	21,763
Transfer from prepaid land lease payments (note 15)			
轉撥自預付土地租賃款項（附註15）	-	1,837	1,837
Exchange realignment 外匯調整	(534)	(6,780)	(7,314)
Carrying amount at 31 March 2016 and 1 April 2016			
於二零一六年三月三十一日及 二零一六年四月一日之賬面值	9,292	113,955	123,247
Fair value losses on revaluation recognised in profit or loss			
於損益中確認之重估公平值虧損	(167)	(1,536)	(1,703)
Transfer from property, plant and equipment (note 14)			
轉撥自物業、廠房及設備（附註14）	-	22,405	22,405
Exchange realignment 外匯調整	(579)	(6,886)	(7,465)
Carrying amount at 31 March 2017			
於二零一七年三月三十一日之賬面值	8,546	127,938	136,484

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

16. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

Class of property 物業類別	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入數據	Range or weighted average 範圍或加權平均	
			2017 二零一七年	2016 二零一六年
Commercial properties 商業物業	Market comparable method 市場比較法	Gross unit rate per square metre 每平方米總單位價值	HK\$26,000 26,000港元	HK\$28,000 28,000港元
Industrial properties 工業物業	Income capitalisation approach 收入資本化法	Estimated rental value (per square metre and per month) 估計租金價值 (每平方米及每月) Rental growth rate 租金增長率 Market yield 市場收益率	HK\$6 to HK\$18 6港元至18港元 1% 8%	HK\$7 to HK\$18 7港元至18港元 1% 8%

A significant increase/(decrease) in the gross unit rate per square metre, estimated rental value (per square metre and per month) and rental growth rate in isolation would result in a significant increase/(decrease) in the fair value of the investment properties. A significant increase/(decrease) in the market yield in isolation would result in a significant decrease/(increase) in the fair value of the investment properties.

16. 投資物業 (續)

公平值層級 (續)

以下為投資物業估值所使用之估值方法及主要入值之概要：

當每平方米總單位價值、估計租金價值 (每平方米及每月) 及租金增長率大幅單獨上升 / (下跌) 將導致投資物業之公平值大幅上升 / (下跌)。當市場收益率單獨大幅單獨上升 / (下跌) 時，會導致投資物業之公平值大幅下跌 / (上升)。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

17. DEPOSITS

Included in the deposits were:

- (a) deposits of HK\$3,900,000 (2016: HK\$3,900,000) for the lease of a parcel of land in Vietnam. Pursuant to the letter of offer entered into between the Group and an independent third party on 30 April 2015, the Group would lease the parcel of land in Vietnam until 2058 at a consideration of approximately US\$5,000,000 (approximately HK\$39,000,000), subject to adjustment based on the actual area of the land pursuant to the final survey. Further details of the transaction were disclosed in the Company's announcement dated 30 April 2015; and
- (b) as at 31 March 2016, deposits of HK\$16,528,000 for the lease of a parcel of land in Vietnam. Pursuant to the letter of offer and supplemental agreement entered into between a then subsidiary of the Company and an independent third party on 15 July 2013 and 27 December 2013, respectively, the Group would lease two parcels of land in Vietnam until 2082 at a consideration of approximately US\$6,855,000 (approximately HK\$53,334,000), subject to adjustment based on the actual area of the land pursuant to the final survey. Further details of the transaction were disclosed in the Company's announcements dated 15 July 2013 and 30 December 2013. During the year ended 31 March 2017, the then subsidiary was disposed of (note 30) and the deposits were derecognised.

17. 按金

計入按金為：

- (a) 租賃越南一幅土地之3,900,000港元(二零一六年：3,900,000港元)按金。根據本集團與獨立第三方於二零一五年四月三十日訂立之要約函，本集團將租賃越南一幅土地，直至二零五八年，代價約5,000,000美元(約39,000,000港元)，惟可根據最終勘測之土地實際面積作出調整。該交易之進一步詳情已於本公司日期為二零一五年四月三十日之公佈內披露；及
- (b) 於二零一六年三月三十一日，租賃越南一幅土地之16,528,000港元按金。根據本公司一間當時附屬公司與獨立第三方分別於二零一三年七月十五日及二零一三年十二月二十七日訂立之要約函及補充協議，本集團將租賃越南兩幅土地，直至二零八二年，代價約6,855,000美元(約53,334,000港元)，惟可根據最終勘測之土地實際面積作出調整。該交易之進一步詳情已於本公司日期為二零一三年七月十五日及二零一三年十二月三十日之公佈內披露。於截至二零一七年三月三十一日止年度期間，當時附屬公司已被出售(附註30)，該按金已終止確認。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

18. INVESTMENTS IN ASSOCIATES

18. 聯營公司投資

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of net assets 應佔資產淨值	57,558	-

The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment.

應收一家聯營公司款項沒有抵押、免息及並無預付款項固定條款。

Particulars of the Group's principal associates are as follows:

本集團主要聯營公司之詳情如下：

Name	Particulars of issued share held	Place of incorporation and business	Percentage of ownership interest attributable to the Group 本公司擁有權益百分比	Principal activities
名稱	已發行股份持有詳情	註冊及營業地點		主要業務
Alliance Investment Development Limited ("Alliance Investment")	Ordinary shares 普通股	British Virgin Islands 英屬維爾京群島	40	Investment holding 投資控股
Star Praised Limited	Ordinary Shares 普通股	British Virgin Islands 英屬維爾京群島	40	Investment holding 投資控股
Kingmaker III (Vietnam) Footwear Co., Ltd.	Registered capital of US\$11,779,549 註冊資本11,779,549 美元	Vietnam 越南	40	Footwear manufacturing 製造鞋類產品
Empress Choice Limited	Ordinary Shares 普通股	British Virgin Islands 英屬維爾京群島	40	Investment holding 投資控股
Maystar (Vietnam) Footwear Co., Ltd.	Registered capital of US\$3,600,000 註冊資本3,600,000 美元	Vietnam 越南	40	Footwear manufacturing 製造鞋類產品

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

18. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of the associates' loss for the year 應佔聯營公司年內虧損	(1,196)	-
Share of the associates' other comprehensive income/(expenses) 應佔聯營公司其他全面收入/(開支)	-	-
Share of the associates' total comprehensive income/(expenses) 應佔聯營公司全面收入/(開支)總額	(1,196)	-
Aggregate carrying amount of the Group's investments in the associates 本集團於聯營公司之投資之賬面總值	57,558	-

18. 聯營公司投資 (續)

下表列示本集團於個別而言並不重大之聯營公司之合併財務資料：

19. AVAILABLE-FOR-SALE INVESTMENTS

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Listed equity investments, at fair value 上市股本投資，按公平值	530	489

During the year, the fair value gain in respect of the Group's available-for-sale equity investments recognised in other comprehensive income amounted to HK\$41,000 (2016: loss of HK\$403,000).

The fair values of the listed equity investments are based on quoted market prices.

19. 可供出售投資

於年內，於其他全面收入確認之本集團可供出售股本投資之公平值收益為41,000港元（二零一六年：403,000港元虧損）。

上市股本投資之公平值乃按市場報價計算。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

20. INVENTORIES

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials 原材料	77,350	116,973
Work in progress 在製品	15,072	23,274
Finished goods 製成品	66,251	93,601
	158,673	233,848

20. 存貨

21. ACCOUNTS AND BILLS RECEIVABLE

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accounts and bills receivable 應收賬項及票據	141,459	165,549

21. 應收賬項及票據

The Group's accounts and bills receivable mainly related to a few recognised and creditworthy customers. Payment terms with customers are largely on credit. Invoices are normally payable within 90 days of issuance, except for certain well-established customers, where the terms are extended to 180 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by the Group's senior management. Accounts receivable are non-interest-bearing, except for a balance due from a customer of approximately HK\$65,480,000 (2016: HK\$26,760,000) which bears interest at 0.25% (2016: 0.25%) for a fixed period of 60 days.

本集團之應收賬項及票據主要跟少數知名及有信譽之客戶有關。給予客戶之付款條款主要為信貸方式。除與本集團關係良好之若干客戶可於發出發票180日內還款外，一般客戶之還款期為90日。本集團厲行嚴格控制未收回之應收賬項，以減低信貸風險。逾期未付款項由本集團高級管理層定期審核。應收賬項不計息，惟一位客戶欠付之餘額約65,480,000港元（二零一六年：26,760,000港元）按0.25厘之息率計息（二零一六年：0.25厘），固定還款期為60日。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

21. ACCOUNTS AND BILLS RECEIVABLE

(continued)

An aged analysis of the accounts and bills receivable as at the end of the reporting period, based on the date of goods delivered, 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
Within 90 days 90日內	141,441	163,904
Between 91 and 180 days 91日至180日	13	1,041
Between 181 and 365 days 181日至365日	5	78
Over 365 days 365日以上	-	526
	141,459	165,549

The aged analysis of accounts and bills receivable that are not considered to be impaired 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
Neither past due nor impaired 未逾期或未出現減值	127,640	152,218
Less than 90 days past due 逾期少於90日	13,802	12,440
Over 90 days past due 逾期超過90日	17	891
	141,459	165,549

Receivables that were neither past due nor impaired relate to a few recognised and creditworthy customers for whom there was no recent history of default.

21. 應收賬項及票據 (續)

以貨物交付日期為基準，應收賬項及票據於報告期末之賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 90 days 90日內	141,441	163,904
Between 91 and 180 days 91日至180日	13	1,041
Between 181 and 365 days 181日至365日	5	78
Over 365 days 365日以上	-	526
	141,459	165,549

並未視為出現減值之應收賬項及票據之賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired 未逾期或未出現減值	127,640	152,218
Less than 90 days past due 逾期少於90日	13,802	12,440
Over 90 days past due 逾期超過90日	17	891
	141,459	165,549

並無逾期或減值之應收款項涉及少數知名及具信譽之客戶，彼等近期並無拖欠付款記錄。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

21. ACCOUNTS AND BILLS RECEIVABLE

(continued)

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

21. 應收賬項及票據 (續)

已逾期但並無列作減值之應收款項，涉及若干與本集團關係良好之獨立客戶。據以往經驗，本公司董事們認為，並無需要就該等結餘作出減值撥備，原因為信貸質素並無重大變化，而結餘仍被視作可全數追回。本集團並無就該等結餘持有任何抵押品或其他信貸提升安排。

22. CASH AND CASH EQUIVALENTS

22. 現金及等同現金項目

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash and bank balances 現金及銀行結餘	101,923	133,232
Time deposits with original maturity of less than three months 原定到期日少於三個月之定期存款	101,689	70,736
Time deposits with original maturity of over three months when acquired 於收購時原定到期日逾三個月之定期存款	572,204	461,737
Cash and cash equivalents 現金及等同現金項目	775,816	665,705

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

22. CASH AND CASH EQUIVALENTS (continued)

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$11,185,000 (2016: HK\$20,026,000). RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one week and one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates.

The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

22. 現金及等同現金項目 (續)

於報告期末，本集團以人民幣計算之現金及銀行結餘約達11,185,000港元（二零一六年：20,026,000港元）。人民幣不得自由兌換為其他貨幣。然而，根據中國內地外匯管制條例及結匯、售匯及付匯管理規定，本集團可在獲准進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金按每日銀行存款利率之浮動利率計息。定期存款之期限由一週至一年不等，視乎本集團之即時現金需求而定，按有關定期存款利率計息。

銀行結餘及定期存款存置在信譽良好之銀行，近期並無拖欠。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

23. ACCOUNTS AND BILLS PAYABLE

An aged analysis of the accounts and bills payable as at the end of the reporting period, based on the date of goods received, 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
Within 90 days 90日內	129,954	208,753
Between 91 and 180 days 91日至180日	14,757	17,189
Between 181 and 365 days 181日至365日	547	56
Over 365 days 365日以上	3,564	816
	148,822	226,814

The accounts payable are non-interest-bearing and are normally settled on 90-day terms.

23. 應付賬項及票據

以收訖貨物日期為基準，應付賬項及票據於報告期末之賬齡分析如下：

應付賬項不計息，且一般須於90日期限內清付。

24. DERIVATIVE FINANCIAL INSTRUMENTS

24. 衍生金融工具

	2017 二零一七年		2016 二零一六年	
	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Forward currency contracts 遠期外幣合約	-	-	-	519

The carrying amounts of forward currency contracts were the same as their fair values. The above transactions involving derivative financial instruments were with creditworthy banks with no recent history of default.

遠期外幣合約之賬面值與其公平值相同。上述涉及衍生金融工具之交易乃與近期並無違約記錄之具信譽銀行進行。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

24. DERIVATIVE FINANCIAL INSTRUMENTS

(continued)

The Group had entered into various forward currency contracts to manage its exchange rate exposures which did not meet the criteria for hedge accounting. Net fair value losses on non-hedging currency derivatives amounting to HK\$530,000 were charged to the statement of profit or loss during the year (2016: HK\$220,000) (note 7).

The fair values of derivative financial instruments are based on quoted prices.

25. BANKING FACILITIES

As at 31 March 2017, the Group had available banking facilities amounting to HK\$99,000,000 (2016: HK\$99,000,000) of which approximately HK\$805,000 (2016: HK\$1,331,000) was utilised. The banking facilities were supported by corporate guarantees executed by the Company.

24. 衍生金融工具 (續)

本集團已訂立多項遠期貨幣合約管理其未能符合以對沖會計法處理之外匯風險。非對沖貨幣衍生工具之公平值虧損淨額為530,000港元(二零一六年: 220,000港元)已於年內計入損益表中(附註7)。

衍生金融工具之公平值乃按報價計算。

25. 銀行融資

於二零一七年三月三十一日,本集團有可動用銀行融資共99,000,000港元(二零一六年: 99,000,000港元),其中已動用約805,000港元(二零一六年: 1,331,000港元)。銀行融資由本公司提供公司擔保。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

26. DEFERRED TAX LIABILITIES

26. 遞延稅項負債

	Revaluation of buildings and investment properties 樓宇及 投資物業重估值 HK\$'000 千港元
At 1 April 2015 於二零一五年四月一日	20,228
Deferred tax debited to the consolidated statement of profit or loss during the year (note 10) 年內計入綜合損益表之遞延稅項 (附註10)	(2,316)
Exchange realignment 外匯調整	(1,034)
At 31 March 2016 and 1 April 2016 於二零一六年三月三十一日及二零一六年四月一日	16,878
Deferred tax debited to the consolidated statement of profit or loss during the year (note 10) 年內計入綜合損益表之遞延稅項 (附註10)	(281)
Deferred tax charged to equity during the year 年內計入權益之遞延稅項	4,328
Exchange realignment 外匯調整	(1,048)
At 31 March 2017 於二零一七年三月三十一日	19,877

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

27. SHARE CAPITAL

27. 股本

Shares

股份

	Number of ordinary shares of HK\$0.10 each 每股面值0.10港元之普通股數目		HK\$'000 千港元	
	2017	2016	2017	2016
	二零一七年	二零一六年	二零一七年	二零一六年
Authorised: 法定:				
Balance at beginning and end of year 年初及年終結餘	1,000,000,000	1,000,000,000	100,000	100,000
Issued and fully paid: 已發行及繳足:				
Balance at beginning of year 年初結餘	695,842,445	688,490,445	69,584	68,849
Share options exercised (note (a)) 已行使購股權(附註(a))	7,257,000	10,328,000	726	1,033
Repurchased (note (b)) 購回(附註(b))	(3,406,000)	(2,976,000)	(341)	(298)
Balance at end of year 年終結餘	699,693,445	695,842,445	69,969	69,584

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

27. SHARE CAPITAL (continued)

Shares (continued)

During the year, the movements in share capital were as follows:

- (a) The subscription rights attaching to 305,000 (2016: 1,856,000), 669,000 (2016: 5,713,000), 1,660,000 (2016: 1,008,000), 2,337,000 (2016: 1,639,000) and 2,286,000 (2016: 112,000) share options were exercised at the subscription prices of HK\$0.972, HK\$1.196, HK\$1.58, HK\$1.25 and HK\$1.908 per share, respectively. These resulted in the issue of 7,257,000 (2016: 10,328,000) shares of HK\$0.1 each and a total cash consideration, before expenses, of approximately HK\$11,002,000 (2016: HK\$12,492,000). An amount of HK\$1,717,000 (2016: HK\$3,639,000) was transferred from the share option reserve to the share premium account upon the exercise of the share options.
- (b) During the year, the Company repurchased its 3,406,000 (2016: 2,976,000) ordinary shares at prices ranging from HK\$1.32 to HK\$2.06 per share at a total consideration of approximately HK\$6,276,000 (2016: HK\$4,686,000). 3,406,000 (2016: 2,976,000) repurchased ordinary shares were cancelled during the year. Details of the repurchases are disclosed under the heading of "Purchase, redemption or sale of the Company's listed securities" in the Report of the Directors. The premium of approximately HK\$5,935,000 (2016: HK\$4,388,000) paid on the repurchase of these shares was debited to the share premium account and an amount of HK\$341,000 (2016: HK\$298,000) was transferred from retained profits of the Company to the capital redemption reserve.

27. 股本 (續)

股份 (續)

年內，股本之變動如下：

- (a) 附於305,000份(二零一六年：1,856,000份)、669,000份(二零一六年：5,713,000份)、1,660,000份(二零一六年：1,008,000份)、2,337,000份(二零一六年：1,639,000份)及2,286,000份(二零一六年：112,000份)購股權上之認購權分別按照每股0.972港元、1.196港元、1.58港元、1.25港元及1.908港元之認購價獲行使。因此發行7,257,000股(二零一六年：10,328,000股)每股面值0.1港元之股份，未扣除費用之總現金代價約為11,002,000港元(二零一六年：12,492,000港元)。購股權獲行使後，購股權儲備中1,717,000港元(二零一六年：3,639,000港元)轉撥至股份溢價賬。
- (b) 於本年度，本公司以每股1.32港元至2.06港元之價格購回其3,406,000股普通股(二零一六年：2,976,000股)，總代價約為6,276,000港元(二零一六年：4,686,000港元)。所購回之3,406,000股普通股(二零一六年：2,976,000股)已於本年度註銷。購回之詳情於董事會報告內「購買、贖回或出售本公司之上市證券」一段披露。就購回該等股份所支付之溢價約5,935,000港元(二零一六年：4,388,000港元)已自股份溢價賬中扣除，並已從本公司保留溢利轉撥341,000港元(二零一六年：298,000港元)至資本贖回儲備。

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME

Share option scheme

The Company operates a share option scheme (the “Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Share Option Scheme included the Company’s directors (including independent non-executive directors), other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity that provides research, development or other technological support to the Group, and any shareholder of the Group. The Share Option Scheme became effective on 29 August 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date and will expire in 2021.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Group may not exceed 30% of the shares of the Company in issue at any time. Unless approved by the shareholders of the Company in a general meeting, the maximum number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding options) to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the shares of the Company in issue as at the date of grant.

28. 購股權計劃及股份獎勵計劃

購股權計劃

本公司設立購股權計劃（「購股權計劃」），旨在鼓勵及嘉獎為本集團業務成功作出貢獻之合資格參與者。購股權計劃之合資格參與者包括本公司之董事（包括獨立非執行董事）、本集團之其他僱員、本集團之貨品或服務供應商、本集團之客戶、向本集團提供研究、開發或其他技術支持之任何人士或實體及本集團任何股東。購股權計劃於二零一一年八月二十九日生效，而除已註銷或修訂外，將於該日起計有效十年，並於二零二一年到期。

因行使根據購股權計劃及本集團採納的任何其他購股權計劃授出而尚未行使其所有購股權而可發行之股份總數，不得超過本公司任何時間已發行股份之30%。除非經本公司股東於股東大會上批准，否則於截至授出日期止任何12個月期間因行使根據購股權計劃及本公司任何其他購股權計劃授出之購股權（包括已行使、註銷及尚未行使其購股權）而向每名合資格參與者發行及可發行之股份總數，不得超過本公司於授出日期已發行股份之1%。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval by the independent non-executive directors of the Company. In addition, any share options granted to a substantial shareholder or any independent non-executive director of the Company, or to any of their associates in excess of 0.1% of the shares of the Company in issue on that date and with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in a general meeting.

The period within which the options must be exercised will be determined by the board of directors of the Company at its absolute discretion. This period will expire no later than 10 years from the date of grant of the options. At the time of grant of the options, the Company may specify a minimum period for which an option must be held before it can be exercised. The offer of a grant of share options may be accepted within 28 days from the date of offer, and the amount payable on acceptance of an offer is HK\$1.

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (ii) the average of closing prices of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share of the Company on the date of grant.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

向本公司之董事、行政總裁、主要股東或彼等任何聯繫人授出購股權必須經本公司獨立非執行董事事先批准。此外，於任何12個月期間，倘向本公司其中一名主要股東、獨立非執行董事或彼等任何聯繫人授出涉及超過本公司於該日已發行股份0.1%而總值超過5百萬港元（根據本公司於授出日期之股份價格計算）之購股權，則本公司須事先於股東大會獲得股東批准。

購股權須予行使之期間由本公司董事會全權決定。該期間將不遲於授出購股權當日起10年後屆滿。於授出購股權時，本公司可指定購股權行使前須持有之最短期限。建議授出之購股權可於建議授出日期起計28天內接納，且接納授出建議時須繳付1港元之代價。

於購股權獲行使時將發行之本公司股份之認購價，不得低於(i)本公司股份於授出日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出日期前五個營業日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份於授出日期之面值三者中之較高者。

購股權並未賦予持有人收取股息或於股東大會上投票之權利。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

The following share options were outstanding under the Share Option Scheme during the year:

Name or category of participants	Number of share options 購股權數目					At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options** 購股權之行使價** HK\$港元 per share每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價*** HK\$港元 per share每股
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year	At 31 March 2017					
參與者姓名或類別	於二零一六年 四月一日	年內授出	年內行使	年內喪失	於二零一七年 三月三十一日	購股權之授出日期*	購股權之行使期間			
Directors 董事										
Mr. Chen Ming-hsiung, Mickey ^	54,000	-	-	(54,000)	-	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25	
陳敏捷先生	72,000	-	-	(72,000)	-	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90	
	54,000	-	-	(54,000)	-	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90	
	54,000	-	-	(54,000)	-	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90	
Mdm. Huang Hsiu-duan, Helen	150,000	-	(150,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25	
黃秀端女士	200,000	-	(200,000)	-	-	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90	
	150,000	-	(150,000)	-	-	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90	
	150,000	-	-	-	150,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90	

^ Passed away on 14 April 2016

^ 於二零一六年四月十四日辭世

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
參與者姓名或類別	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使期間	購股權之行使價**	授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股
Directors (continued)									
董事 (續)									
Mr. Kimmel, Phillip Brian 柯民佑先生	150,000	-	(150,000)	-	-	15 January 2013 二零一三年一月十五日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	1.196	1.19
	150,000	-	(150,000)	-	-	15 January 2013 二零一三年一月十五日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.196	1.19
	240,000	-	-	-	240,000	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	180,000	-	-	-	180,000	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	180,000	-	-	-	180,000	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	200,000	-	-	-	200,000	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	150,000	-	-	-	150,000	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	150,000	-	-	-	150,000	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	200,000	-	-	-	200,000	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	150,000	-	-	-	150,000	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	150,000	-	-	-	150,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options 購股權數目				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options** 購股權之行使價** HK\$港元 per share每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價*** HK\$港元 per share每股
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
參與者姓名或類別	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使期間		
Directors (continued) 董事 (續)									
Mr. Wong Hei-chiu 黃禱超先生	160,000	-	(160,000)	-	-	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	120,000	-	(120,000)	-	-	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	120,000	-	(120,000)	-	-	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	160,000	-	(160,000)	-	-	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	120,000	-	(120,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	120,000	-	(120,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	160,000	-	(160,000)	-	-	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	120,000	-	(120,000)	-	-	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	120,000	-	-	-	120,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
參與者姓名或類別	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使期間	購股權之行使價**	授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股
Directors (continued)									
董事 (續)									
Mr. Chow Wing-kin, Anthony, SBS, JP	120,000	-	(120,000)	-	-	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
周永健先生· 銀紫荊星章· 太平紳士	90,000	-	(90,000)	-	-	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	90,000	-	(90,000)	-	-	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	90,000	-	(90,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	90,000	-	(90,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	120,000	-	(120,000)	-	-	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	90,000	-	(90,000)	-	-	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options 購股權數目					Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year	At 31 March 2017				
參與者姓名或類別	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使期間	購股權之行使價**	授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股
Directors (continued)									
董事 (續)									
Mr. Chan Ho-man, Daniel 陳浩文先生	160,000	-	(160,000)	-	-	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	120,000	-	(120,000)	-	-	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	120,000	-	(120,000)	-	-	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	160,000	-	(160,000)	-	-	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	120,000	-	(120,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	120,000	-	(120,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	160,000	-	(160,000)	-	-	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	120,000	-	(120,000)	-	-	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	120,000	-	-	-	120,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使期間	購股權之行使價**	授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股
Directors (continued)									
董事 (續)									
Mr. Tam King-ching, Kenny 譚競正先生	90,000	-	-	-	90,000	13 January 2012 二零一二年一月十三日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	0.972	0.95
	90,000	-	-	-	90,000	15 January 2013 二零一三年一月十五日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	1.196	1.19
	90,000	-	-	-	90,000	15 January 2013 二零一三年一月十五日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.196	1.19
	120,000	-	-	-	120,000	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	90,000	-	-	-	90,000	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	90,000	-	-	-	90,000	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	120,000	-	-	-	120,000	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	90,000	-	-	-	90,000	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	90,000	-	-	-	90,000	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	120,000	-	-	-	120,000	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
參與者姓名或類別	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使期間	購股權之行使價**	授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股
Directors (continued)									
董事 (續)									
Mr. Yung Tse-kwong, Steven 戎子江先生	90,000	-	(90,000)	-	-	15 January 2013 二零一三年一月十五日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.196	1.19
	120,000	-	-	-	120,000	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	90,000	-	-	-	90,000	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	90,000	-	-	-	90,000	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	120,000	-	(120,000)	-	-	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	90,000	-	(90,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	90,000	-	(90,000)	-	-	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	120,000	-	-	-	120,000	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
	於二零一六年四月一日	年內授出	年內行使	年內喪失	於二零一七年三月三十一日	購股權之授出日期*	購股權之行使價**	購股權之授出日期之本公司股價***	
							HK\$港元 per share每股	HK\$港元 per share每股	
Directors (continued)									
董事 (續)									
Ms. Chan Mei-bo, Mabel 陳美寶女士	60,000	-	-	-	60,000	13 January 2012 二零一二年一月十三日	13 January 2012 to 28 August 2021 二零一二年一月十三日至二零二一年八月二十八日	0.972	0.95
	45,000	-	-	-	45,000	13 January 2012 二零一二年一月十三日	1 January 2013 to 28 August 2021 二零一三年一月一日至二零二一年八月二十八日	0.972	0.95
	45,000	-	-	-	45,000	13 January 2012 二零一二年一月十三日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	0.972	0.95
	120,000	-	-	-	120,000	15 January 2013 二零一三年一月十五日	15 January 2013 to 28 August 2021 二零一三年一月十五日至二零二一年八月二十八日	1.196	1.19
	90,000	-	-	-	90,000	15 January 2013 二零一三年一月十五日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	1.196	1.19
	90,000	-	-	-	90,000	15 January 2013 二零一三年一月十五日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.196	1.19
	120,000	-	-	-	120,000	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	90,000	-	-	-	90,000	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	90,000	-	-	-	90,000	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	120,000	-	-	-	120,000	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	90,000	-	-	-	90,000	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	90,000	-	-	-	90,000	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	120,000	-	-	-	120,000	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	90,000	-	-	-	90,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90
	9,474,000	-	(4,040,000)	(234,000)	5,200,000				

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Name or category of participants	Number of share options 購股權數目				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
於二零一六年四月一日					於二零一七年三月三十一日				購股權之行使價**
參與者姓名或類別		年內授出	年內行使	年內喪失		購股權之授出日期*	購股權之行使期間		授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股
Other employees 其他僱員									
In aggregate 合共	168,000	-	(80,000)	(48,000)	40,000	13 January 2012 二零一二年一月十三日	13 January 2012 to 28 August 2021 二零一二年一月十三日至二零二一年八月二十八日	0.972	0.95
	131,000	-	(60,000)	(41,000)	30,000	13 January 2012 二零一二年一月十三日	1 January 2013 to 28 August 2021 二零一三年一月一日至二零二一年八月二十八日	0.972	0.95
	410,000	-	(165,000)	(215,000)	30,000	13 January 2012 二零一二年一月十三日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	0.972	0.95
	424,000	-	(72,000)	(240,000)	112,000	15 January 2013 二零一三年一月十五日	15 January 2013 to 28 August 2021 二零一三年一月十五日至二零二一年八月二十八日	1.196	1.19
	368,000	-	(48,000)	(210,000)	110,000	15 January 2013 二零一三年一月十五日	1 January 2014 to 28 August 2021 二零一四年一月一日至二零二一年八月二十八日	1.196	1.19
	657,000	-	(159,000)	(210,000)	288,000	15 January 2013 二零一三年一月十五日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.196	1.19
	15,000	-	-	-	15,000	15 January 2013 二零一三年一月十五日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.196	1.19
	920,000	-	(160,000)	(120,000)	640,000	16 January 2014 二零一四年一月十六日	16 January 2014 to 28 August 2021 二零一四年一月十六日至二零二一年八月二十八日	1.580	1.57
	742,000	-	(172,000)	(90,000)	480,000	16 January 2014 二零一四年一月十六日	1 January 2015 to 28 August 2021 二零一五年一月一日至二零二一年八月二十八日	1.580	1.57
	798,000	-	(228,000)	(90,000)	480,000	16 January 2014 二零一四年一月十六日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.580	1.57
	1,080,000	-	(160,000)	(180,000)	740,000	19 January 2015 二零一五年一月十九日	19 January 2015 to 28 August 2021 二零一五年一月十九日至二零二一年八月二十八日	1.250	1.25
	894,000	-	(204,000)	(135,000)	555,000	19 January 2015 二零一五年一月十九日	1 January 2016 to 28 August 2021 二零一六年一月一日至二零二一年八月二十八日	1.250	1.25
	1,293,000	-	(543,000)	(135,000)	615,000	19 January 2015 二零一五年一月十九日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.250	1.25
	1,536,000	-	(668,000)	(144,000)	724,000	22 January 2016 二零一六年一月二十二日	22 January 2016 to 28 August 2021 二零一六年一月二十二日至二零二一年八月二十八日	1.908	1.90
	1,236,000	-	(498,000)	(108,000)	630,000	22 January 2016 二零一六年一月二十二日	1 January 2017 to 28 August 2021 二零一七年一月一日至二零二一年八月二十八日	1.908	1.90
	1,236,000	-	-	(108,000)	1,128,000	22 January 2016 二零一六年一月二十二日	1 January 2018 to 28 August 2021 二零一八年一月一日至二零二一年八月二十八日	1.908	1.90
	11,908,000	-	(3,217,000)	(2,074,000)	6,617,000				
	21,382,000	-	(7,257,000)	(2,308,000)	11,817,000				

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

Name or category of participants	Number of share options 購股權數目				At 31 March 2017	Date of grant of share options*	Exercise period of share options	Exercise price of share options**	Price of the Company's shares at grant date of options***
	At 1 April 2016	Granted during the year	Exercised during the year	Forfeited during the year					
於二零一六年四月一日					於二零一七年三月三十一日				購股權之行使價**
參與者姓名或類別		年內授出	年內行使	年內喪失		購股權之授出日期*	購股權之行使期間		授出日期之本公司股價***
								HK\$港元 per share每股	HK\$港元 per share每股

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

Notes to the reconciliation of share options outstanding during the year:

- * The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

The weighted average share price at the date of exercise for share options exercised during the year was HK\$2.16 per share (2016: HK\$1.68 per share).

The 7,257,000 (2016: 10,328,000) share options exercised during the year resulted in the issue of 7,257,000 (2016: 10,328,000) ordinary shares of the Company and new share capital of approximately HK\$726,000 (2016: HK\$1,033,000) and share premium of approximately HK\$10,276,000 (2016: HK\$11,459,000), as further detailed in note 27 to the financial statements. An amount of HK\$1,717,000 (2016: HK\$3,639,000) was transferred from the share option reserve to the share premium account upon the exercise of the share options.

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

年內未行使購股權對賬表附註：

- * 購股權之歸屬期自授出日期起至開始行使日期止。
- ** 購股權之行使價或因供股或紅股發行之調整或其他本公司股本之類似變動而更改。
- *** 上述於購股權授出日期之本公司股份價格乃緊接購股權授出日期前一個交易日之聯交所收市價。

年內於購股權行使日期之加權平均股價為每股2.16港元 (二零一六年：每股1.68港元)。

年內獲行使之7,257,000份購股權 (二零一六年：10,328,000份) 導致發行7,257,000股 (二零一六年：10,328,000股) 本公司普通股以及新股本約726,000港元 (二零一六年：1,033,000港元) 及股份溢價約10,276,000港元 (二零一六年：11,459,000港元)，進一步詳情載於財務報表附註27。金額1,717,000港元 (二零一六年：3,639,000港元) 已於行使購股權時由購股權儲備轉讓至股份溢價賬。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

As at the end of the reporting period, the Company had 340,000, 1,005,000, 3,100,000, 3,010,000 and 4,362,000 share options with exercise prices of HK\$0.972, HK\$1.196, HK\$1.58, HK\$1.25 and HK\$1.908 per share, respectively, outstanding under the Share Option Scheme, which altogether represented approximately 1.7% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 11,817,000 additional ordinary shares of the Company and additional issued share capital of approximately HK\$1,182,000 and share premium of approximately HK\$17,334,000 (before issue expenses).

As at the date of this report, the number of securities of the Company available for issue under the share option scheme was approximately 25,085,000, representing approximately 3.6% of the issued share capital of the Company as at the date of this report.

During the year ended 31 March 2016, 7,300,000 share options were granted and their fair value was estimated at approximately HK\$2,733,000. The Group recognised share option expense of HK\$1,122,000 (2016: HK\$2,333,000) during the year.

28. 購股權計劃及股份獎勵計劃(續)

購股權計劃(續)

於報告期末，本公司根據購股權計劃授出而尚未行使之購股權共有340,000份、1,005,000份、3,100,000份、3,010,000份及4,362,000份，而行使價分別為每股0.972港元、1.196港元、1.58港元、1.25港元及1.908港元，合共佔本公司當日已發行股份約1.7%。根據本公司現時股本架構，全面行使尚未行使購股權將導致額外發行11,817,000股本公司普通股，而額外已發行股本及股份溢價則分別約1,182,000港元及約17,334,000港元（未扣除發行費用）。

於本報告日期，本公司根據購股權計劃可供發行之證券數目約為25,085,000股，相當於本公司於本報告日期之已發行股本約3.6%。

於截至二零一六年三月三十一日止年度，7,300,000份購股權已獲授出，其公平值估計約2,733,000港元。年內，本集團已確認購股權開支為1,122,000港元（二零一六年：2,333,000港元）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share option scheme (continued)

The fair value of share options granted during the year ended 31 March 2016 was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the respective model used for the year ended 31 March 2016:

Date of share options granted:	22 January 2016
Volatility (%):	34.69
Risk-free interest rate (%):	1.38
Expected life of options (year):	5.60
Dividend yield (%):	3.74

The expected life of the options is based on the historical data and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Share award scheme

A share award scheme (the "Share Award Scheme") was adopted by the board of directors (the "Board") of the Company on 3 June 2010 (the "Adoption Date"). The specific objectives of the Share Award Scheme are to recognise the contributions of certain employees of any member of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

28. 購股權計劃及股份獎勵計劃 (續)

購股權計劃 (續)

截至二零一六年三月三十一日止年度授出的購股權公平值乃於授出日期使用二項式估計，已考慮授出購股權之條款及條件。下表列出就於截至二零一六年三月三十一日止年度各自所使用之模式之輸入資料：

授出購股權日期：	二零一六年 一月二十二日
波幅(%):	34.69
無風險利率(%):	1.38
購股權之預期年期(年):	5.60
股息率(%):	3.74

購股權之預期年期乃按照歷史數據計算，但未必能顯示可能出現之行使模式。預期波幅反映有關歷史波幅顯示未來趨勢之假設，但未來趨勢未必與實際結果相同。

股份獎勵計劃

本公司董事會（「董事會」）於二零一零年六月三日（「採納日期」）採納一項股份獎勵計劃（「股份獎勵計劃」）。股份獎勵計劃之特定目標為表揚若干本集團任何成員公司之僱員作出之貢獻並給予獎勵，務求挽留該等僱員繼續為本集團之持續營運及發展效力，並吸引合適人員推動本集團之進一步發展。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

28. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (continued)

Share award scheme (continued)

The Board may, from time to time, at its sole discretion select any employee (the “Selected Employee”) of any member of the Group for participation in the Share Award Scheme and determine the number of awarded shares to be awarded to the Selected Employees by taking into consideration matters including (without limitation) the general financial condition of the Group and the rank and performance of the relevant Selected Employee. The Board is entitled to impose any conditions (including a period of continued service within the Group after the date of the final approval by the Board of the total amount of shares to be awarded to the relevant Selected Employee on a single occasion pursuant to the Share Award Scheme), as it deems appropriate in its absolute discretion with respect to the entitlement of the Selected Employee to the awarded shares.

The Board shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to the Selected Employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

The Share Award Scheme shall terminate on the earlier of the 10th anniversary date of the Adoption Date and such date of early termination as determined by the Board.

Details of the Share Award Scheme are set out in the Company’s announcement dated 3 June 2010.

No shares were awarded under the Share Award Scheme for the years ended 31 March 2017 and 2016.

28. 購股權計劃及股份獎勵計劃 (續)

股份獎勵計劃 (續)

董事會可不時全權酌情挑選本集團任何成員公司之任何僱員(「選定僱員」)參與股份獎勵計劃，並經考慮包括(但不限於)本集團之整體財政狀況及相關選定僱員之職級及表現等事項後釐定授予選定僱員之獎勵股份數目。董事會可全權酌情在其認為合適之情況下就選定僱員所享有之獎勵股份權利施加任何條件(包括於根據股份獎勵計劃於單一事件情況下董事會決定獎勵相關選定僱員的獎勵股份總額的最終批准日期後繼續為本集團服務之期限)。

倘若進一步授出獎勵股份將使董事會根據股份獎勵計劃授出的股份面值超過本公司不時已發行股本的10%，則不得進一步授出。根據股份獎勵計劃授予選定僱員的股份數目最高不得超過本公司不時已發行股本的1%。

股份獎勵計劃須於採納日期第十週年之日或董事會決定提早終止之日期(以較早者為準)終止。

股份獎勵計劃之詳情載於本公司日期為二零一零年六月三日之公佈。

截至二零一七年及二零一六年三月三十一日止年度概無根據股份獎勵計劃授出任何股份。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

30. DISPOSAL OF SUBSIDIARIES

On 9 January 2017, the Group entered into a joint venture agreement with an independent third party, Vast King International Holdings Limited, to establish Alliance Investment with registered capital of US\$28,120,000. Pursuant to the agreement, the Group transferred its entire equity interests in Star Praised Limited and its subsidiary (the "Star Praised Group") and Empress Choice Limited and its subsidiary (the "Empress Choice Group") to Alliance Investment at a cash consideration of approximately US\$20,000,000 (subject to adjustment), of which approximately US\$8,000,000 was used for paying up the Group's 40% equity interests in Alliance Investment. The difference between the final adjusted consideration amount and US\$8,000,000 was paid by Alliance Investment to the Group in cash. Vast King International Holdings Limited subscribed for 60% equity interests in Alliance Investment at a cash consideration of approximately US\$12,000,000. On 1 March 2017, the Star Praised Group and the Empress Choice Group ceased to be the Group's subsidiaries and became associates (note 18).

29. 儲備

本集團於本年度及過往年度之儲備數額及其變動載於財務報表之綜合權益變動表。

30. 出售附屬公司

於二零一七年一月九日，本集團與獨立第三方Vast King International Holdings Limited訂立合營協議，以成立Alliance Investment，註冊資本為28,120,000美元。根據協議，本集團將按現金代價約20,000,000美元（可予調整）向Alliance Investment轉讓其於Star Praised Limited及其附屬公司（「Star Praised集團」）及Empress Choice Limited及其附屬公司（「Empress Choice集團」）之全部股權，當中約8,000,000美元用作支付本集團於Alliance Investment之40%股權。最終經調整代價金額與8,000,000美元之差額將由Alliance Investment以現金向本集團支付。Vast King International Holdings Limited以現金代價約12,000,000美元認購Alliance Investment之60%股權。於二零一七年三月一日，Star Praised集團及Empress Choice集團不再為本集團之附屬公司，而成為聯營公司（附註18）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

30. DISPOSAL OF SUBSIDIARIES (continued)

For the year ended 31 March 2017

30. 出售附屬公司 (續)

截至二零一七年三月三十一日止年度

	Notes 附註	HK\$'000 千港元
Net assets disposed of: 所出售資產淨值:		
Property, plant and equipment 物業、廠房及設備	14	86,232
Prepaid land lease payments 預付土地租賃款項	15	23,078
Deposits paid for the lease of a parcel of land 租賃一幅地塊之已付按金		27,546
		136,856
Exchange fluctuation reserve 匯兌波動儲備		7,279
Gain on disposal of subsidiaries 出售附屬公司之收益		4,167
		148,302
Satisfied by: 以下列方式支付:		
Investments in associates 聯營公司投資		58,724
Cash consideration 現金代價		89,578
		148,302

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

30. DISPOSAL OF SUBSIDIARIES (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	HK\$'000 千港元
Cash consideration and net inflow of cash and cash equivalents in respect of the disposal of subsidiaries 有關出售附屬公司之現金代價以及現金及現金等價物流入淨額	89,578

31. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 16) under operating lease arrangements, with leases negotiated for terms ranging from two to five years. The terms of the leases generally also required the tenants to pay security deposits.

As at the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year 一年內	9,268	5,554
In the second to fifth years, inclusive 第二至第五年(包括首尾兩年)	20,828	4,439
After five years 五年後	525	-
	30,621	9,993

30. 出售附屬公司(續)

就出售附屬公司作出之現金及現金等價物流入淨額分析如下:

31. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其投資物業(附註16)，租約議訂之租期介乎兩年至五年。租約條款一般亦要求租戶支付保證金。

於報告期末，本集團根據與租戶訂立之不可撤銷經營租約之未來最低租約收款總額之到期情況如下:

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

31. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee

The Group leases certain of its land and buildings under operating lease arrangements, with leases negotiated for terms ranging from one to four years.

As at the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year 一年內	1,646	10,818
In the second to fifth years, inclusive 第二至第五年(包括首尾兩年)	76	8,202
	1,722	19,020

In addition, at 31 March 2016, the operating lease rentals for certain retail shops were based on the higher of a fixed rental and contingent rent based on sales of these retail shops pursuant to the terms and conditions as set out in the respective rental agreements. As the future sales of these retail shops could not be accurately determined, the relevant contingent rent has not been included above and only the minimum lease commitments have been included in the above table.

31. 經營租約安排 (續)

(b) 作為承租人

本集團根據經營租約安排租賃其若干土地及樓宇，租約議訂之租期介乎一至四年。

於報告期末，本集團根據不可撤銷經營租約之未來最低租約付款總額之到期情況如下：

此外，於二零一六年三月三十一日，根據載於各租賃協議之條款及條件，若干零售店舖之經營租約租金按固定租金或該等零售店舖銷售額計算之或然租金（以較高者為準）釐定。由於不能準確釐定該等零售店舖之未來銷售額，故上表並無包括有關或然租金，而僅包括最低租約承擔。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

32. COMMITMENTS

In addition to the operating lease commitments detailed in note 31(b) above, the Group had contracted for the following capital commitments:

- (i) As at the end of the reporting period, the Group had commitments in respect of management fees payable in relation to certain land in Vietnam falling due as follows:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year 一年內	566	1,372
In the second to fifth years, inclusive 第二至第五年(包括首尾兩年)	2,263	5,489
After five years 五年後	13,531	63,297
	16,360	70,158

- (ii) As at the end of the reporting period, the Group had capital commitments in respect of property, plant and equipment 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 已訂約但未撥備：		
– construction of factory buildings 一廠房大廈工程	7,020	19,594
– purchase of software 一購買軟件	546	–
	7,566	19,594

32. 承擔

除上文附註31(b)所詳述之經營租約承擔外，本集團亦就下列資本承擔訂立合約：

- (i) 於報告期末，本集團於下列期限到期應付之有關若干越南土地之管理費承擔如下：

- (ii) 於報告期末，本集團有關物業、廠房及設備之資本承擔如下：

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

32. COMMITMENTS (continued)

(iii) Other commitments

	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 已訂約但未撥備		
– establishment of production plants in Mainland China – 於中國內地設立生產廠房	132,846	132,846
– lease of parcels of land in Vietnam – 租賃越南土地地塊	35,084	46,103
	167,930	178,949

32. 承擔 (續)

(iii) 其他承擔

33. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, during the year, the Group paid rental expenses of HK\$950,000 (2016: HK\$935,000) to Kingmaker Footwear Company Limited, a related company of which Mdm. Huang Hsiu-duan, Helen, director and shareholder of the Company, is also a director and shareholder, and of HK\$4,000 to Mr. Chen Yi-wu, the son of Mdm. Huang Hsiu-duan, Helen. During the year ended 31 March 2016, the Group paid rental expenses of HK\$6,000 to Mr. Chen Ming-hsing, Mickey, director and shareholder of the Company.

The rental expenses were determined with reference to the market conditions existing at the time when the respective rental agreements were entered into.

The related party transactions above also constitute connected transactions as defined in Chapter 14A of the Listing Rules.

33. 關聯方交易

(a) 除此等財務報表其他部分所詳述之交易外，本集團於年內曾向關聯公司信星製鞋股份有限公司支付租金費用950,000港元（二零一六年：935,000港元），而本公司董事兼股東黃秀端女士亦為該公司董事兼股東，並向黃秀端女士之子陳奕舞先生支付4,000港元。於截至二零一六年三月三十一日止年度內，本集團亦向本公司董事兼股東陳敏雄先生支付租金費用6,000港元。

該等租金費用乃參考訂立有關租賃協議當時之市況而釐定。

上述關聯方交易亦構成上市規則第14A章所定義之關連交易。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

33. RELATED PARTY TRANSACTIONS

(continued)

- (b) Compensation of key management personnel of the Group:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short term employee benefits 短期僱員福利	13,419	9,253
Post-employment benefits 僱用後福利	72	36
Equity-settled share option expense 以權益結算之購股權開支	543	727
Total compensation paid to key management personnel 支付給關鍵管理人員的報酬合計	14,034	10,016

Further details of directors' emoluments are included in note 8 to the financial statements.

33. 關聯方交易 (續)

- (b) 本集團關鍵管理人員的報酬：

有關董事酬金之其他詳情載於財務報表附註8。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2017

Financial assets

34. 按類別劃分之金融工具

各類別金融工具於報告期末之賬面值如下：

二零一七年

財務資產

	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Available- for-sale financial assets 可供出售 財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments 可供出售投資	-	530	530
Accounts and bills receivable 應收賬項及票據	141,459	-	141,459
Financial assets included in prepayments, deposits and other receivables 計入預付款項、按金及其他應收賬項之財務資產	4,457	-	4,457
Due from an associate 應收一間聯營公司款項	11,116	-	11,116
Cash and cash equivalents 現金及等同現金項目	775,816	-	775,816
	932,848	530	933,378

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

34. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2017

Financial liabilities

	Financial liabilities at amortised cost 按攤銷成本計值之財務負債 HK\$'000 千港元
Accounts and bills payable 應付賬項及票據	148,822
Financial liabilities included in accrued liabilities and other payables 計入應計負債及其他應付賬項之財務負債	101,239
	250,061

2016

Financial assets

	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Available-for-sale financial assets 可供出售財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments 可供出售投資	–	489	489
Accounts and bills receivable 應收賬項及票據	165,549	–	165,549
Financial assets included in prepayments, deposits and other receivables 計入預付款項、按金及其他應收賬項之財務資產	5,827	–	5,827
Cash and cash equivalents 現金及等同現金項目	665,705	–	665,705
	837,081	489	837,570

34. 按類別劃分之金融工具 (續)

二零一七年

財務負債

	Financial liabilities at amortised cost 按攤銷成本計值之財務負債 HK\$'000 千港元
Accounts and bills payable 應付賬項及票據	148,822
Financial liabilities included in accrued liabilities and other payables 計入應計負債及其他應付賬項之財務負債	101,239
	250,061

二零一六年

財務資產

	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Available-for-sale financial assets 可供出售財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments 可供出售投資	–	489	489
Accounts and bills receivable 應收賬項及票據	165,549	–	165,549
Financial assets included in prepayments, deposits and other receivables 計入預付款項、按金及其他應收賬項之財務資產	5,827	–	5,827
Cash and cash equivalents 現金及等同現金項目	665,705	–	665,705
	837,081	489	837,570

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

34. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2016

Financial liabilities

34. 按類別劃分之金融工具 (續)

二零一六年

財務負債

	Financial liabilities at fair value through profit or loss – held for trading 按公平值計入 損益之財務 負債—持作買賣 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計值 之財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Accounts and bills payable 應付賬項及票據	–	226,814	226,814
Financial liabilities included in accrued liabilities and other payables 計入應計負債及其他應付賬項之財務負債	–	135,967	135,967
Derivative financial instruments 衍生金融工具	519	–	519
	519	362,781	363,300

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

35. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	Fair value measurement using 公平值計量所使用		
	Quoted prices in active markets (Level 1) 於活躍市場之 報價(第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 March 2017: 二零一七年三月三十一日:			
Available-for-sale investments: 可供出售投資:			
Listed investments 上市投資	530	-	530
31 March 2016: 二零一六年三月三十一日:			
Available-for-sale investments: 可供出售投資:			
Listed investments 上市投資	489	-	489

35. 金融工具之公平值層級

下表列示本集團金融工具之公平值計量層級:

按公平值計值之資產:

Fair value measurement using 公平值計量所使用

Quoted prices in active markets (Level 1) 於活躍市場之 報價(第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
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31 March 2017: 二零一七年三月三十一日:

Available-for-sale investments: 可供出售投資:

Listed investments 上市投資

530

-

530

31 March 2016: 二零一六年三月三十一日:

Available-for-sale investments: 可供出售投資:

Listed investments 上市投資

489

-

489

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

35. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Liabilities measured at fair value:

35. 金融工具之公平值層級 (續)

按公平值計值之負債：

Fair value measurement using
公平值計量所使用

Quoted prices in active markets (Level 1) 於活躍市場之 報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入 數據 (第二級) HK\$'000 千港元	Total 合計 HK\$'000 千港元

31 March 2016: 二零一六年三月三十一日：

Derivative financial instruments 衍生金融工具

- 519 519

The Group did not have any financial liabilities measured at fair value as at 31 March 2017.

截至二零一七年三月三十一日，本集團並無以公平值計值之金融負債。

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2016: Nil).

年內，財務資產及財務負債概無任何公平值計量方式於第一級及第二級之間轉換，亦無轉入或轉出第三級者（二零一六年：無）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Major non-cash transactions

As at 31 March 2017, payables for additions of items of property, plant and equipment of HK\$25,867,000 (2016: HK\$39,133,000) were not yet settled.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise cash and time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts and bills receivable, other receivables, accounts and bills payable and other payables, which arise directly from its operations.

The Group also entered into derivative transactions, including principally forward currency contracts. The purpose was to manage the currency risks arising from the Group's operations. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

36. 綜合現金流量表附註

主要非現金交易

於二零一七年三月三十一日，添置物業、廠房及設備項目應付賬項25,867,000港元（二零一六年：39,133,000港元）仍未清付。

37. 財務風險管理目標及政策

本集團之主要金融工具，除衍生工具外，包括現金及定期存款。該等金融工具之主要用途在於為本集團業務集資。本集團有多項由經營直接產生之其他財務資產及負債，如應收賬項及票據、其他應收賬項，以及應付賬項及票據及其他應付賬項等。

本集團亦訂立衍生工具交易，主要包括遠期貨幣合約。訂立有關交易之目的為管理本集團業務所產生之貨幣風險。於整個回顧年度內，本集團之政策為不從事金融工具之買賣，而此亦為其一貫政策。

本集團之金融工具所產生的主要風險為利率風險、外匯風險、信貸風險及流動資金風險。董事會已審閱並同意管理各項風險之政策，政策之概要如下。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group has no material interest-bearing borrowings and believes its exposure to cash flow interest rate risk is minimal.

Foreign currency risk

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars, Renminbi or United States dollars. Given that the Hong Kong dollar is pegged to the United States dollar, the Group does not have a foreign currency hedging policy on it. However, considering the fluctuation of RMB, the Group had entered into forward currency contracts to manage the foreign currency risk arising from the Group's operations. Moreover, the majority of the Group's operating assets are located in Mainland China and denominated in RMB. As the Group's financial statements are reported in Hong Kong dollars, there will be a translation credit/(charge) to the exchange fluctuation reserve as a result of the RMB appreciation/(depreciation).

37. 財務風險管理目標及政策 (續)

利率風險

本集團並無重大計息借貸，並相信其所承受之現金流利率風險極微。

外匯風險

本集團之貨幣資產、負債及交易主要以港元、人民幣或美元計值。鑒於港元與美元掛鈎，本集團並無就此採用外匯對沖政策。然而，考慮到人民幣波動，本集團已訂立遠期貨幣合約以管理本集團業務所產生之外匯風險。此外，本集團大部分業務資產均位於中國內地，並以人民幣計值。由於本集團之財務報表以港元作報告單位，故人民幣升值／（貶值）將對匯兌波動儲備產生換算收益／（開支）。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

The following table demonstrates the sensitivity as at the end of the reporting period to a reasonably possible change in the RMB and VND exchange rates, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities and forward currency contracts).

	Increase/ (decrease) in exchange rate 匯率 上升 / (下降) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加 / (減少) HK\$'000 千港元
2017 二零一七年		
If Hong Kong dollar weakens against RMB 倘港元兌人民幣貶值	5	226
If Hong Kong dollar strengthens against RMB 倘港元兌人民幣升值	(5)	(226)
If Hong Kong dollar weakens against VND 倘港元兌越南盾貶值	5	(3,028)
If Hong Kong dollar strengthens against VND 倘港元兌越南盾升值	(5)	3,028
2016 二零一六年		
If Hong Kong dollar weakens against RMB 倘港元兌人民幣貶值	5	2,904
If Hong Kong dollar strengthens against RMB 倘港元兌人民幣升值	(5)	(2,904)
If Hong Kong dollar weakens against VND 倘港元兌越南盾貶值	5	(3,405)
If Hong Kong dollar strengthens against VND 倘港元兌越南盾升值	(5)	3,405

37. 財務風險管理目標及政策 (續)

外匯風險 (續)

下表列示在所有其他變數維持不變之情況下，本集團之除稅前溢利（因貨幣資產及負債，及遠期貨幣合約之公平值變動）對報告期末人民幣及越南盾匯率可能合理出現之變動之敏感度。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and on an individual basis. Each of the customers has been attached with a trading limit and any excess to the limit must be approved by the general manager of the operation unit. Under the tight control of the credit term and detailed assessment of the creditworthiness of individual customers, the Group's exposure to bad debts is maintained as minimal.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, available-for-sale investments, other receivables, an amount due from an associate, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

At the end of the reporting period, the Group had certain concentration of credit risk as 46% (2016: 21%) and 85% (2016: 84%) of the Group's accounts and bills receivable were due from the Group's largest customer and the five largest customers, respectively.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts and bills receivable are disclosed in note 21 to the financial statements.

None of the Group's other receivables is either past due or impaired. The financial assets are included in other receivables for which there was no recent history of default.

37. 財務風險管理目標及政策 (續)

信貸風險

本集團僅與具知名度及信譽良好之客戶進行交易。本集團之政策為所有欲以信貸條款進行貿易之客戶均須經信貸核實過程。此外，應收賬項結餘會以持續基準及獨立基準監察。各客戶均有買賣限額，而超逾限額之買賣必須經由營運單位總經理批准。由於實施嚴格之信貸條款限制及對每名客戶進行詳細之信貸評審，本集團所承受之壞賬風險維持於低水平。

本集團其他財務資產（包括現金及等同現金項目、可供出售投資、其他應收賬項及應收一間聯營公司款項）之信貸風險乃來自對方違約，而所承受之最大風險相當於該等工具之賬面值。

於報告期末，本集團來自本集團最大客戶及五大客戶之應收賬項及票據承受若干信貸集中風險分別為46%（二零一六年：21%）及85%（二零一六年：84%）。

有關本集團就應收賬項及票據所承受之信貸風險之進一步量化數據於財務報表附註21中披露。

本集團之其他應收賬項並無逾期或出現減值。計入其他應收賬項之財務資產近期概無違約記錄。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., accounts and bills receivable) and the projected cash flows from operations.

The Group maintains a balance between continuity of funding and flexibility through maintaining sufficient cash and available banking facilities. The directors have reviewed the Group's working capital and capital expenditure requirements and determined that the Group has no significant liquidity risk. The maturity of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was less than one year.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 2016.

37. 財務風險管理目標及政策 (續)

流動資金風險

本集團採用經常性流動資金規劃工具監察資金短缺之風險。該工具會考慮其金融工具及財務資產(如應收賬項及票據)之到期情況,以及來自經營業務之預期現金流。

本集團透過維持充足現金及備用銀行信貸,保持資金持續性及靈活性之間的平衡。董事已審閱本集團之營運資金及資本開支需求,並釐定本集團並無重大流動資金風險。本集團的財務負債於報告期末根據非貼現合約付款作出之到期日少於一年。

資本管理

本集團管理資本之主要目標為保障本集團以持續基準經營之能力,以及維持健康的資本比率,為業務提供支持。

本集團因應經濟狀況變動管理其資本架構及對其作出調整。為維持或調整資本架構,本集團可能需調整支付予股東之股息、向股東退還資本或發行新股。於截至二零一七年及二零一六年三月三十一日止年度,有關管理資本之目的、政策或程序並無變動。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

38. 本公司財務狀況表

本公司於報告期末之財務狀況表資料如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
NON-CURRENT ASSETS 非流動資產		
Investments in subsidiaries 於附屬公司之投資	81,340	90,640
Total non-current assets 非流動資產總額	81,340	90,640
CURRENT ASSETS 流動資產		
Due from subsidiaries 應收附屬公司款項	483,011	408,128
Cash and cash equivalents 現金及等同現金項目	736	894
Total current assets 流動資產總額	483,747	409,022
CURRENT LIABILITIES 流動負債		
Accrued liabilities and other payables 應計負債及其他應付賬項	1,647	1,590
Total current liabilities 流動負債總額	1,647	1,590
NET CURRENT ASSETS 流動資產淨值	482,100	407,432
Net assets 資產淨值	563,440	498,072
EQUITY 權益		
Issued share capital 已發行股本	69,969	69,584
Reserves (note) 儲備 (附註)	493,471	428,488
Total equity 權益總額	563,440	498,072

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

38. 本公司財務狀況表 (續)

Note:

附註：

A summary of the Company's reserves is as follows:

本公司儲備概述如下：

	Share premium account	Capital redemption reserve	Contributed surplus	Share option reserve	Retained profits	Total
	股份溢價賬	贖回儲備	繳入盈餘	購股權儲備	保留溢利	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2015 於二零一五年四月一日	102,291	4,668	66,982	9,075	212,771	395,787
Profit for the year and total comprehensive income for the year						
年內溢利及本年度全面收益總額	-	-	-	-	92,574	92,574
Issue of shares 發行股份	15,098	-	-	(3,639)	-	11,459
Shares repurchased 購回股份	(4,388)	298	-	-	(298)	(4,388)
Final 2015 dividend declared and paid						
已宣派及派付二零一五年末期股息	-	-	-	-	(29,088)	(29,088)
Special 2015 dividend declared and paid						
已宣派及派付二零一五年特別股息	-	-	-	-	(13,852)	(13,852)
Interim 2016 dividend 二零一六年中期股息	-	-	-	-	(26,337)	(26,337)
Recognition of equity-settled share-based payments						
確認以權益結算以股份支付之款項	-	-	-	2,333	-	2,333
At 31 March 2016 and 1 April 2016 於二零一六年三月三十一日及二零一六年四月一日	113,001	4,966	66,982	7,769	235,770	428,488
Profit for the year and total comprehensive income for the year						
年內溢利及本年度全面收益總額	-	-	-	-	179,292	179,292
Issue of shares 發行股份	11,993	-	-	(1,717)	-	10,276
Shares repurchased 購回股份	(5,935)	341	-	-	(341)	(5,935)
Final 2016 dividend declared and paid						
已宣派及派付二零一六年末期股息	-	-	-	-	(36,072)	(36,072)
Special 2016 dividend declared and paid						
已宣派及派付二零一六年特別股息	-	-	-	-	(27,747)	(27,747)
Interim 2017 dividend 二零一七年中期股息	-	-	-	-	(29,375)	(29,375)
Special 2017 dividend 二零一七年特別股息	-	-	-	-	(26,578)	(26,578)
Recognition of equity-settled share-based payments						
確認以權益結算以股份支付之款項	-	-	-	1,122	-	1,122
At 31 March 2017 於二零一七年三月三十一日	119,059	5,307	66,982	7,174	294,949	493,471

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in September 1994, over the nominal value of the Company's shares issued in exchange therefor.

本公司之繳入盈餘乃指根據一九九四年九月本集團重組時所收購附屬公司股份之公平值超逾本公司為交換該等資產而發行股份之面值之差額。

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 March 2017 are as follows:

39. 主要附屬公司詳情

於二零一七年三月三十一日，本公司主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立／註冊及 經營地點	Issued share/ registered capital 已發行股份／ 註冊資本	Percentage of equity attributable to the Company 本公司 持股百分比	Principal activities 主要業務
Directly held 直接持有				
MJ Haig Industries Limited* 美星國際股份有限公司*	British Virgin Islands/Taiwan 英屬維爾京群島／ 台灣	Ordinary US\$10,000 普通股 10,000美元	100	Sourcing of raw materials for footwear 採購鞋類 產品原料
Ready Luck Limited*	British Virgin Islands 英屬維爾京群島	Ordinary US\$5,000 普通股 5,000美元	100	Investment holding 投資控股
Indirectly held 間接持有				
Discovery Star Development Limited 愉星發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2港元	100	Property holding 持有物業
Kingmaker (Vietnam) Footwear Co., Ltd. 順星製鞋(越南)有限公司	Vietnam 越南	US\$15,000,000 15,000,000美元	100	Footwear manufacturing 製造鞋類產品
Maystar Footwear Company Limited* 美星製鞋有限公司*	PRC/ Mainland China 中國／中國內地	US\$43,000,000 (Note (a)) 43,000,000美元 (附註(a))	100	Footwear manufacturing 製造鞋類產品

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

39. 主要附屬公司詳情 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立／註冊及 經營地點	Issued share/ registered capital 已發行股份／ 註冊資本	Percentage of equity attributable to the Company 本公司 持股百分比	Principal activities 主要業務
Indirectly held (continued) 間接持有 (續)				
Miri International Limited 盛星國際貿易股份有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2港元	100	Investment holding and provision of administrative services 投資控股及 提供行政服務
Profit Success Investment Limited 利運成投資有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000港元	100	Investment holding 投資控股
Kingmaker Zhong Shan* 順星中山*	PRC/ Mainland China 中國／中國內地	US\$30,000,000 (Note (a)) 30,000,000美元 (附註(a))	100	Footwear manufacturing 製造鞋類產品
King Senses Enterprises Limited 君信企業有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1港元	100	Investment holding 投資控股
Kingstar (Jiangxi) Footwear Limited* 信星(江西)鞋業有限公司*	PRC/ Mainland China 中國／中國內地	US\$11,920,000 (Note (a)) 11,920,000美元 (附註(a))	100	Property holding 持有物業

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

39. 主要附屬公司詳情 (續)

Name	Place of incorporation/ registration and operations	Issued share/ registered capital	Percentage of equity attributable to the Company	Principal activities
名稱	註冊成立／註冊及 經營地點	已發行股份／ 註冊資本	本公司 持股百分比	主要業務
Indirectly held (continued)				
間接持有 (續)				
Kingmaker (Cambodia) Footwear Co., Ltd.	Kingdom of Cambodia 柬埔寨王國	Ordinary US\$10,000,000 普通股 10,000,000美元	100	Footwear manufacturing 製造鞋類產品
Opal Star International Holdings Limited* 寶星國際控股有限公司*	British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股 1美元	100	Investment holding 投資控股
Star (1) Limited 寶星(1)有限公司	Hong Kong 香港	Ordinary HK\$300,000 普通股 300,000港元	100	Retailing of footwear products 零售鞋類產品
珠海虹冠鞋業有限公司*	PRC/ Mainland China 中國／中國內地	RMB8,000,000 (Note (a)) 人民幣 8,000,000元 (附註(a))	100	Trading and manufacturing of footwear products 買賣及製造 鞋類產品
北京君勳如舞國際 貿易有限公司*	PRC/ Mainland China 中國／中國內地	US\$8,000,000 (Note (a)) 8,000,000美元 (附註(a))	100	Retailing of footwear products 零售鞋類產品

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

39. 主要附屬公司詳情 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立／註冊及 經營地點	Issued share/ registered capital 已發行股份／ 註冊資本	Percentage of equity attributable to the Company 本公司 持股百分比	Principal activities 主要業務
Indirectly held (continued) 間接持有 (續)				
上海君勳如舞國際 貿易有限公司*	PRC/ Mainland China 中國／中國內地	RMB26,000,000 (Note (a)) 人民幣 26,000,000元 (附註(a))	100	Retailing of footwear products 零售鞋類產品
上海信星商貿有限公司*	PRC/ Mainland China 中國／中國內地	US\$9,000,000 (Note (a)) 9,000,000美元 (附註(a))	100	Property holding 持有物業
King Eternal Investments Limited*	British Virgin Islands 英屬維爾京群島	Ordinary US\$100 普通股 100美元	51	Investment holding 投資控股
King Riches Limited 景鑫有限公司	British Virgin Islands/ Mainland China 英屬維爾京群島／ 中國內地	Ordinary US\$1 普通股 1美元	100	Trading of footwear products 買賣鞋類產品
Sanford Resources Macau Commercial Offshore Limited	Macau 澳門	Ordinary MOP100,000 普通股 100,000澳門元	100	Trading of footwear products 買賣鞋類產品
Yingfeng Industrial (Hongkong) Co., Limited 迎豐實業(香港)有限公司	Hong Kong 香港	Ordinary US\$20,409 普通股 20,409美元	51	Investment holding 投資控股

Notes to Financial Statements

財務報表附註

31 March 2017 二零一七年三月三十一日

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Note:

(a) These subsidiaries are registered as wholly-foreign-owned enterprises under the law of the PRC.

* Subsidiaries whose statutory financial statements were not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

40. COMPARATIVE AMOUNTS

The comparative statement of profit or loss has been re-presented as if the operation discontinued during the current year had been discontinued at the beginning of the comparative period (note 11).

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 June 2017.

39. 主要附屬公司詳情 (續)

附註：

(a) 該等附屬公司根據中國法律註冊為外商獨資企業。

* 附屬公司的法定財務報表並非由香港安永會計師事務所或安永會計師全球網絡之會員公司審核。

董事認為，上表所列公司為影響本年度業績或組成本集團資產淨值重大部分之本公司主要附屬公司。董事認為載列其他附屬公司詳情將使資料過於冗長。

40. 比較金額

損益比較表已獲重新呈列，猶如於本年度內已終止經營業務於比較期初已終止經營（附註11）。

41. 財務報表之批准

財務報表已於二零一七年六月二十八日獲董事會批准及授權發佈。

Particulars of Investment Properties Held by the Group

本集團持有之投資物業詳情

Location	地點	Group's interest 本集團之權益	Approximate gross floor area (sq. m) 概約總建築面積 (平方米)	Existing use 現時用途	Term of lease 租期
Whole of Block A, Levels 3-7 Block B and whole of Block C situated at No.1 Cuizhu Street, Cui Zhu Industrial Zone, Qianshan District, Zhuhai City, Guangdong Province, The PRC	中國 廣東省 珠海市 前山區 翠珠工業區 翠珠路1號 甲棟全棟·乙棟3-7樓 及丙棟全棟	100%	36,947.2	Industrial 工業	Medium 中期
Whole of composite building, Levels 1-7 situated at No. 1 Cuizhu Street, Chi Zhu Industrial Zone, Qianshan District, Zhuhai City, Guangdong Province, The PRC	中國 廣東省 珠海市 前山區 翠珠工業區 翠珠路1號 綜合樓全棟1-7樓	100%	9,225.72	Industrial 工業	Medium 中期
Whole of Blocks 1-7 Industrial Park of Yifeng County, Yifeng County, Yichun Shi, Jiangxi Province, The PRC	中國 江西省 宜春市 宜豐縣 宜豐工業園 1-7座全棟	100%	22,874	Industrial 工業	Medium 中期
Unit Nos. 1401, 1414, 1415 and 1416 on Level 14, Metro Plaza, Nos. 183-187 Tianhe North Road, Tianhe District, Guangzhou, Guangdong Province, The PRC	中國 廣東省 廣州 天河區 天河北路183-187號 大都會廣場14樓 1401·1414·1415 及1416室	100%	330.18	Commercial 商業	Medium 中期



KINGMAKER FOOTWEAR HOLDINGS LIMITED
信 星 鞋 業 集 團 有 限 公 司