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怡邦行控股有限公司

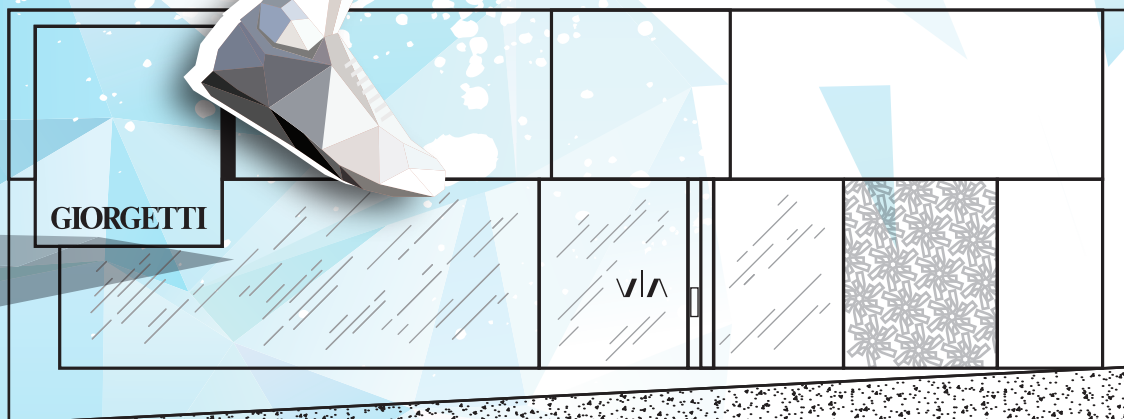
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2018

ANNUAL REPORT 年報



千里之行 始於足下
Go the Extra Mile



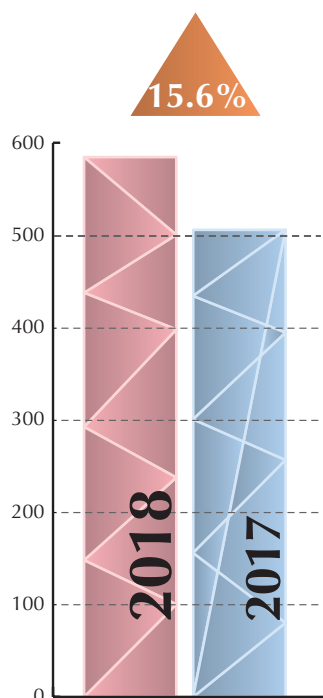
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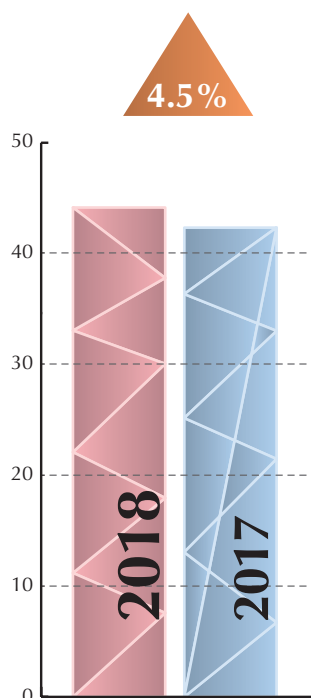
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Financial Highlights 財務摘要

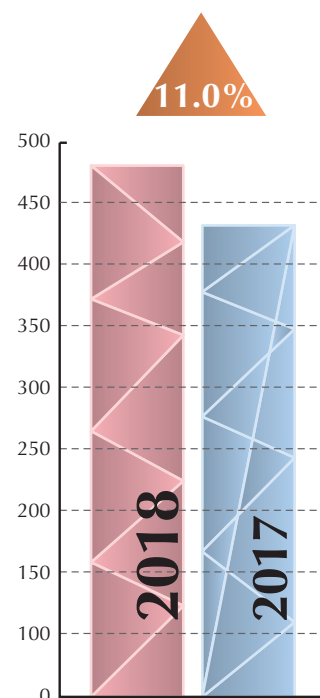
Annual result for the year ended 31 March 2018 截至二零一八年三月三十一日止年度業績



Revenue (HK\$'M)
營業額(百萬港元)



Profit attributable to shareholders (HK\$'M)
股東應佔溢利(百萬港元)



Net asset value (HK\$'M)
資產淨值(百萬港元)

Annual results for the year ended 31 March 2018

- Revenue
- Profit before income tax
- Shareholders' fund as at 31 March 2018
- Basic earnings per share

截至二零一八年三月三十一日止年度業績

- 收益
- 除所得稅前溢利
- 於二零一八年三月三十一日股東資金
- 每股基本溢利

HK\$584.7 million	584.7百萬港元
HK\$53.6 million	53.6百萬港元
HK\$479.2 million	479.2百萬港元
HK7.36 cents	7.36港仙

Revenue (HK\$'000)
Operating profit (HK\$'000)
Profit before income tax (HK\$'000)
Profit attributable to shareholders (HK\$'000)
Basic earnings per share (HK cents)
Interim dividend per share declared and paid (HK cents)
Proposed final dividend per share (HK cents)
Net asset value (HK\$'000)

收益(千港元)
經營溢利(千港元)
除所得稅前溢利(千港元)
股東應佔溢利(千港元)
每股基本溢利(港仙)
已宣派及支付每股中期股息(港仙)
建議每股末期股息(港仙)
資產淨值(千港元)

2018 二零一八年	2017 二零一七年
584,720	505,981
54,380	50,789
53,582	50,403
44,194	42,307
7.36	7.04
1.0	1.5
2.5	2.5
479,211	431,864

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Chairman's Statement 主席報告書

Dear Shareholders,

I am pleased to present the annual report for the year ended 31 March 2018.

The global economy is witnessing vibrant growth yet expecting the unexpected outcomes of international political and trade disputes. More importantly, the recent trade war between the United States (the US) and the Peoples' Republic of China (the PRC) would create uncertainty and risk on Hong Kong economy and there is no sign that both countries may come to a compromise to resolve the dispute. Undoubtedly, Hong Kong companies that manufactured goods in the PRC will be caught in the crossfire, those in the business of supply chain management, re-export and transshipment business would suffer a great loss given that Hong Kong is the world's fifth largest container port; and Hong Kong's tourism industry would suffer collateral damages as the economy of the PRC would inevitably be slowing down and the PRC's RMB is expected to sag against the US dollar towards the end of this year. Together with the expected interest rate hike in the US, it casts doubt over the momentum of economic growth in Hong Kong for the rest of this year.

The introduction of Pan Pearl River Delta Region (PRD) co-operation policy in the PRC's 13th Five-Year-Plan aimed at transforming the Pan PRD from the factory of the world into the Guangdong-Hong Kong-Macau innovative hub. Its objective is to integrate and promote the cooperation among the nine cities in Guangdong Province, Hong Kong and Macau. The policy encourages and facilitates Hong Kong people to do business in this region and the Hong Kong Government is optimistic about the opportunities for participating in the Initiative. It would be an engine of growth for Hong Kong in the next decade. However, as the US's trade war against the PRC targets largely the high technology sector, it would affect the implementation of the initiative, namely, the transformation of PRD into a high tech innovative region (that modelled on the San Francisco Bay Area). There is always a high risk of investing in any business at the time of political and economic uncertainty.

各位股東：

本人欣然提呈截至二零一八年三月三十一日止年度之年報。

環球經濟正處於強勁增長，惟對國際政治及貿易爭議處觀望態度。更重要的是，近期美國與中華人民共和國(中國)之間的貿易戰將為香港經濟帶來不確定性及風險，而雙方目前無跡象會作出讓步、解決紛爭。毫無疑問，於國內設廠生產的香港公司會受到影響；而由於香港乃全球第五大貨櫃港口，供應鏈管理、轉口及轉運行業將面臨巨大損失；由於中國經濟不可避免地會放緩，預計人民幣兌美元匯率將於今年年底下跌，因此香港的旅遊業將受到牽連。另外，市場預期美國加息。香港經濟增長於今年餘下時間能否維持，成為一大疑問。

中國的「十三五規劃」中引入的泛珠江三角區域(泛珠三角)合作政策，旨在將泛珠三角從世界工廠轉變為粵港澳創新中心。該政策的目的是整合及促進廣東省九個城市、香港與澳門之間的合作，鼓勵和促進香港市民在該地區創業。香港政府對參與該政策帶來的機遇持樂觀態度。這將成為香港未來十年的增長動力。然而，由於美國對中國的貿易戰主要針對高科技產業，因此會影響將珠三角轉型為高科技創新地區(以三藩市灣區為藍本)倡議的實施。政治及經濟不穩定時，投資於任何業務均屬高風險。





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The US interest rate is on the rising track. Hong Kong's close economic relationship with the PRC and currency linkage to the US dollar has caused the local economy, especially the housing market, sensitive to the external environment. In Hong Kong, according to Government statistics, the economy has expanded by 4.7% GDP in real terms in the first quarter of 2018 and the business sentiment is generally optimistic (without taking the impact of the China-US trade war into consideration). It is expected that the trade war will drive the percentage of GDP growth down.

In view of the above, the coming financial year would be a challenging year, we cautiously implement business strategies with reference to distinctive market trends such as the dominance of small-sized housing and inclination of design-oriented products. Despite occasional fluctuations, the housing supply in the primary market is gradually on an upward trend. The dual features of accommodation as a necessity and investment tool make the housing shortage a complicated challenge. External factors such as interest rate hikes and trade wars may result in a considerable response in the market. (Note: The housing initiatives announced in end June 2018 show the Government's determination in boosting housing supply of citizens and the results are yet to be verified.) The secondary market is subject to the dynamics of the primary market.

Our product mix has been adjusted to cope with these trends. We capitalise our experience in the industry over the past 40 years and the collaborative relationship with property developers, architects and designers to expand our presence in the project sales as well as to strengthen the retail performance.

We have kept and will continue to keep vigilant to market fluctuations and maintained the disciplined approach in operation and expansion. The current and quick ratios were 2.7 (2017: 2.8) and 1.6 (2017: 1.7) respectively. We shall continue to closely observe market trends, capitalise on our strengths and adjust our strategies accordingly.

The management would like to thank you for the support and trust of shareholders, as well as the loyalty and efforts of our dedicated staff. Their contributions have been indispensable for the Group's development during the past years, and its prospects for the years to come.

TSE Sun Fat, Henry
Chairman
27 June 2018

美國利率正在上升。香港經濟與中國關係密切，加上港幣與美元的聯繫匯率，導致本地經濟（尤其住宅市場）容易受到外來因素影響。在香港，政府統計資料顯示，二零一八年第一季的本地生產總值實質增長為4.7%，營商氣氛整體樂觀（並未考慮中美貿易戰的影響）。預期貿易戰將減低本地生產總值增長百分率。

凡此種種，下個財政年度將會充滿挑戰，我們根據市況（例如小型住宅漸成主流、設計獨特的產品受市場歡迎）謹慎地施行商業策略。一手市場住宅供應雖間有波動，惟總體而言呈上升趨勢。住屋作為必需品及投資工具，使解決房屋短缺為一複雜議題。利率上升及貿易戰等外來因素或會引起相當大的市場反應。（註：二零一八年六月底公佈的房屋措施反映政府增加房屋供應的決心，惟效果有待證實）二手市場則受一手市場發展所帶動。

我們已調整產品組合，應對這些趨勢。我們善用過去40年在業內的經驗以及與地產發展商、建築師及設計師的合作關係，擴大項目銷售的表現，並加強在零售方面的業績。

我們將一如既往，留意市場波動，並以審慎態度營運及拓展業務。流動比率及速動比率分別為2.7（二零一七年：2.8）及1.6（二零一七年：1.7）。我們將繼續密切觀察市場走勢，並相應發揮及調整自身的策略。

管理層藉此感謝各位股東的支持與信任以及集團全體員工的忠誠與努力。各位的貢獻對本集團過往及日後的發展均屬不可或缺。

謝新法
主席
二零一八年六月二十七日

Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the importing, wholesale, retail and installation of architectural builders' hardware, bathroom, kitchen collections and furniture in Hong Kong and the People's Republic of China (the "PRC").

A business review of the Group and an analysis of the Group's performance using financial key performance indicators during the year are provided in the Management Discussion and Analysis. In addition, discussions on the Group's environmental policies and performance and an account of the Group's key relationships with its employees, customers, suppliers and others that have a significant impact on the Group and on which the Group's success depends are provided in the Environmental, Social and Governance Report of the Annual Report 2018.

Details of the Company's compliance with the code provisions set out in the Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") are provided in the Corporate Governance Report of the Annual Report 2018. Save as disclosed herein, during the year ended 31 March 2018, the Company has complied with the requirements under the Listing Rule, the Securities and Futures Ordinance (the "SFO") and the Cayman Islands Companies Law.

During the year, the number of residential units completed in Hong Kong remained at high level, with small- and medium-sized flats continuing to be the majority in the market. The demand for home fittings increased but the market was inclined to products at competitive prices.

業務審視

本公司的主要業務為投資控股。其附屬公司主要於香港及中華人民共和國(「中國」)從事進口、批發、零售及安裝建築五金、衛浴、廚房設備及傢俬。

本集團的業務審視及分析本集團年內表現的財務關鍵表現指標，已載於管理層討論與分析。此外，本集團環境政策及表現的討論、有關僱員、客戶、供應商及對本集團成功有重要關係的說明，則載於二零一八年年報環境、社會及管治報告內。

本公司遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四載列之守則條文之詳情載於二零一八年年報企業管治報告內。除本年報所披露者外，截至二零一八年三月三十一日止年度，本公司遵守上市規則、證券及期貨條例(「證券及期貨條例」)以及開曼群島公司法的規定。

於本年度，香港的已落成住宅單位數目仍然維持高水平，而市場繼續以中小型單位為主。市場對住屋設備的需求有所增加，惟傾向於價格具競爭力的產品。



REVENUE REVIEW

For the year ended 31 March 2018, the Group's total turnover was HK\$584.7 million, representing an increase of 15.6% as compared with the previous year.

Revenue by business segment

收益回顧

截至二零一八年三月三十一日止年度，本集團總營業額為584.7百萬港元，較去年增加15.6%。

按業務分部劃分之收益

		Revenue from external customers 對外客戶收益			As a percentage of sales (%) 佔銷售額百分比 (%)	
		31 March 三月三十一日 2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	Change 變動 (%)	31 March 三月三十一日 2018 二零一八年	2017 二零一七年
Architectural builders' hardware, bathroom collections and others	建築五金、衛浴設備及其他	434,565	359,071	21.0	74.3	71.0
Kitchen collection and furniture	廚房設備及傢俬	150,155	146,910	2.2	25.7	29.0
		584,720	505,981	15.6	100.0	100.0

Profitability by business segment

按業務分部劃分之盈利能力

		Reportable segment gross profit 可匯報之分部毛利			Gross profit margin (%) 毛利率 (%)	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	Change 變動 (%)	2018 二零一八年	2017 二零一七年
Architectural builders' hardware, bathroom collections and others	建築五金、衛浴設備及其他	171,200	133,169	28.6	39.4	37.1
Kitchen collection and furniture	廚房設備及傢俬	68,101	78,270	(13.0)	45.4	53.3
		239,301	211,439	13.2	40.9	41.8

Revenue from the architectural builders' hardware, bathroom collections and others segment increased by 21.0% to HK\$434.6 million (2017: HK\$359.1 million) as compared to the previous year. Construction of small-sized residential units prevailed in the primary residential market in the current year. The demand for products that cater for a compact living environment and having a lower unit price continued to increase. During the year, we supplied products for projects such as Cetus • Square Mile, Fleur Pavilia, Le Cap, Malibu and Solaria.

建築五金、衛浴設備及其他分部之收益較去年增加21.0%至434.6百萬港元(二零一七年：359.1百萬港元)。年內，一手住宅市場多興建小型單位。適合袖珍家居而售價較廉的產品需求持續上升。年內，我們為利奧坊•凱岸、柏蔚山、濠瀚、Malibu及嘉熙等項目供應產品。

Management Discussion and Analysis 管理層討論與分析

REVENUE REVIEW (CONT'D)

Revenue from the kitchen collection and furniture segment slightly increased by 2.2% to HK\$150.2 million (2017: HK\$146.9 million) as compared to the previous year. During the year, we supplied products for projects like Cullinan West.

The overall gross profit of the Group amounted to HK\$239.3 million (2017: HK\$211.4 million), representing an increase of 13.2% from the previous year. The overall gross profit margin remained stable as compared to the prior year.

The Group's operating profit was HK\$54.4 million (2017: HK\$50.8 million), representing a rise of 7.1% from the prior year. The increase is mainly due to a rise in turnover which the impact was partially offset by an increase in distribution costs and administrative expenses. The amount of administrative expenses and distribution costs increased by 11.6% to HK\$186.0 million (2017: HK\$166.8 million) mainly due to a decrease in write-back of provision for doubtful debts of HK\$4.3 million, increases in staff remuneration by HK\$7.6 million and rental expenses by HK\$7.4 million during the year. We have strived hard to control costs and maintain effective use of resources whilst keeping growth in business development.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group continues to expand its business in Hong Kong and the PRC while adopting a prudent financial management policy. The current ratio and quick ratio are 2.7 (2017: 2.8) and 1.6 (2017: 1.7), respectively. Cash and cash equivalents approximated HK\$62.4 million as at 31 March 2018 (2017: HK\$79.7 million) and had been utilised in purchasing inventories pending for deliveries.

Inventories increased to HK\$168.5 million (2017: HK\$146.1 million) mainly because bulk project orders were placed towards the end of the year which will be delivered to customers during the next financial year. The trade, retention and other receivables increased to HK\$189.9 million (2017: HK\$147.0 million) as a result of increase in sales, while the trade and other payables increased to HK\$51.3 million (2017: HK\$43.0 million) due to inventory purchases made towards the end of the year.

As at 31 March 2018, the Group has a net cash position. Gearing ratio is therefore not applicable (2017: same). The interest-bearing borrowings of the Group increased to HK\$41.4 million (2017: HK\$38.1 million) as at 31 March 2018 due to an increase in bills payable for goods purchased towards the end of the year.

收益回顧(續)

廚房設備及傢俬分部之收益較去年輕微增加2.2%至150.2百萬港元(二零一七年: 146.9百萬港元)。年內, 我們為匯璽等項目供應產品。

本集團整體毛利為239.3百萬港元(二零一七年: 211.4百萬港元), 較去年增加13.2%。整體毛利率與去年相較保持平穩。

本集團經營溢利為54.4百萬港元(二零一七年: 50.8百萬港元), 較去年增加7.1%。經營溢利增加主要因為營業額增加, 且部份被分銷成本及行政開支增加所抵消。行政開支及分銷成本金額增加11.6%至186.0百萬港元(二零一七年: 166.8百萬港元), 主要由於年內壞賬撥備撥回減少4.3百萬港元、員工薪酬增加7.6百萬港元及租金開支增加7.4百萬港元。我們在保持業務增長之餘, 亦致力監控成本及維持資源有效運用。

財務回顧

流動資金及財務資源

本集團繼續採取審慎財務管理政策拓展在香港及中國之業務。流動比率及速動比率分別為2.7(二零一七年: 2.8)及1.6(二零一七年: 1.7)。於二零一八年三月三十一日之現金及現金等價物約為62.4百萬港元(二零一七年: 79.7百萬港元), 並已用於購買即將交付的存貨。

存貨增至168.5百萬港元(二零一七年: 146.1百萬港元), 主要由於年末所下批量項目訂單增加, 該等項目訂單將於下個財政年度交付予客戶。銷售增加, 帶動應收賬款、應收保留款及其他應收款增加至189.9百萬港元(二零一七年: 147.0百萬港元); 而應付賬款及其他應付款則增加至51.3百萬港元(二零一七年: 43.0百萬港元), 乃由於年末購買存貨。

於二零一八年三月三十一日, 本集團呈淨現金狀況。資產負債比率並不適用(二零一七年: 相同)。本集團於二零一八年三月三十一日之有息借款增加至41.4百萬港元(二零一七年: 38.1百萬港元), 乃由於年末所下的訂單導致應付票據增加。

FINANCIAL REVIEW (CONT'D)

Treasury Policy

Borrowings, cash and cash equivalents are primarily denominated in Hong Kong Dollars ("HK\$") and Euro. The management will continue to monitor the foreign exchange risk exposure of the Group.

Contingent Liabilities

We seek to manage our cash flow and capital commitments effectively to ensure that we have sufficient funds to meet our existing and future cash requirements. We have not experienced any difficulties in meeting our obligations as they become due. Assets under charge include mortgaged property acquired and certain bank deposits. As at 31 March 2018, performance bonds of approximately HK\$20.7 million (2017: HK\$23.0 million) have been issued by the Group to customers as security of contracts. In respect of which, restricted cash of HK\$3.0 million (2017: HK\$3.0 million) was held as security for the performance bonds. Save for the rental commitment of our retail outlets and warehouses and performance bonds for projects, the Group has no other material financial commitments and contingent liabilities as at 31 March 2018.

FUTURE PROSPECTS

In the coming year, it is expected that Hong Kong will continue to be affected by political and economic uncertainties around the globe. The progress of negotiation of peace/security arrangements between the United States (the US) and its allies, disputes on multilateral trade treaties between the US and its allies on one hand and between the US and the PRC on the other hand has created an unquantifiable economic impact on Hong Kong local economy which is a highly open and small economy. The trade war will affect the global supply chain and agricultural sector. It drives up the inflation rate. It certainly affects business sentiment and global investment momentum which causes the recent volatility in the financial market worldwide.

The PRC Government's measures in stabilising economic development may affect the local business environment and consumption sentiment that the slow-down in growth of the number of Mainland China visitors to Hong Kong has translated into trouble for retail sales and tourism industry in Hong Kong. In Hong Kong, while business sentiment has remained cautiously optimistic generally, signs of economic growth may be affected by external factors such as geopolitical tensions and monetary policy changes of major economies. As Hong Kong dollar is pegged to the US dollar, the market expectation of further US interest rate hike will affect Hong Kong interest rates in the coming year that in turn may have an impact on housing prices.

財務回顧(續)

財務政策

借款、現金及現金等價物主要以港元(「港元」)及歐羅計值。管理層將不時監察本集團面對之外匯風險。

或然負債

我們致力有效管理現金流量及資本承擔，確保具備充足資金應付現時及未來的現金需求。我們在依期履行付款責任上並無任何困難。所抵押資產包括已按揭之物業及若干銀行存款。於二零一八年三月三十一日，本集團已向客戶發出約20.7百萬港元之履約保證(二零一七年：23.0百萬港元)作為合約擔保，其中受限制現金3.0百萬港元(二零一七年：3.0百萬港元)持有作履約保證之擔保。於二零一八年三月三十一日，除零售店舖及貨倉的租賃承擔及項目之履約保證外，本集團並無其他重大財務承擔及或然負債。

未來展望

來年，預期香港將會繼續受全球政治及經濟各種變數影響。香港作為一個細小而高度開放的經濟體，面對美國與其盟友之間的和談及安全協商、美國分別與其盟友及中國之間就多邊貿易條約的爭議，本地經濟所承受的影響為不可估量的。貿易戰將影響全球供應鏈及農業，推高通脹。近日全球金融市場波動，則反映此對營商氣氛和全球投資動力的影響。

中國政府的經濟穩定措施導致內地訪港旅客數目增長放緩，為香港零售及旅遊業帶來困擾，影響本地營商環境及消費情緒。在香港，雖然營商氣氛大致維持審慎樂觀，惟地緣政治緊張局勢及主要經濟體的貨幣政策變動等外部因素均可能影響經濟增長。由於港元與美元掛鈎，市場預期美國進一步加息將影響來年本港利率，繼而影響樓價。



Management Discussion and Analysis 管理層討論與分析

FUTURE PROSPECTS (CONT'D)

Following a change of administration on 1 July 2017, the Hong Kong Government has adopted a proactive approach in making land available for residential and commercial use. The land-use policy of Hong Kong has arrived to a point yet to be turned; meanwhile the housing demand is expected to remain robust and prices will likely to stay on the rise (due to a relatively short supply of land for private residential market). The trend of building small flats and bulk purchases of home-fittings will likely to continue; and accordingly the supply of architectural builders' hardware and bathroom collections will have to remain competitive and we are aware that the expected interest rate increase and the uncertainty of the global economic outlook because of the trade wars would have potential impact on the private residential market. We are keen to foster our competence in bringing quality products and services to our customers.

Given the uncertainty of the global economy, we shall expand our presence in the market of kitchen collection and furniture in response to the growing importance of interior design in residential properties. To fit with home-buyers' budget, small-sized housing units will continue to strive hard to stay dominant in the primary residential market. We shall monitor and review this trend carefully from time to time, exploring new opportunities and sales channels in the market.

Our retail shop rental payments are expected to remain stable. We shall continue to improve operating efficiency and shop utilisation.

While enhancing our strength, we shall remain vigilant to external factors in order to stay competitive. The property market is affected by global, the PRC and local economic performance. Moreover, the Hong Kong Government's fiscal and financial policies and further cooling measures on housing price hike may create an adverse impact on Hong Kong real estate market. We will continue to monitor the market trends and refine our strategies from time to time accordingly.

Pursuant to the announcement on 2 November 2016, the Company is considering a proposed spin-off and separate listing of the Group's kitchen and furniture business on the Main Board of The Stock Exchange of Hong Kong Limited. Details of the announcement are available on the websites of the Stock Exchange and the Company. As at the date of this report, the Company is still considering the proposed spin-off and separate listing.

未來展望(續)

香港政府自二零一七年七月一日換屆以來，積極爭取土地供應作住宅及商業用途，土地用途政策已踏入關鍵階段；而目前住屋需求殷切，住宅價格很可能繼續上漲（此乃由於私人住宅市場的土地供應相對少）。興建小型單位及批量購買家居裝設的趨勢持續，致使建築五金及衛浴設備市場仍維持相當的競爭。我們注意到利率上升的預期及全球經濟前景因貿易戰而未明朗將對私人住宅市場構成潛在影響。我們將努力不懈，致力為客戶提供優質產品和服務。

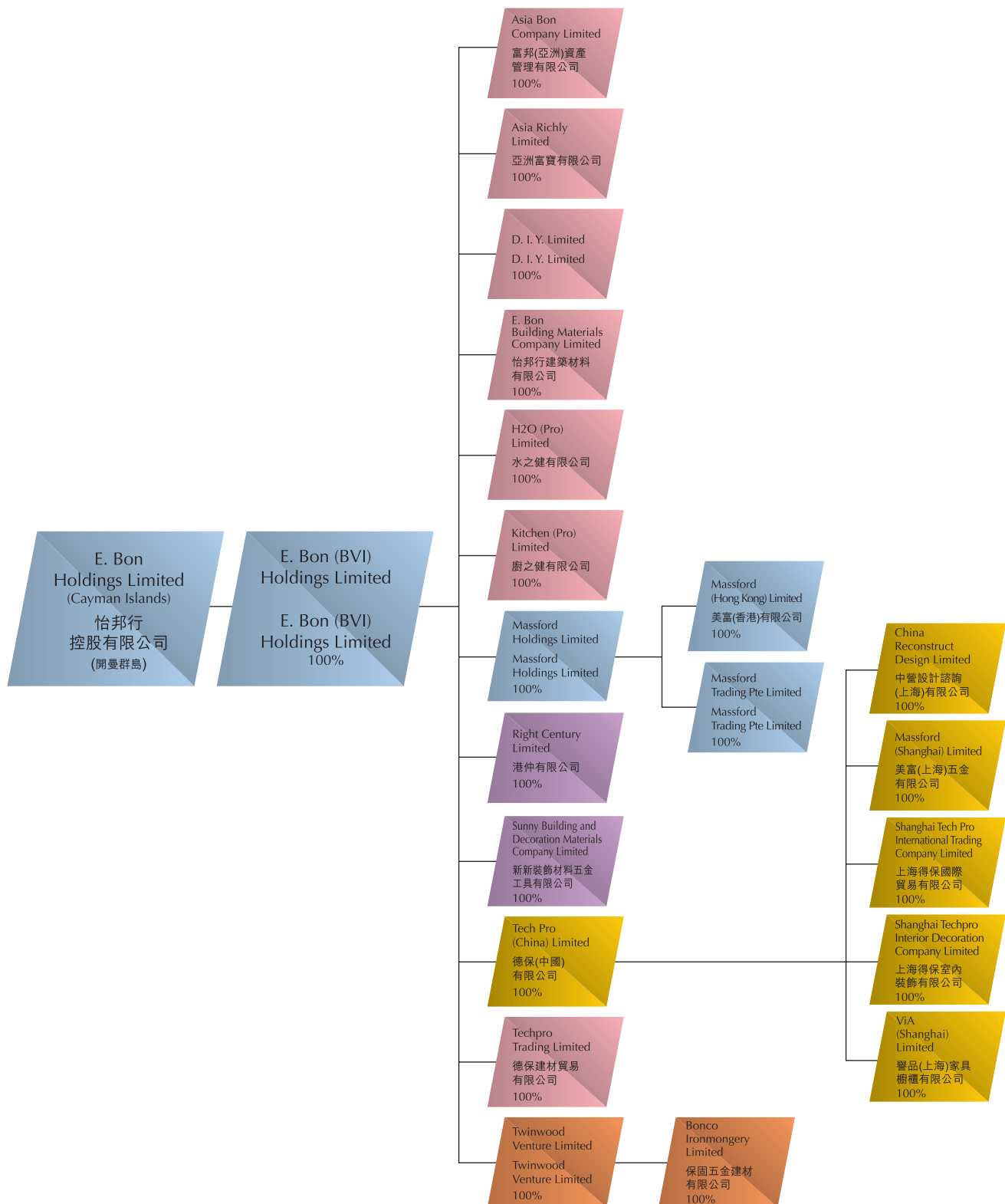
雖然全球經濟前景未明，惟住宅室內設計日益受到重視，我們將擴大廚房設備及傢俬市場的業務。小型住宅單位符合置業者的預算，將繼續主導一手住宅市場。我們將不時審慎監察和檢討此趨勢，發掘市場新機遇及銷售渠道。

集團的零售店舖租金預料維持穩定。我們將不斷提升營運效率及善用店舖空間。

在加強優勢之餘，我們仍對外在因素保持警惕，以維持競爭力。樓市走勢取決於全球、中國及本地之經濟表現。此外，香港政府的財政和金融政策以及就樓價高企的進一步降溫措施可能會對香港房地產市場造成不利影響。我們將繼續監察市場走勢，並不時調整本身之發展策略。

根據二零一六年十一月二日的公告，本公司正考慮擬將本集團之廚櫃及傢俬業務在香港聯合交易所有限公司主板分拆作獨立上市。該公告之詳情，可在聯交所及本公司網站閱覽。於本報告日期，本公司仍在考慮擬將有關業務分拆作獨立上市事宜。

Group Structure 集團架構



Corporate Information 公司資料

REGISTERED OFFICE

註冊辦事處

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

總辦事處及主要營業地點

16th–18th Floors
First Commercial Building
33 Leighton Road
Causeway Bay
Hong Kong

香港
銅鑼灣
禮頓道33號
第一商業大廈
16–18樓

AUDIT COMMITTEE

審核委員會

Mr. Leung Kwong Kin, J.P. (*Chairman*)
Mr. Wong Wah, Dominic
Mr. Wan Sze Chung

梁光建太平紳士(主席)
黃華先生
溫思聰先生

REMUNERATION COMMITTEE

薪酬委員會

Mr. Wong Wah, Dominic (*Chairman*)
Mr. Leung Kwong Kin, J.P.
Mr. Lau Shiu Sun

黃華先生(主席)
梁光建太平紳士
劉紹新先生

NOMINATION COMMITTEE

提名委員會

Mr. Wong Wah, Dominic (*Chairman*)
Mr. Wan Sze Chung
Mr. Tse Sun Fat, Henry

黃華先生(主席)
溫思聰先生
謝新法先生

COMPANY SECRETARY

公司秘書

Mr. Yu Chi Wah, CPA

俞志燁先生, CPA

AUDITOR

核數師

PricewaterhouseCoopers
22nd Floor Prince's Building
Central
Hong Kong

羅兵咸永道會計師事務所
香港
中環
太子大廈22樓

AUTHORISED REPRESENTATIVES

授權代表

Mr. Tse Hon Kit, Kevin
Mr. Yu Chi Wah, CPA

謝漢傑先生
俞志燁先生, CPA

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

開曼群島股份過戶登記總處

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor
24 Shedden Road
P.O. Box 1586
Grand Cayman
KY1-1110, Cayman Islands



HONG KONG BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE

香港股份過戶登記分處

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

卓佳雅柏勤有限公司
香港
皇后大道東183號
合和中心22樓

LEGAL ADVISERS ON HONG KONG LAW

香港法律之法律顧問

Pang, Wan & Choi, Solicitors
Suites 701–703, 7th Floor, Chinachem Tower
34–37 Connaught Road Central
Hong Kong

彭溫蔡律師行
香港
干諾道中34–37號
華懋大廈7樓701–703室

PRINCIPAL BANKERS

主要往來銀行

- Fubon Bank (Hong Kong) Limited
富邦銀行(香港)有限公司
- The Hongkong and Shanghai Banking Corporation Limited
香港上海滙豐銀行有限公司
- Nanyang Commercial Bank Limited
南洋商業銀行有限公司
- Standard Chartered Bank (Hong Kong) Limited
渣打銀行(香港)有限公司
- Wing Lung Bank Limited
永隆銀行有限公司





Directors' Report 董事會報告

The Board of Directors is pleased to submit their report together with the audited consolidated financial statements for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. Particulars of the Company's principal subsidiaries are set out on pages 140 to 141.

Details of the analysis of the Group's performance for the year by operating segment is set out in note 8 to the consolidated financial statements.

RESULTS, APPROPRIATIONS AND RESERVES

The results of the Group for the year are set out in the consolidated statement of comprehensive income on pages 88 to 89.

Movements in the reserves of the Group and of the Company during the year are set out in notes 27 and 33(a) to the consolidated financial statements.

DIVIDEND

The Board declared and paid an interim dividend of HK1 cent per share for the six months ended 30 September 2017 (for the six months ended 30 September 2016: HK1.5 cents), totalling HK\$6,006,000 (for the six months ended 30 September 2016: HK\$9,009,000).

The Board has resolved to recommend, at the forthcoming Annual General Meeting (the "AGM") to be held on 19 September 2018, a final dividend of HK2.5 cents per share for the year ended 31 March 2018 (for the year ended 31 March 2017: HK2.5 cents) (the "Final Dividend"), totalling HK\$15,015,000 (for the year ended 31 March 2017: HK\$15,015,000).

If it is duly approved by the members at the AGM, the Final Dividend will be distributed to members, whose names appear on the principal or branch register of members of the Company in the Cayman Islands or Hong Kong respectively (collectively the "Register of Members") as at the close of business on 2 October 2018. The payment will be made on 16 October 2018.

董事會欣然提呈截至二零一八年三月三十一日止年度之董事會報告及經審核綜合財務報表。

主要業務及經營分析

本公司之主要業務為投資控股。本公司主要附屬公司之詳情載於第140至141頁。

本集團本年度按經營分部劃分之表現分析詳列於綜合財務報表附註8。

業績、股息分派及儲備

本集團本年度之業績載於第88至89頁之綜合全面收益表。

本集團及本公司本年度之儲備變動載於綜合財務報表附註27及33(a)。

股息

董事會已就截至二零一七年九月三十日止六個月宣派及派付中期股息每股1港仙(截至二零一六年九月三十日止六個月：中期股息每股1.5港仙)，合共6,006,000港元(截至二零一六年九月三十日止六個月：9,009,000港元)。

董事會議決於二零一八年九月十九日舉行之應屆股東週年大會(「股東週年大會」)上，建議派發截至二零一八年三月三十一日止年度之末期股息(「末期股息」)每股2.5港仙(截至二零一七年三月三十一日止年度：2.5港仙)，合共15,015,000港元(截至二零一七年三月三十一日止年度：15,015,000港元)。

倘獲股東於股東週年大會上正式批准，末期股息將派付予於二零一八年十月二日營業時間結束時名列本公司分別在開曼群島或香港存置之主要股東名冊或股東登記分冊(統稱「股東名冊」)之股東。末期股息將於二零一八年十月十六日支付。

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed as follows:

- (a) For the purpose of determining shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from 12 September 2018 to 19 September 2018, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the right to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on 11 September 2018.
- (b) For the purpose of determining shareholders who qualify for the Final Dividend, the register of members of the Company will be closed from 28 September 2018 to 2 October 2018, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the Final Dividend, all transfer forms accompanied by the relevant share certificates must be lodged with Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on 27 September 2018.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company had not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities during the year.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2018, calculated under the Companies Law of the Cayman Islands, amounted to HK\$65,189,000 (2017: HK\$85,127,000). Under Section 34 of the Companies Law (2018 Revision) of the Cayman Islands, the share premium is available for distribution to shareholders, provided that no distribution shall be paid to shareholders out of the Company's share premium unless the Company shall be able to pay its debts as they fall due in the ordinary course of business.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 26 to the consolidated financial statements.

暫停辦理股份過戶登記

本公司將於下列期間暫停辦理股份過戶登記手續：

- (a) 為確定符合資格出席股東週年大會並於會上投票之股東名單，本公司將由二零一八年九月十二日至二零一八年九月十九日（包括首尾兩天）期間暫停辦理股份過戶登記手續。凡擬出席股東週年大會並於會上投票者，必須於二零一八年九月十一日下午四時三十分前，將所有過戶文件連同有關股票，一併送達本公司之香港股份過戶登記分處卓佳雅柏勤有限公司辦理登記手續，地址為香港皇后大道東183號合和中心22樓。
- (b) 為確定符合資格收取末期股息之股東名單，本公司將由二零一八年九月二十八日至二零一八年十月二日（包括首尾兩天）期間暫停辦理股份過戶登記手續。為符合資格獲派末期股息，必須於二零一八年九月二十七日下午四時三十分前，將所有過戶文件連同有關股票，一併送達卓佳雅柏勤有限公司辦理登記手續，地址為香港皇后大道東183號合和中心22樓。

購買、出售或贖回上市證券

本公司並無於本年度內贖回其任何股份。本公司或其任何附屬公司於本年度內概無購買或出售任何本公司上市證券。

可派發儲備

於二零一八年三月三十一日，本公司根據開曼群島公司法計算之可派發儲備為65,189,000港元（二零一七年：85,127,000港元）。根據開曼群島公司法（二零一八年修訂版）第34條，股份溢價可派發予股東，惟除非本公司於一般業務過程中能償還到期之債項，否則不能派發本公司之股份溢價予股東。

股本

本公司之股本詳情載於綜合財務報表附註26。

Directors' Report 董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association and there is no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PROPERTY, PLANT AND EQUIPMENT

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

PROPERTIES HELD FOR INVESTMENT PURPOSES

As at 31 March 2018, the Company indirectly held full interest in an office property for investment purpose. The property is located at 19/F, First Commercial Building, 33 Leighton Road, Causeway Bay, Hong Kong. The property is held on long lease. Further details of the properties held for investment purposes are set out in the note 17 to the consolidated financial statements.

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

The details of bank loans, overdrafts and other borrowings as at 31 March 2018 are set out in the note 24 to the consolidated financial statements.

DONATIONS

Charitable and other donations made by the Group during the year amounted to HK\$108,000.

DIRECTORS

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

Executive Directors

Mr. TSE Sun Fat, Henry
Mr. TSE Sun Wai, Albert
Mr. TSE Sun Po, Tony
Mr. TSE Hon Kit, Kevin
Mr. LAU Shiu Sun

Independent Non-executive Directors

Mr. LEUNG Kwong Kin, J.P.
Mr. WONG Wah, Dominic
Mr. WAN Sze Chung

優先購買權

章程細則並無有關本公司須按比例向現有股東提呈發售新股份之優先購買權之條文，而開曼群島法例亦無訂明對此等權利之限制。

物業、廠房及設備

本集團本年度之物業、廠房及設備之變動詳情載於綜合財務報表附註16。

持作投資用途的物業

於二零一八年三月三十一日，本公司間接持有一所作為投資用途的寫字樓物業的全部權益。該物業位於香港銅鑼灣禮頓道33號第一商業大廈19樓。該物業現根據長期租賃契約持有。持作投資用途的物業詳情，載於綜合財務報表附註17。

銀行貸款、透支及其他借款

於二零一八年三月三十一日之銀行貸款、透支及其他借款詳情，載於綜合財務報表附註24。

捐款

本集團於年內作出之慈善及其他捐款金額為108,000港元。

董事

本年度內及截至本報告日期之董事如下：

執行董事

謝新法先生
謝新偉先生
謝新寶先生
謝漢傑先生
劉紹新先生

獨立非執行董事

梁光建太平紳士
黃華先生
溫思聰先生





BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. TSE Sun Fat, Henry, aged 61, is a founding member of the Group and the Chairman of the Company. He is a director of seven subsidiaries of the Company. Mr. TSE possesses over 30 years of experience in the trading of building materials. He is responsible for the planning of the Group's overall strategies and the overall management of the Group.

Mr. TSE Sun Wai, Albert, aged 67, a founding member of the Group, was appointed as an Executive Director and Vice Chairman of the Company on 21 June 2012. He established his reputation in the industry and has a wealth of experience in brand building, new product development and structuring the management of the Group. Mr. TSE is the cousin of Mr. TSE Sun Po, Tony, the Managing Director of the Company, and the father of Mr. TSE Hon Kit, Kevin, the Deputy Managing Director of the Company.

Mr. TSE Sun Po, Tony, aged 59, is the Managing Director of the Company and joined the Group in 1979. He is a director of twenty-three subsidiaries of the Company. Mr. TSE possesses over 30 years of experience in the trading of building materials and is responsible for the retail business of the Group. Mr. TSE also assists in the strategic planning and management of the Group. He is the brother of Mr. TSE Sun Fat, Henry, the chairman of the Board.

Mr. LAU Shiu Sun, aged 50, joined the Group in 1994. Mr. LAU was appointed as an Executive Director of the Company on 10 December 2001. He is a director of one subsidiary of the Company. He is responsible for project sales. Mr. LAU graduated from Hong Kong Baptist University (formerly Baptist College) in 1992 with a Bachelor's Degree of Science.

Mr. TSE Hon Kit, Kevin, aged 38, is the Deputy Managing Director of the Company and joined the Group in 2004. He was appointed as an Executive Director of the Company on 8 September 2008 and is a director of eighteen subsidiaries of the Company. Mr. TSE graduated from University of Toronto with a Bachelor's Degree of Commerce. He is responsible for internal information technology development, the launching of the furniture business and the marketing of products distributed by the Group. Mr. TSE is a nephew of Mr. TSE Sun Po, Tony, the Managing Director of the Company.

董事及高級管理人員之履歷

執行董事

謝新法先生，六十一歲，本集團創辦成員兼本公司主席。彼為本公司旗下七家附屬公司之董事。謝先生於建築材料貿易方面擁有逾三十年經驗。彼負責企劃本集團整體策略及整體管理工作。

謝新偉先生，六十七歲，本集團創辦成員，於二零一二年六月二十一日獲委任為本公司執行董事兼副主席。彼早年在業界建立聲譽，並於建立品牌、新產品開發及改善集團管理架構方面擁有豐富經驗。謝先生為本公司董事總經理謝新寶先生之堂兄，以及本公司副董事總經理謝漢傑先生之父親。

謝新寶先生，五十九歲，本公司董事總經理，於一九七九年加入本集團。彼為本公司旗下二十三家附屬公司之董事。謝先生於建築材料貿易方面擁有逾三十年經驗，負責本集團零售業務。謝先生亦協助本集團之策略性計劃及管理。彼為董事會主席謝新法先生之胞弟。

劉紹新先生，五十歲，於一九九四年加入本集團。劉先生於二零零一年十二月十日獲委任為本公司執行董事。彼為本公司旗下一家附屬公司之董事。彼負責項目銷售。劉先生在一九九二年畢業於香港浸會大學（前稱浸會學院），取得理學士學位。

謝漢傑先生，三十八歲，本公司副董事總經理，於二零零四年加入本集團。彼於二零零八年九月八日獲委任為本公司執行董事，並為本公司旗下十八家附屬公司之董事。謝先生畢業於多倫多大學，取得商學學士學位。彼負責公司內部資訊科技發展、開拓傢俬業務及本集團經銷產品之市場推廣。謝先生為本公司董事總經理謝新寶先生之堂姪。





Directors' Report 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONT'D)

Independent Non-executive Directors

Mr. LEUNG Kwong Kin, *J.P.*, aged 71, was appointed as an Independent Non-executive Director on 28 January 2000. Mr. LEUNG holds a Master's Degree of Business Administration of the University of East Asia, Macau (now known as "the University of Macau"). Mr. LEUNG is a Fellow of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England & Wales, the Association of Chartered Certified Accountants and the Society of Chinese Accountants & Auditors; also an associate of the Taxation Institute of Hong Kong. Mr. LEUNG is also an Independent Non-executive Director of Victory Securities (Holdings) Company Limited, a company listed on the GEM of The Stock Exchange of Hong Kong Limited.

Mr. WONG Wah, Dominic, aged 69, was appointed as an Independent Non-executive Director on 19 June 2001. He graduated from the Chinese University of Hong Kong in 1972 with Honours Bachelor's Degree of Social Science in Economics. He was appointed as a Director and general manager of Hongkong Ferry (Holdings) Ltd., formerly The Hongkong & Yau Matei Ferry Co., Ltd. until late 1989. He has been actively involved in garment industry and IT business for the last few years.

Mr. WAN Sze Chung, aged 43, was appointed as an Independent Non-Executive Director on 27 September 2004. Mr. Wan obtained a Master Degree in Business Administration with the Chinese University of Hong Kong, a Master of Education (Counselling & Guidance) with University of Newcastle upon Tyne, a Second Bachelor's Degree of Law with Tsinghua University and a Bachelor Degree in Accountancy with the Hong Kong Polytechnic University. He is a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and a fellow member of the Hong Kong Institute of Directors. Mr. WAN is an independent non-executive director of Plover Bay Technologies Limited, a company listed on The Stock Exchange of Hong Kong Limited. He is also a director of Jacob Walery Limited specialising in corporate consultancy and training since 1 March 2007 while he is also teaching with various universities and professional institutes.

董事及高級管理人員之履歷(續)

獨立非執行董事

梁光建太平紳士，七十一歲，於二零零零年一月二十八日獲委任為獨立非執行董事。梁先生持有澳門東亞大學(現稱為「澳門大學」)工商管理碩士學位，並為香港會計師公會、英格蘭及威爾斯特許會計師公會、特許公認會計師公會及香港華人會計師公會之資深會員，亦為香港稅務學會會員。梁先生同時擔任香港聯合交易所有限公司GEM上市之勝利證券(控股)有限公司獨立非執行董事。

黃華先生，六十九歲，於二零零一年六月十九日獲委任為獨立非執行董事。彼於一九七二年畢業於香港中文大學，並取得經濟學系社會科學榮譽學士。彼曾獲香港小輪(控股)有限公司(前稱香港油麻地小輪有限公司)委任為董事及總經理直至一九八九年年底。近年，彼致力經營製衣及資訊科技業務。

溫思聰先生，四十三歲，於二零零四年九月二十七日獲委任為獨立非執行董事。溫先生持有香港中文大學頒發之工商管理碩士學位、英國紐卡斯爾大學之教育(輔導)碩士學位以及清華大學之法學第二學士學位，並獲香港理工大學會計學士學位。彼為香港會計師公會會員、特許公認會計師公會資深會員及香港董事學會資深會員。溫先生為香港聯合交易所有限公司上市之珣灣科技有限公司之獨立非執行董事。自二零零七年三月一日起，彼亦為一所企業諮詢及培訓公司威來利有限公司擔任董事，並在多間大學及專業公會教授課程。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONT'D)

Senior management

Mr. AU Lai Chuen, Hercules, aged 61, joined the Group in 1982. Mr. AU possesses over 30 years of experience in the building materials industry and is responsible for project related sales and marketing activities.

Mr. CHANG Kai Chuen, Roy, aged 44, joined the Group in 1991. Mr. CHANG is a general manager of project sales division. He possesses over 20 years of experience in building materials industry and is responsible for project sales.

Mr. LO Cheuk Hang, Teddy, aged 41, joined the Group in 2004. Mr. LO is the chief operating officer of the kitchen project division of the Group. He possesses over 15 years of experience in kitchen collection business. He graduated from The Open University of Hong Kong with a Bachelor's Degree of Arts in Chinese Humanities.

Mr. LO Wai Man, aged 64, joined the Group in 1979 and is a director of seven subsidiaries of the Company. Mr. LO is a technical director and is responsible for overseeing the provision of technical support for bathroom collections. He possesses over 30 years of experience in selling building materials.

DIRECTORS' SERVICE CONTRACTS

Each of the Directors, including Independent Non-executive Directors, has entered into a letter of appointment, which constitutes a service contract, with the Company for a term of 12 months. They are subject to re-election by shareholders at annual general meetings and at least once every three years on a rotation basis in accordance with the Articles of Association of the Company. No Director 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.

In accordance with Article 87 of the Company's Articles of Association, Mr. TSE Sun Fat, Henry, Mr. TSE Sun Wai, Albert and Mr. LEUNG Kwong Kin, J.P. will retire at the forthcoming AGM and, being eligible, offer themselves for re-election. Mr. LEUNG Kwong Kin, J.P., Mr. WONG Wah, Dominic and Mr. WAN Sze Chung are Independent Non-executive Directors and were appointed for a fixed term of one year.

董事及高級管理人員之履歷(續)

高級管理人員

歐勵全先生，六十一歲，於一九八二年加入本集團。歐先生於建築材料業擁有逾三十年經驗，負責項目相關銷售及市場推廣工作。

鄭价全先生，四十四歲，於一九九一年加入本集團。鄭先生為項目銷售總經理。彼於建築材料業擁有逾二十年經驗，負責項目銷售。

盧焯恒先生，四十一歲，於二零零四年加入本集團。盧先生為本集團廚櫃項目部門之營運總監。彼於廚房設備業務擁有逾十五年經驗。彼畢業於香港公開大學，取得中國人文學科文學士學位。

盧偉民先生，六十四歲，於一九七九年加入本集團，為本公司旗下七家附屬公司之董事。盧先生為技術董事，負責監督就衛浴設備提供之技術支援。彼於銷售建築材料方面擁有逾三十年經驗。

董事之服務合約

各董事(包括獨立非執行董事)已與本公司訂立構成服務合約之委任函，為期十二個月。根據本公司組織章程細則，彼等須最少每三年於股東週年大會輪值退任並接受股東重選。概無董事與本公司訂有不可由本公司於一年內不作賠償(法定賠償除外)而終止之服務合約。

根據本公司組織章程細則第87條，謝新法先生、謝新偉先生及梁光建太平紳士將於應屆股東週年大會退任，惟彼等均符合資格並願意膺選連任。梁光建太平紳士、黃華先生及溫思聰先生為獨立非執行董事，均有固定任期為期一年。





Directors' Report 董事會報告

DIRECTORS' INDEPENDENCE

The Company has received from each of its Independent Non-executive Directors a confirmation of their independence pursuant to the Rule 3.13 of the Listing Rules.

The Board considers that all of its Independent Non-executive Directors are independent in character and judgement and fulfil the guidelines set out in the Rule 3.13 of the Listing Rules.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year, no Director was interested in any business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the Company's business which is required to be disclosed pursuant to the Listing Rules.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles of Association, every Director shall be entitled to 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, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts. An insurance cover was maintained during the year to protect Directors against potential costs and liabilities arising from claims brought against the Group.

EQUITY-LINKED AGREEMENTS

Share Option Scheme

The Company adopted a share option scheme (the "Share Option Scheme") pursuant to the ordinary resolution passed in an extraordinary general meeting held on 9 September 2010. The Share Option Scheme expired on 8 September 2015. The Company has not operated any share option schemes during the year ended 31 March 2018. As at 31 March 2017 and 31 March 2018, there was no outstanding share option of the Company.

Apart from the above, 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 subsisted during or at the end of the year.

董事之獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之獨立性確認書。

董事會認為全體獨立非執行董事在個性及判斷上均屬獨立，符合上市規則第3.13條載列之指引。

董事於競爭業務之權益

於本年度內，董事概無於任何與本公司業務直接或間接構成或可能構成競爭之業務(本公司業務除外)中擁有權益而須根據上市規則予以披露。

獲准許彌償條文

根據本公司的組織章程細則，各董事均可就彼等或彼等任何一人、彼等或彼等任何一人的承繼人、遺囑執行人或遺產管理人因執行彼等各自職務或受託的職責或據稱職責或因就此而作出、贊同作出或沒有作出的任何行動而將會或可能承擔或蒙受的所有訴訟、費用、收費、損失、損害及開支獲得以本公司的資產及溢利作出的彌償保證及免受損害。年內，本公司已為董事安排責任保險，以就本集團被索償所產生之潛在成本及責任向董事作出保障。

股權掛鈎協議

購股權計劃

本公司根據二零一零年九月九日舉行的股東特別大會通過的普通決議案採納購股權計劃(「購股權計劃」)。購股權計劃已於二零一五年九月八日屆滿。截至二零一八年三月三十一日止年度，本公司並無設有任何購股權計劃。於二零一七年三月三十一日及二零一八年三月三十一日，本公司概無尚未行使之購股權。

除上文所述，本公司於本年度並無訂立且於本年度結束時並無存在任何股權掛鈎協議，將會或可能致使本公司發行股份，或要求本公司訂立任何將會或可能致使本公司發行股份的協議。



DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

Save as disclosed under the section "Continuing Connected Transactions", no other transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries or holding companies was a party and in which a Director of the Company and the Director's connected party had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Under the terms of the Company's Share Option Scheme adopted on 9 September 2010, which was made in accordance with the Listing Rules governing share option schemes at that time, the Board of the Company may, at their discretion, invite any full-time employees, Non-executive or Executive Directors or shareholders of the Group and consultants of the Company or any of its subsidiaries to subscribe for ordinary shares of HK\$0.10 each in the Company. The maximum number of shares in respect of which options may be granted under the scheme may not exceed 10% of the issued share capital of the Company. 3,330,000 share options had been granted to the Directors and substantial shareholders of the Company or an associate of them since its adoption; and all of which were subsequently lapsed. The Share Option Scheme expired on 8 September 2015. As at 31 March 2017 and 31 March 2018, there was no outstanding share option of the Company.

Apart from the above, at no time during the year and at the end of the year was the Company, its subsidiaries or its other associated corporations a party to any arrangement to enable the directors and chief executives of the company (including their spouse and children under 18 years of age) to acquire any interests or short positions in the shares or underlying shares in, or debentures of, the company or its specified undertakings or other associated corporations.

董事於對本公司業務屬重大之交易、安排及合約之重大權益

除「持續關連交易」一節所披露外，本公司董事及董事之關連方概無在本公司附屬公司或控股公司作為訂約一方及對本集團業務屬重大而於本年度內或本年度結束時持續有效之任何其他交易、安排及合約中直接或間接擁有重大權益。

董事來自購入股份或債券權利之利益

根據於二零一零年九月九日採納之本公司購股權計劃（根據當時上市規則就購股權計劃之規定制定）之條款，本公司董事會可酌情邀請本集團任何全職僱員、非執行或執行董事或股東以及本公司或其任何附屬公司之顧問認購本公司每股面值0.10港元之普通股。該計劃項下可能授出之購股權所涉及股份最高數目不得超過本公司已發行股本10%。自購股權計劃獲採納以來，董事及本公司主要股東或彼等之聯繫人士已獲授3,330,000份購股權，而全部購股權其後已失效。購股權計劃已於二零一五年九月八日屆滿。於二零一七年三月三十一日及二零一八年三月三十一日，本公司概無尚未行使購股權。

除上述者外，於本年度內任何時間，本公司、其附屬公司或其他相聯法團概無作出任何安排，致使本公司董事及最高行政人員（包括彼等之配偶及未滿十八歲之子女）獲得本公司或其指定業務或其他相聯法團的股份或相關股份或債券的任何權益或淡倉。



Directors' Report 董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION

As at 31 March 2018, the interests and short positions of each Director and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under 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") set out in Appendix 10 to the Listing Rules were as follows:

董事及最高行政人員於本公司或任何其他相聯法團之股份及相關股份及債券之權益及／或淡倉

於二零一八年三月三十一日，本公司各董事及最高行政人員及彼等之聯繫人士於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有已根據證券及期貨條例第XV部第7及8分部知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉，或已記入本公司根據證券及期貨條例第352條所存置登記冊之權益及淡倉，或已根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）另行知會本公司及聯交所之權益及淡倉如下：

(i) Directors' interests in shares and underlying shares

(i) 董事於股份及相關股份之權益

Director	董事	Personal interest	Corporate interest	Equity derivatives (share options)	Total	Percentage of share capital issued
		個人權益	公司權益	權益衍生工具 (購股權)	總計	佔已發行股本之百分比
Mr. TSE Sun Fat, Henry (Note 1)	謝新法先生(附註1)	—	37,197,294	—	37,197,294	6.19%
Mr. TSE Sun Wai, Albert (Note 2)	謝新偉先生(附註2)	—	108,302,488	—	108,302,488	18.03%
Mr. TSE Sun Po, Tony (Note 3)	謝新寶先生(附註3)	—	43,659,542	—	43,659,542	7.27%
Mr. TSE Hon Kit, Kevin (Note 2)	謝漢傑先生(附註2)	—	108,302,488	—	108,302,488	18.03%
Mr. LAU Shiu Sun	劉紹新先生	—	—	—	—	—
Mr. LEUNG Kwong Kin, J.P.	梁光建太平紳士	—	—	—	—	—
Mr. WONG Wah, Dominic	黃華先生	—	—	—	—	—
Mr. WAN Sze Chung	溫思聰先生	—	—	—	—	—

Note 1: The interests in the shares of the Company are held by Fast Way Management Limited. Mr. TSE Sun Fat, Henry and his spouse are the beneficiaries.

附註1：該等本公司股份權益由Fast Way Management Limited持有。謝新法先生及其配偶為受益人。

Note 2: The interests in the shares of the Company are held by Universal Star Group Limited. Mr. TSE Sun Wai, Albert, Mr. TSE Hon Kit, Kevin and their family are the beneficiaries.

附註2：該等本公司股份權益由Universal Star Group Limited持有。謝新偉先生、謝漢傑先生及彼等之家族成員為受益人。

Note 3: The interests in the shares of the Company are held by New Happy Times Limited. Mr. TSE Sun Po, Tony and his family are the beneficiaries.

附註3：該等本公司股份權益由New Happy Times Limited持有。謝新寶先生及其家族成員為受益人。



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION (CONT'D)

(ii) Negotiator Consultants Limited ("NCL")

Director

Mr. TSE Sun Fat, Henry (Note 4)
Mr. TSE Sun Wai, Albert (Note 4)
Mr. TSE Sun Po, Tony (Note 4)
Mr. TSE Hon Kit, Kevin (Note 4)

董事

謝新法先生(附註4)
謝新偉先生(附註4)
謝新寶先生(附註4)
謝漢傑先生(附註4)

Personal
interest
個人權益

Family
interest
家族權益

Corporate
interest
公司權益

Other
interest
其他權益

Total
總計

—	1	—	1	1
—	1	—	1	1
—	1	—	1	1
—	1	—	1	1

Note 4: Such share is held by Bache Hill Group Limited.

Save as disclosed above, none of the Directors and chief executives or their associates had, as at 31 March 2018, any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Listing Rules, to be notified to the Company and the Stock Exchange.

At no time during the year, the Directors and chief executives (including their spouses and children under 18 years of age) had any interests in, or had been granted, or exercised, any rights to subscribe for shares of the Company, its specified undertakings or its other associated corporations required to be disclosed pursuant to the SFO and the Hong Kong Companies Ordinance (Cap. 622).

董事及最高行政人員於本公司或任何其他相聯法團之股份及相關股份及債券之權益及／或淡倉(續)

(ii) Negotiator Consultants Limited (「NCL」)

Number of ordinary shares held
持有普通股數目

Family
interest
家族權益

Corporate
interest
公司權益

Other
interest
其他權益

Total
總計

1	—	1	1
1	—	1	1
1	—	1	1
1	—	1	1

附註4：該等股份由Bache Hill Group Limited持有。

除上文所披露外，於二零一八年三月三十一日，概無董事及最高行政人員或彼等之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例有關條文被當作或被視為擁有之權益或淡倉)，或根據證券及期貨條例第352條須記入該條所規定存置登記冊之權益或淡倉，或根據上市規則須知會本公司及聯交所之權益或淡倉。

董事及主要行政人員(包括彼等之配偶及未滿十八歲的子女)概無於年內任何時間曾經擁有任何本公司、其指定業務或其他相聯法團股份之權益、或已獲授予或行使任何權利以認購上述公司之股份而需根據證券及期貨條例及香港公司條例(第622章)披露。





Directors' Report 董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2018, the following persons (not being Directors or chief executives of the Company) had the following interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Long position in shares of the Company

Name of shareholder	股東名稱	Number of ordinary shares held 持有普通股數目	Percentage of share capital issued 佔已發行股本之百分比
Happy Voice Limited	Happy Voice Limited	73,581,206	12.25%

Save as disclosed above, the Company had not been notified of any substantial shareholder (other than Directors of the Company) who had interests or short positions in the shares or underlying shares of the Company that were recorded in the register required to be kept under section 336 of the SFO as at 31 March 2018.

CONTINUING CONNECTED TRANSACTIONS

Negotiator Consultants Limited

The related party transaction as disclosed in note 32 to the consolidated financial statements for the year ended 31 March 2018 in respect of rental expenses of approximately HK\$2,820,000 paid to Negotiator Consultants Limited ("NCL") constitutes a continuing connected party transaction. NCL is a subsidiary of a company in which Mr. TSE Sun Fat, Henry, Mr. TSE Sun Wai, Albert, Mr. TSE Sun Po, Tony and Mr. TSE Hon Kit, Kevin have beneficial interests. The determination of the rental expenses followed the pricing policies and guidelines set out in the continuing connected transaction announcement dated 31 March 2015.

The Independent Non-executive Directors have reviewed the above continuing connected transactions and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

主要股東

於二零一八年三月三十一日，以下人士（並非董事或本公司最高行政人員）於本公司股份及相關股份中擁有根據證券及期貨條例第336條須存置之登記冊所記錄權益或淡倉：

於本公司股份之好倉

Number of ordinary shares held 持有普通股數目	Percentage of share capital issued 佔已發行股本之百分比
73,581,206	12.25%

除上文所披露外，於二零一八年三月三十一日，本公司並不知悉有任何主要股東（本公司董事除外）於本公司股份或相關股份中擁有根據證券及期貨條例第336條須存置之登記冊所記錄權益或淡倉。

持續關連交易

Negotiator Consultants Limited

綜合財務報表附註32所披露截至二零一八年三月三十一日止年度向Negotiator Consultants Limited（「NCL」）支付租金開支約2,820,000港元之關連人士交易構成一項持續關連方交易。NCL為由謝新法先生、謝新偉先生、謝新寶先生及謝漢傑先生擁有實益權益之公司旗下附屬公司。租金開支按照日期為二零一五年三月三十一日之持續關連交易公佈所載之定價政策及指引釐定。

獨立非執行董事經審閱上述持續關連交易後確認，該等持續關連交易乃(i)於本集團日常及一般業務過程中訂立；(ii)按一般商業條款或不遜於本集團向或獲獨立第三方提供之條款訂立；及(iii)根據有關的交易協議進行，而其條款公平合理並符合本公司股東整體利益。

CONTINUING CONNECTED TRANSACTIONS (CONT'D)

Negotiator Consultants Limited (cont'd)

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing findings and conclusions in respect of the continuing connected transactions disclosed by the Group as above in accordance with Rule 14A.56 of the Rules Governing the Listing of Securities on the Stock Exchange. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group recognises that external events may affect the environment in which the Group operates. The Group's business is managed by an experienced management team who have a close involvement in the day-to-day running of the business, which ensures that the Group is prepared for, and can react quickly by adapting its business to, changes in the operating environment. Further discussions on the Group's principal risks and uncertainties are provided throughout this annual report, particularly in "Chairman's Statement" (pages 4 to 5), "Management Discussion and Analysis" (pages 6 to 10), "Risk Management and Internal Control Systems" (pages 44 to 49), "Environmental, Social and Governance Report" (pages 55 to 79) and "Financial Risk Management" (pages 115 to 119). The above discussions form part of this Directors' Report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, save as disclosed on page 29 in Corporate Governance Report, as far as the Board and management are aware, the Group has complied with the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Securities and Futures Ordinance (the "SFO") and the Cayman Islands Companies Law.

持續關連交易(續)

Negotiator Consultants Limited (續)

本公司核數師獲委聘根據香港會計師公會頒佈之香港鑑證準則第3000號(修訂本)「歷史財務資料審核或審閱以外之鑑證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易之核數師函件」就本集團之持續關連交易發表報告。核數師已根據聯交所證券上市規則第14A.56條就本集團所披露上述持續關連交易出具載有其發現及結論之無保留意見函件。本公司已向聯交所呈交核數師函件之副本。

主要風險及不確定因素

本集團深明外圍因素可能會影響本集團經營所在地的環境。本集團業務由經驗豐富之管理團隊管理，彼等緊密參與日常業務營運，確保本集團可調整其業務，迅速應對經營環境的變化。有關本集團主要風險及不確定因素的討論在本年報全文均有所提述，特別是「主席報告書」(第4至5頁)、「管理層討論及分析」(第6至10頁)、「風險管理及內部控制系統」(第44至49頁)、「環境、社會及管治報告」(第55至79頁)及「財務風險管理」(第115至119頁)。上述討論構成本董事會報告的一部分。

遵守有關法律及法規

年內，除企業管治報告第29頁所披露者外，就董事會及管理層所知，本集團已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)、證券及期貨條例(「證券及期貨條例」)及開曼群島公司法項下的規定。



Directors' Report 董事會報告

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group is committed to maintaining a collaborative relationship with its employees, customers and suppliers. Details of which are set out on pages 67 to 72.

與僱員、客戶及供應商的關係

本集團致力與其僱員、客戶及供應商維持合作關係。有關詳情載於第 67 至 72 頁。

REMUNERATION POLICY

As at 31 March 2018, our workforce was recorded at 173 employees (2017: 164). Total staff costs (including Directors' emoluments) amounted to HK\$79,203,000 (2017: HK\$71,645,000).

薪酬政策

於二零一八年三月三十一日，本集團員工人數為 173 名（二零一七年：164 名）。總員工成本（包括董事薪酬）為 79,203,000 港元（二零一七年：71,645,000 港元）。

Remuneration policy of the Group is reviewed regularly, making reference to legal framework, market conditions and performance of the Group and individual staff members (including the Directors). The remuneration policy and remuneration packages of the Executive Directors and members of the senior management of the Group are reviewed by the Remuneration Committee in accordance with its Terms of Reference. Details of Directors' emoluments during the year are set out on page 130.

本集團定期參考法定架構、市況、本集團及個別員工（包括董事）之表現，檢討其薪酬政策。薪酬委員會已根據其職權範圍檢討本集團執行董事及高級管理人員之薪酬政策及薪酬組合。本年度董事薪酬詳情載於第 130 頁。

Senior management emoluments

For the year ended 31 March 2018, emoluments paid to members of the senior management are as follows:

高級管理層薪酬

截至二零一八年三月三十一日止年度，支付予高級管理層之薪酬如下：

Emolument bands 薪酬組別		Number of individuals 人數
HK\$0–HK\$1,000,000	0 港元至 1,000,000 港元	2
HK\$1,000,001–HK\$2,000,000	1,000,001 港元至 2,000,000 港元	2
Total	總計	4



MAJOR SUPPLIERS AND CUSTOMERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

The largest supplier

Five largest suppliers in aggregate

採購額

最大供應商

五大供應商總計

17%

58%

Sales

The largest customer

Five largest customers in aggregate

銷售額

最大客戶

五大客戶總計

9%

25%

None of the Directors, their close associates or any shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had an interest in the major suppliers or customers noted above.

主要供應商及客戶

於本年度內，本集團主要供應商及客戶所佔採購額及銷售額百分比如下：

董事、彼等之緊密聯繫人士或據董事所知擁有本公司已發行股本5%以上之任何股東，概無於上述主要供應商或客戶中擁有權益。

ENVIRONMENTAL POLICY

The Group endeavours to minimising pollution and protecting the environment by conserving natural resources, reducing the use of energy and waste. Details of which are set out on pages 62 to 66.

環保政策

本集團致力保護天然資源，減少使用能源及浪費，將污染減至最低，以保護環境。有關詳情載於第62至66頁。

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 158.

五年財務摘要

本集團過去五年之業績及資產及負債摘要載於第158頁。

SUFFICIENCY OF PUBLIC FLOAT

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

充足之公眾持股量

根據本公司所得公開資料及就本公司董事所知，於本報告日期，確認本公司已按照上市規則維持規定之公眾持股量。

BUSINESS REVIEW

The business review disclosure of the Group for the year as required by Schedule 5 to the Hong Kong Companies Ordinance (Cap. 622) are set out in the "Management Discussion and Analysis" and "Environmental, Social and Governance Report" on pages 6 to 10 and pages 55 to 79 respectively of the Annual Report. The business review forms part of this Directors' Report.

業務回顧

本集團根據香港公司條例(第622章)附表5規定所披露之本年度業務審視，已分別載於本年報第6至第10頁之「管理層討論與分析」及第55至第79頁之「環境、社會及管治報告」內。該業務審視構成本董事會報告之一部分。

Directors' Report 董事會報告

AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM of the Company.

This report is signed for and on behalf of the Board.

核數師

綜合財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將於本公司應屆股東週年大會退任，惟符合資格並願意接受續聘。

代表董事會簽署本報告。

TSE Sun Fat, Henry
Chairman

Hong Kong, 27 June 2018

謝新法
主席

香港，二零一八年六月二十七日



Corporate Governance Report 企業管治報告

E. Bon Holdings Limited (the “Company”) endeavours to maintaining its high standard of corporate governance, and continues to review and reinforce its corporate governance measures. The Company believes that accountability and reporting system with high transparency for the Company’s operation has been in place. Disclosures could also be made timely and accurately. At the same time, the rights of shareholders can be treated and protected equitably.

The Company is led by an efficient and responsible board of directors (the “Board”), which is comprised of individuals with high qualifications and relevant experience. This can ensure that the Company and its subsidiaries (the “Group”) maintain good corporate governance practices and have comprehensive internal control and risk management systems, so as to cope with the Group’s development strategies and increase the shareholders’ value.

The Corporate Governance Code (the “Code”) published by The Stock Exchange of Hong Kong Limited sets out the principles of good corporate governance and provides two levels of recommendations:

- (a) code provisions, with which issuers are expected to comply, but from which they may choose to deviate, provided they give considered reasons for non-compliance; and
- (b) recommended best practices, with which issuers are encouraged to comply, but which are provided for guidance only.

In the opinion of the directors of the Company (the “Directors”), the Board has complied with all the code provisions in the Code throughout the year ended 31 March 2018, with the exception of the following deviation:

Under the code provision C.2.5, the Company should have an internal audit function. Given the current scale of operations, the Company does not have an internal audit department. The Board is directly responsible for risk management and internal control systems of the Group and for the review of its effectiveness. The Board will continue review, at least annually, this arrangement going forward in light of the evolving needs of the Group.

怡邦行控股有限公司(「本公司」)致力維持高水平企業管治標準，並持續檢討及加強企業管治措施。本公司相信，本公司已為其業務營運實施高透明度之問責及申報制度，能夠作出適時及適當之披露，同時公平地反映及保障股東權利。

本公司由一個具效率及盡職盡責之董事會(「董事會」)領導，成員均為高資歷及具備相關經驗之人士，確保本公司及其附屬公司(「本集團」)能夠維持高水平企業管治及擁有完善內部監控及風險管理系統，以配合本集團發展策略及提升股東價值。

香港聯合交易所有限公司所刊發的企業管治守則(「守則」)列明良好企業管治之原則，並從兩個層次提供建議：

- (a) 守則條文 — 有關方面期望發行人予以遵守，如發行人選擇偏離，則須提供經過深思熟慮得出之理由；及
- (b) 建議最佳常規 — 有關方面鼓勵發行人予以遵守，但僅作指引用途。

本公司董事(「董事」)認為，董事會於截至二零一八年三月三十一日止年度內一直遵守守則內所有守則條文，惟以下偏離者除外：

根據守則條文C.2.5，本公司應設立內部審核職能。基於目前經營規模，本公司並無內部審核部門。董事會直接負責本集團之風險管理及內部監控系統以及檢討其成效。董事會將因應本集團發展的需要，每年至少一次，不斷檢視此安排。



Corporate Governance Report 企業管治報告

The Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 of the Listing Rules sets out a required standard against which Directors must measure their conduct regarding transactions in securities of their listed companies. The Company has adopted the Model Code as its own code of conduct regarding Director's securities transactions. Having made specific enquiry of all Directors, the Directors confirmed compliance with the required standard set out in the Model Code throughout the year.

THE BOARD

The Board comprises five Executive Directors and three Independent Non-executive Directors. The names of the Directors are as follows:

Executive Directors

Mr. TSE Sun Fat, Henry (*Chairman*)
Mr. TSE Sun Wai, Albert (*Vice Chairman*)
Mr. TSE Sun Po, Tony (*Managing Director*)
Mr. TSE Hon Kit, Kevin (*Deputy Managing Director*)
Mr. LAU Shiu Sun

Independent Non-executive Directors

Mr. LEUNG Kwong Kin, J.P.
Mr. WONG Wah, Dominic
Mr. WAN Sze Chung

For the terms of appointment of the Independent Non-executive Directors, please refer to Directors' Report on page 19. In accordance to the Articles of Association of the Company, at each general meeting, one third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Formal letters of appointment have been issued to all Directors setting out all key terms and conditions of their respective appointment. Each newly appointed Director will also be issued with a letter of appointment.

Biographies of all Directors are listed in Biographical Details of Directors and Senior Management set out on pages 17 to 18.

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board takes decisions objectively in the best interests of the Company.

上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)列明董事於買賣所屬上市公司證券時用以衡量其本身操守之規定標準。本公司已採納標準守則，作為董事進行證券交易之操守準則。本公司已向董事作出個別查詢，全體董事確認，彼等於本年度內一直遵守標準守則所載之規定準則。

董事會

董事會由五名執行董事及三名獨立非執行董事組成。董事會成員名單如下：

執行董事

謝新法先生(主席)
謝新偉先生(副主席)
謝新寶先生(董事總經理)
謝漢傑先生(副董事總經理)
劉紹新先生

獨立非執行董事

梁光建太平紳士
黃華先生
溫思聰先生

有關獨立非執行董事之委任條款，請參閱第19頁之董事會報告。根據本公司組織章程細則，於各股東大會上，當時的三分之一董事(或倘人數並非三(3)的倍數，則最接近但不少於三分之一的人數)須輪值退任，惟每位董事須最少每三年輪值退任一次。本公司已向所有董事發出正式委任書，並各自訂明其委任之主要條款及條件。各新任董事亦將獲發出委任書。

全體董事詳細履歷載於第17至18頁之「董事及高級管理人員之履歷」。

董事會負責領導及監控本公司，且共同有責任指導及監督本公司事務，從而達成成功。董事會客觀地作出決策以符合本公司最佳利益。



THE BOARD (CONT'D)

The Board is responsible for establishing the strategic direction of the Company, setting the objectives of management, monitoring the performance of management, overseeing the management of the Company's relationship with shareholders, ensuring that a framework of prudent and effective controls is in place to enable risks to be assessed and managed, setting the Company's values and standards, reviewing and monitoring the training and continuous professional development of directors and senior management.

When the Board delegates management and administration functions to management, it has given clear directions on the powers of management with respect to the circumstances where management is to report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company. The Company has formalised functions reserved to the Board and the management respectively; and the Board reviews those arrangements periodically to ensure that they remain appropriate to the Company's needs.

The management and staff of the Company ensure the successful implementation of the strategies, business directions and policies as determined by the Board. In doing so, they must apply business principles and ethics, which are consistent with those expected by the Board and Shareholders and other stakeholders.

The Independent Non-executive Directors help to ensure that the Board can make independent judgement efficiently. They also take the lead where potential conflicts of interests arise. They scrutinise the Company's performance in achieving agreed corporate goals and objectives, and monitor performance reporting. They make a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. The Independent Non-executive Directors possess appropriate professional qualification. Among them, some possess expertise in accounting or financial management. Each Independent Non-executive Director has also submitted an annual written confirmation to the Company confirming his independence. Three Independent Non-executive Directors are engaged by contract every year and are subject to retirement by rotation in accordance with the Company's Articles of Association and the Listing Rules. The Company considered that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

董事會(續)

董事會負責制訂本公司策略方針、確立管理層目標、監察管理層表現、監督本公司之股東關係管理、確保推行審慎及有效之監管架構以評估及管理風險、為本公司訂立價值觀及標準、檢討及監察董事及高級管理層的培訓及持續專業發展。

董事會將管理及行政職能授予管理層時，已同時就管理層之權力訂出清晰指引，範圍包括訂明管理層應在何種情況下向董事會匯報，以及管理層在代表本公司作出任何決定或承諾前應取得董事會批准等。本公司已將保留予董事會及管理層的職能分別確定下來；且董事會將定期檢討該等安排，以確保該等安排符合本公司之需要。

本公司管理層及員工確保成功貫徹落實董事會所制訂之策略、業務方針及政策。在執行過程中，彼等必須秉持與董事會、股東及其他持份者期望相符之商業原則及道德標準。

獨立非執行董事協助確保董事會可有效地作出獨立判斷。彼等亦在出現潛在利益衝突時發揮領導作用。彼等仔細檢查本公司的表現是否達到既定的企業方針和目標，並監察匯報公司表現的事宜。彼等透過提供獨立、富建設性及有根據的意見對本公司制定策略及政策作出正面貢獻。獨立非執行董事具備適當專業資格；當中個別人士具備會計或財務管理方面的專業知識。各獨立非執行董事亦已向本公司提交年度確認書以重申其獨立性。三名獨立非執行董事乃每年以合約形式聘任，並須根據本公司組織章程細則及上市規則輪值退任。本公司認為全體獨立非執行董事均符合載於上市規則第3.13條的獨立指引。



Corporate Governance Report 企業管治報告

THE BOARD (CONT'D)

Except as disclosed in the Annual Report, there is no special relationship, including financial, business, family or other material/relevant relationship among the members of the Board.

All Directors give sufficient time and attention to the Group's affairs and have actively participated in the Board meetings to discuss the overall strategies, business directions and policies of the Group. Throughout the year, the Company held 4 regular and 7 non-regular Board meetings, and 1 general meeting. To ensure that Directors could obtain all related information to make an informed decision and to perform their duties and responsibilities, documents for the Board meeting were supplied to Directors for their consideration before the meeting according to the regulations set out in the Listing Rules and code provisions of the Code.

The attendance of board meetings and general meetings during the year is set out on page 49.

The Board makes arrangement to provide opportunities for all Directors to include matters in the agenda of regular Board meetings. At least 14 days' notices are given in respect of regular Board meetings. For regular Board meetings, an agenda and relevant materials are sent, in full, to all Directors in a timely manner and at least 3 days before the intended date of board meeting. For all other Board meetings, Directors are given as much notice as reasonable and practicable in the circumstances.

Management provides the Board and board committees with adequate and timely information which is accurate, clear, complete and reliable and enables Directors to make informed decisions on matters placed before them, and perform their duties and responsibilities as directors. Management provides adequate explanations and information to the Board to enable Directors to make an informed assessment of the financial and other information put before them for approval. In addition, the Board and each Director have separate and independent access to the Company's senior management. All Directors have free access to board papers and related materials. Queries raised by Directors are provided with a prompt and full response.

董事會(續)

除年報所披露者外，董事會成員間並無特別關係，包括財務、業務、家屬或其他重大／相關關係。

全體董事均付出足夠的時間及精神以處理本集團之事務，並積極參與董事會會議，討論本集團之整體策略、業務方向及政策。於本年度內，本公司曾舉行四次董事會定期會議及七次非定期會議，以及一次股東大會。本公司根據上市規則及守則條文所載規定於會議前將董事會會議文件遞交予董事審閱，使董事能夠掌握所有有關資料作出知情決定，以便履行其職責及責任。

於本年度內，董事會會議及股東大會之出席情況載列於第49頁。

董事會已訂有安排，讓全體董事均有機會將事項納入董事會定期會議之議程內。董事會於董事會定期會議日期最少十四天前發出通知。董事會定期會議之議程及相關文件應全部及時送交全體董事，並最少在董事會擬定會議日期三天前送出。至於所有其他董事會會議，董事亦會於合理而切實可行情況下接獲通知。

管理層向董事會及委員會提供充份、適時、準確、清晰、完備及可靠之資料，以使董事能就提呈事項作出知情決定，並能履行其作為董事之職責及責任。管理層已向董事會提供充分解釋及資料，讓董事可以就提呈以供批准之財務及其他資料作出有根據之評估。另外，董事會及各董事均可自行個別接觸本公司高級管理人員。全體董事均有權查閱董事會之文件及有關材料。董事所提出的疑問獲得迅速及全面的答覆。

THE BOARD (CONT'D)

Minutes of each Board meeting and board committee meeting are kept by the company secretary (the “Company Secretary”) and are available for inspection by any Director. Minutes record in sufficient detail the matters considered by the Board and the decisions reached. Draft and final versions of minutes are sent to all Directors for their comment and records respectively within a reasonable time after the Board meeting is held.

All Directors have free access to the advice and services of the Company Secretary with a view to ensuring that Board procedures, applicable laws, rules and regulations are followed. Moreover, all Directors may seek independent professional advice in appropriate circumstances in the furtherance of their duties and for the associated fees at the Company’s expenses.

If a substantial shareholder or Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical board meeting set up for that purpose and voted on by Directors who have no material interest in the transaction. Directors’ concerned must abstain from voting on any Board resolution and will not be counted in the quorum.

A formal, considered and transparent procedure is in place for the appointment of new directors. Newly appointed directors are provided with briefing materials to ensure that they are familiar with the Company’s operations and business, responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company’s business and governance policies. In addition, an orderly succession for appointments is maintained to ensure high standard of corporate governance of the Company.

The Company encourages Directors to participate in continuous professional development to develop and refresh their knowledge, skills and understanding of the business and markets in which the Group operates. The Company continuously updates Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, as well as information related to the Group’s business and operations, to ensure compliance, enhance their awareness of good corporate governance practices and enable them to discharge duties properly. This has involved various forms of activities including attending seminars, reading materials relevant to the Company’s business, director’s duties and responsibilities.

The records of training of Directors received during the year is set out on page 49.

董事會(續)

公司秘書(「公司秘書」)保存所有董事會會議及委員會會議之會議記錄，全體董事均可索閱。會議記錄已充分及詳細地記錄董事會審議之事項及達致之決定。會議記錄之初稿及定稿將於董事會會議後一段合理時間內送交全體董事，以便彼等提出意見及作存檔用途。

全體董事均可向公司秘書諮詢意見及要求提供服務，以確保董事會程序、適用法例、規則及條例獲得遵守。此外，所有董事在適當情況下，可就履行本身職務尋求獨立專業人士意見，相關費用將由本公司支付。

倘有主要股東或董事在董事會擬審議之事項中存有董事會認為重大之利益衝突，董事會將會就此目的而舉行實際董事會會議處理有關事宜並由在交易中並無重大權益的董事投票。有關董事須就所有董事會決議案放棄投票，且不可計入會議法定人數。

董事會應制定一套正式、審慎及具透明度之新董事委任程序。本公司將向新委任的董事發放簡介資料，以便彼等了解本公司的營運及業務以及於法規及普通法、上市規則、法例及其他監管規定以及本公司的業務及管治政策項下的責任。此外，本公司設有一套有秩序之董事繼任計劃，以確保高水平之企業管治。

本公司鼓勵董事參與持續專業發展，對知識及技能溫故知新，加強對本集團經營之業務及所在市場之了解。本公司持續通知董事有關上市規則及其他適用監管規定之最新發展以及有關本集團業務及經營之資料，確保彼等遵守有關規定及提高彼等對良好企業管治常規之意識，同時恰當地履行職責。所牽涉各種活動形式包括出席研討會、閱讀與本公司業務、董事職務及責任有關之資料。

董事於本年度接受的培訓記錄載列於第49頁。

Corporate Governance Report 企業管治報告

CHAIRMAN AND MANAGING DIRECTOR

Chairman of the Board and Managing Director (in this report, “Managing Director” is equivalent to “Chief Executive” set out in Appendix 14 of the Listing Rules) are two clearly separated roles and are performed by different individuals. Mr. TSE Sun Fat, Henry, Chairman of the Board, is responsible for managing the Board. Mr. TSE Sun Po, Tony, Managing Director, is responsible for the Company’s operations. The division of responsibilities between the Chairman of the Board and the Managing Director has been clearly defined and the written terms of reference have been set.

Responsibilities of the Chairman of the Board are as follows:

- (a) Providing leadership for the Board;
- (b) Ensuring all Directors are properly briefed on matters to be discussed at Board meetings;
- (c) Ensuring all Directors receive adequate, accurate, clear, complete and reliable information in a timely manner;
- (d) Ensuring that the Board works effectively, performs its responsibilities and discusses all key and appropriate issues in a timely manner;
- (e) Ensuring that, the Company Secretary draws up and approves the agenda for Board meetings on the Chairman’s behalf, taking into account any matters proposed by other Directors for inclusion in the agenda;
- (f) Ensuring that appropriate steps are taken to provide effective communication with Shareholders and that views of Shareholders are communicated to the Board as a whole;
- (g) Ensuring good corporate governance practices are in place and procedures are established;
- (h) Encouraging all Directors to make a full and active contribution to the Board’s affairs, giving each Director an opportunity to express his views at Board meetings, ensuring that the Board acts in the best interests of the Company, encouraging Directors with different views to voice their concerns, allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;

主席及董事總經理

董事會主席及董事總經理(就本報告而言,「董事總經理」等同於上市規則附錄十四所載「行政總裁」)為兩個明確劃分之角色,並分別由不同人士擔當。董事會主席謝新法先生負責管理董事會運作;而董事總經理謝新寶先生則負責本公司之業務營運。董事會主席與董事總經理之職責分工已清晰界定並設有書面職權範圍。

董事會主席之職責包括:

- (a) 領導董事會;
- (b) 確保全體董事獲適當知會董事會會議擬商議之事項;
- (c) 確保全體董事適時收到足夠、準確、清晰、完整及可靠之資料;
- (d) 確保董事會有效地運作、履行職責,並適時討論所有重要及適用事項;
- (e) 確保公司秘書代表主席本人落實及批准董事會會議議程,並考慮其他董事提呈納入議程之任何事項;
- (f) 確保採取合適步驟以有效方式與股東聯繫,並確保股東之意見可傳達到整個董事會;
- (g) 確保本公司設立良好企業管治常規及程序;
- (h) 鼓勵全體董事全力投入董事會事務及給予同等機會在董事會會議中發表意見,確保董事會以本公司最佳利益行事,鼓勵持不同意見的董事發表意見,並提供充足時間作討論,確保董事會決策能夠公正反映董事會共識;



CHAIRMAN AND MANAGING DIRECTOR (CONT'D)

主席及董事總經理(續)

- | | |
|---|--|
| (i) Holding meetings with Non-executive Directors annually without the presence of Executive Directors; and | (i) 每年在並無執行董事列席之情況下與非執行董事會晤；及 |
| (j) Promoting a culture of openness and debate by facilitating the effective contribution of all Directors, in particular Non-executive Directors, and building constructive relations between Executive and Non-executive Directors. | (j) 提倡公開及積極討論文化，促進全體董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持具建設性之關係。 |

The Managing Director is appointed by the Board. His responsibilities are as follows:

董事總經理由董事會委任，職責包括：

- | | |
|--|---|
| (a) Providing leadership for the management; | (a) 領導管理層； |
| (b) Implementing and reporting to the Board on the Company's strategies; | (b) 執行並向董事會匯報本公司之策略； |
| (c) Overseeing the implementation by the Company of the objectives set by the Board; | (c) 監督本公司實施董事會訂立之目標； |
| (d) Providing all such information to the Board as is necessary to enable the Board to monitor the performance of management; | (d) 為董事會提供監察管理層表現所需一切資料； |
| (e) Leading the management of the Company's relationships with its stakeholders; | (e) 領導管理層處理本公司與持份者之關係； |
| (f) Putting in place programmes for management development and succession; | (f) 落實管理層培育及繼任計劃； |
| (g) Working with the Head of Finance, establishing and maintaining proper internal controls and systems as well as disclosure controls and procedures; and | (g) 與財務部主管制訂及維持適當之內部監控措施及制度，以及披露監控及程序；及 |
| (h) Discharging such duties and authorities as may be delegated in writing to him by the Board. | (h) 按照董事會之書面授權履行職責及行使權力。 |





Corporate Governance Report 企業管治報告

BOARD COMMITTEES

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

Remuneration Committee

The Remuneration Committee was established on 29 September 2005. It is comprised of two Independent Non-executive Directors and one Executive Director. The Remuneration Committee is chaired by Mr. WONG Wah, Dominic.

The Terms of Reference of the Remuneration Committee is clearly defined and posted on the Company's website.

The roles and function of the Remuneration Committee are as follows:

- (a) To make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) To make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (d) To make recommendations to the Board on the remuneration for Non-executive Directors;
- (e) To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (f) To review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure it is consistent with contractual terms and is otherwise fair and not excessive;

董事委員會

董事會已成立三個委員會，即薪酬委員會、審核委員會及提名委員會，負責監察本公司個別事務。本公司所有董事委員會均訂有明確書面職權範圍。

薪酬委員會

薪酬委員會於二零零五年九月二十九日成立，由兩名獨立非執行董事及一名執行董事組成。黃華先生為薪酬委員會主席。

薪酬委員會已訂明職權範圍，並於本公司網站刊載。

薪酬委員會之角色及職能如下：

- (a) 就本公司全體董事及高級管理人員之薪酬政策及架構，及就制訂薪酬政策設立正規而具透明度之程序，向董事會提出建議；
- (b) 因應董事會所訂企業方針及目標而檢討及批准管理層之薪酬建議；
- (c) 就個別執行董事及高級管理人員之薪酬待遇向董事會提出建議。薪酬待遇應包括實物利益、退休金權利及賠償金額（包括因喪失或終止職務或委任而應付之任何賠償）；
- (d) 就非執行董事之薪酬向董事會提出建議；
- (e) 考慮同類公司支付之薪酬、所付出時間、職責以及本集團內其他職位之僱用條件；
- (f) 檢討及批准向執行董事及高級管理人員就任何喪失或終止職務或委任而須支付之賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，則賠償須屬公平合理，不致過多；

BOARD COMMITTEES (CONT'D)

Remuneration Committee (cont'd)

- (g) To review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) To ensure that no Director or any of his associates is involved in deciding his own remuneration;
- (i) To consult the Chairman and/or the chief executive about their remuneration proposals for Executive Directors. The committee should have access to professional advice if necessary; and
- (j) To consider other topics as defined by the Board.

The Remuneration Committee reports to the Board on its discussion results and recommendations after each meeting and is provided with sufficient resources to perform its duties and is authorised by the Board to obtain independent legal or other professional advice.

Throughout the year, the Remuneration Committee met once to review the remuneration of the Executive Directors and senior management of the Company. The Committee also reviewed and determined the policy for the remuneration of Executive Directors; assessed their performance and approved the terms of service contracts of Directors. No Director had participated in the determination of his or her own remuneration. Discussion results and recommendations of the meetings have been proposed to the Board for its review.

The attendance of committee members at committee meetings during the year is set out on page 49.

The remuneration policy of the Group is set out on page 26.

董事委員會(續)

薪酬委員會(續)

- (g) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及之賠償安排，以確保該等安排與合約條款一致若未能與合約條款一致，則有關賠償須屬合理適當；
- (h) 確保任何董事或其任何聯繫人士不得參與釐定本身薪酬；
- (i) 就執行董事之薪酬建議諮詢主席及／或行政總裁，委員會亦可諮詢專業意見(如有需要)；及
- (j) 考慮其他由董事會擬定之課題。

薪酬委員會於每次會議後皆向董事會匯報討論結果及建議，並獲提供充足資源以履行其職責及獲董事會授權諮詢獨立法律意見或其他專業意見。

於本年度內，薪酬委員會曾舉行一次會議以檢討本公司執行董事及高級管理人員之薪酬待遇。委員會亦審閱及釐定執行董事之薪酬政策、評估彼等之表現及審批董事服務合約之條款。概無董事參與釐定本身薪酬。會議討論結果及建議已呈交董事會審議。

委員會成員於本年度內舉行的會議出席情況載列於第49頁。

本集團之薪酬政策載於第26頁。



Corporate Governance Report 企業管治報告

BOARD COMMITTEES (CONT'D)

Audit Committee

The Audit Committee, established on 22 March 2000, is currently comprised of three Independent Non-executive Directors. The Audit Committee is chaired by Mr. LEUNG Kwong Kin, J.P..

The Terms of Reference of the Audit Committee is clearly defined and posted on the Company's website.

The roles and function of the Audit Committee are as follows:

- (a) To be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The audit committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (c) To develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The audit committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;
- (d) To act as the key representative body for overseeing the Company's relations with the external auditor;
- (e) To monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them;
- (f) To discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of management where necessary);

董事委員會(續)

審核委員會

審核委員會於二零零零年三月二十二日成立，目前由三名獨立非執行董事組成。梁光建太平紳士為審核委員會主席。

審核委員會已訂明職權範圍，並於本公司網站刊載。

審核委員會之角色及職能如下：

- (a) 主要負責就外聘核數師之委任、重新委任及罷免向董事會提供建議、批准外聘核數師之薪酬及聘用條款，及處理任何有關該核數師辭任或罷免該核數師之問題；
- (b) 按適用標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效。審核委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；
- (c) 就外聘核數師提供非核數服務制訂及執行政策。就此而言，「外聘核數師」包括與負責核數師事務所處於同一控制權、所有權或管理權下之任何機構，或一個合理知悉所有有關資料之第三方在合理情況下會斷定屬於該核數師事務所本土或國際業務一部分之任何機構。審核委員會須就任何須採取行動或改善之事項向董事會報告並提出建議；
- (d) 擔任本公司與外聘核數師間之主要代表，負責監察兩者之間的關係；
- (e) 監察本公司之財務報表以及年報及賬目、半年度報告及(若擬刊發)季度報告之完整性，並審閱報表及報告所載有關財務申報之重大判斷；
- (f) 與核數師討論在中期及全年審核中出現之問題及存疑之處，以及核數師希望討論之其他事宜(如有需要，可在管理層避席之情況下進行)；



BOARD COMMITTEES (CONT'D)

Audit Committee (cont'd)

- (g) To review the Company's risk management and internal control systems covering all controls including financial, operational and compliance controls;
- (h) To discuss the risk management and internal control system with management to ensure that management has performed its duty to have an effective internal control system. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting function;
- (i) To consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings, and review the statements concerning risk management and internal control to be included in the annual report;
- (j) Where an internal audit function exists, to ensure co-ordination between the internal and external auditors, to review and approve the annual internal audit plan, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (k) To review the Group's financial and accounting policies and practices;
- (l) To review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
- (m) To review the Company's statement on internal control systems (where one is included in the annual report) prior to endorsement by the Board;
- (n) To ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- (o) To report to the Board on the matters in the code provision of Appendix 14 C.3 of the Listing Rules; and

董事委員會(續)

審核委員會(續)

- (g) 檢討本公司的風險管理及內部監控系統，涵蓋所有監控，包括財務、營運及合規監控；
- (h) 與管理層討論風險管理與內部監控系統，確保管理層已履行職責建立有效內部監控系統。討論內容應包括本公司在會計、內部審核及財務匯報職能方面之資源、員工資歷及經驗、培訓課程及有關預算是否足夠；
- (i) 應董事會委派或主動，就有關風險管理及內部監控事宜之重要調查結果及管理層對調查結果之回應進行研究，並檢討將載入年報內之有關風險管理及內部監控之說明；
- (j) 如設有內部審核職能，須確保內部及外聘核數師之工作得到協調，檢討及批准年度內部審核計劃，亦須確保內部審核職能在本公司內部有足夠資源運作，並且享有適當地位，以及檢討及監察其成效；
- (k) 檢討本集團之財務及會計政策及常規；
- (l) 檢查外聘核數師之管理意見書、核數師就會計記錄、財務賬目或監控系統向管理層提出之任何重大疑問及管理層作出之回應；
- (m) 於提呈董事會審批前先行審閱年報所載有關本公司內部監控制度之陳述；
- (n) 確保董事會及時回應於外聘核數師之管理意見書中提出之事宜；
- (o) 就上市規則附錄十四守則條文C.3所載之事宜向董事會匯報；及



Corporate Governance Report 企業管治報告

BOARD COMMITTEES (CONT'D)

Audit Committee (cont'd)

- (p) To review arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.

In addition, the Audit Committee is responsible for corporate governance functions as below:

- (a) To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (c) To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (d) To review the Company's compliance with the code and disclosure in the Corporate Governance Report.

Throughout the year, the Audit Committee reviewed the interim results for the six months ended 30 September 2017, discussed the effectiveness of the risk management and internal control systems with management, and reviewed the annual budget for audit fees. In addition, the Audit Committee considered and reviewed the annual results for the year ended 31 March 2018 on 27 June 2018, and proposed to the Board for their approval.

In addition, throughout the year, the Audit Committee reviewed the Company's corporate governance policies (including the Inside Information Policy ("the Inside Information Policy")) and practices, reviewed and monitored the Company's code of conduct manual, reviewed the Company's policies and practices on compliance with legal and regulatory requirements (including the Code), as well as the mandatory disclosure requirements in respect of the Corporate Governance Report as set out in Appendix 14 of the Listing Rules.

董事委員會(續)

審核委員會(續)

- (p) 檢討本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生之不正當行為提出關注之安排。委員會應確保有適當安排，讓本公司對此等事宜作出公平獨立調查及採取適當行動。

此外，審核委員會須負責以下企業管治職能：

- (a) 制訂及檢討本公司之企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- (c) 制訂、檢討及監察僱員及董事之操守準則及合規手冊(如有)；及
- (d) 檢討本公司遵守企業管治報告所載守則及披露之情況。

於本年度內，審核委員會已審閱本公司截至二零一七年九月三十日止六個月之中期業績，並與管理層討論風險管理及內部監控系統成效，以及審閱年度審核費用預算。此外，審核委員會已於二零一八年六月二十七日審議截至二零一八年三月三十一日止年度之全年業績，並提呈董事會以供批准。

此外，於本年度，審核委員會已檢討本公司之企業管治政策(包括內幕消息政策(「內幕消息政策」))及常規，檢視及監察本公司之操守手冊、檢視本公司關於遵守法律及監管規定之政策及常規(包括守則)，以及上市規則附錄十四所載關於企業管治報告的強制披露規定。

BOARD COMMITTEES (CONT'D)

Audit Committee (cont'd)

All members of the Audit Committee actively participated in the committee's meetings. Throughout the year, the Audit Committee met twice, full minutes of which are kept by the Company Secretary. Draft and final versions of minutes of meetings are sent to all committee members for their comment and records within a reasonable time after the meeting. Discussion results and recommendations have been proposed to the Board for its review, and related recommendations were adopted by the Board. The Audit Committee is provided with sufficient resources to perform its duties and is authorised by the Board to obtain independent legal or other professional advice.

The attendance of committee members at committee meetings during the year is set out on page 49.

All Directors acknowledge their responsibility in preparing the financial statements. As at 31 March 2018, none of the Directors were aware of any uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. As such, the Directors have prepared the Company's financial statements on a going concern basis.

Responsibilities of external auditors to the financial statements are set out in "Independent Auditor's Report" (pages 80 to 87).

Auditor's Remuneration

For the year ended 31 March 2018, the following auditor's remuneration has been incurred by the Company:

		HK\$'000 千港元
PricewaterhouseCoopers	羅兵咸永道會計師事務所	
— Audit services	— 審核服務	2,368
— Non-audit services	— 非審核服務	120
Total	總計	2,488

For the year ended 31 March 2018, the fees to PricewaterhouseCoopers, amounting to HK\$2,488,000, were primarily for audit services and those for non-audit services amounted to HK\$120,000, 4.8% of the total fees. The non-audit services provided by the auditor was tax compliance services.

董事委員會(續)

審核委員會(續)

全體審核委員會成員皆積極參與審核委員會會議。於本年度內，審核委員會曾舉行兩次會議，相關完整會議記錄由公司秘書保存。會議記錄之初稿及定稿應於會議結束後一段合理時間內送交全體委員會成員，以供彼等提出意見及作存檔用途。討論結果及建議已呈交董事會審議，相關建議獲董事會接納。審核委員會獲提供充足資源以履行其職責及獲董事會授權諮詢獨立法律意見或其他專業意見。

委員會成員於本年度內舉行的會議出席情況載列於第49頁。

全體董事知悉彼等有責任編製財務報表。於二零一八年三月三十一日，概無董事知悉任何或會嚴重影響本公司持續經營業務能力之重大不明朗事件或情況。因此，董事以持續經營基準編製本公司財務報表。

有關外聘核數師對財務報表之責任，載於「獨立核數師報告」(第80至87頁)。

核數師酬金

截至二零一八年三月三十一日止年度，本公司產生以下核數師酬金：

截至二零一八年三月三十一日止年度，向羅兵咸永道會計師事務所支付之費用為2,488,000港元，主要涉及審核服務；而非審核服務之費用為120,000港元，佔總費用之4.8%。核數師所提供之非審核服務為稅務合規服務。

Corporate Governance Report 企業管治報告

BOARD COMMITTEES (CONT'D)

Nomination Committee

The Nomination Committee was established on 27 March 2012. It is comprised of two Independent Non-executive Directors and one Executive Director. The Nomination Committee is chaired by Mr. WONG Wah, Dominic.

The Terms of Reference of the Nomination Committee is clearly defined and posted on the Company's website.

The roles and functions of the Nomination Committee are as follows:

- (a) Review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) Identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) Assess the independence of Independent Non-executive Directors; and
- (d) Make recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors, in particular the Chairman and the chief executive.

The Nomination Committee reports to the Board on its discussion results and recommendations after each meeting and is provided with sufficient resources to perform its duties and is authorised by the Board to obtain independent legal or other professional advice.

Throughout the year, the Nomination Committee met once to review the Board and senior management of the Company. The Committee reviewed the structure, size and composition of the Board, reviewed the board diversity policy, reviewed the time and contribution from Directors, assessed the independence of Independent Non-executive Directors, made recommendation on the appointment and reappointment of Directors at the 2018 AGM and discussed the succession planning for the Company's Board and senior management. In addition, the Committee reviewed the nomination policy (including procedures, process and criteria to select and recommend candidates for directorship). Discussion results and recommendations have been proposed to the Board for its review.

董事委員會(續)

提名委員會

提名委員會於二零一二年三月二十七日成立，由兩名獨立非執行董事及一名執行董事組成。黃華先生為提名委員會主席。

提名委員會已訂明職權範圍，並於本公司網站刊載。

提名委員會之角色及職能如下：

- (a) 最少每年檢討董事會之架構、人數及組成(包括技能、知識及經驗方面)，並就任何擬對董事會作出之變動提出建議，以配合本公司之企業策略；
- (b) 物色具備合適資格可擔任董事會成員之人士並挑選人士出任董事或就此向董事會提出建議；
- (c) 評核獨立非執行董事之獨立性；及
- (d) 就董事委任或重新委任以及董事(尤其是主席及行政總裁)之繼任計劃向董事會提出建議。

提名委員會於每次會議後向董事會匯報討論結果及建議，並獲提供充足資源以履行職務及獲董事會授權諮詢獨立法律或其他專業意見。

於本年度內，提名委員會曾舉行一次會議，以檢討本公司董事會及高級管理人員。委員會已檢討董事會之架構、人數及組成；檢討董事會多元化政策；檢討董事所付出時間及貢獻；評核獨立非執行董事之獨立性；於二零一八年股東週年大會就董事委任及重新委任提出建議，並討論本公司董事會及高級管理人員之繼任計劃。此外，委員會已檢討提名政策(包括挑選及推薦董事候選人之步驟、程序及標準)。討論結果及建議已呈交董事會審議。

BOARD COMMITTEES (CONT'D)

Nomination Committee (cont'd)

Board Diversity Policy

The Board has adopted its own board diversity policy ("Board Diversity Policy"). The Board Diversity Policy aims to achieve diversity of the Board through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience. The Nomination Committee of the Company shall review the Board Diversity Policy as appropriate and make recommendations on any proposed revisions to the Board.

Board appointments will be based on objective criteria having due regard to the benefits of diversity of the Board.

The attendance of committee members at committee meetings during the year is set out on page 49.

BUSINESS MODEL

The Company is listed on The Stock Exchange of Hong Kong Limited. The principal activity of the Company is investment holding.

The Company's subsidiaries are principally engaged in the importing, wholesale, retail and installation of architectural builders' hardware, bathroom, kitchen collections and furniture in Hong Kong and the People's Republic of China (the "PRC").

The objective of the Company and its subsidiaries (collectively the "Group") is to become one of the leading quality suppliers of architectural builders' hardware, bathroom, kitchen collections and furniture. Our goal is to enhance the brand value of the Group by managing customers' expectation of getting products that commensurate with their lifestyles and quality services. Founded four decades ago, the Group has established reputation and gained trust from major contractors, property developers and dealers. The Group also runs retail outlets and showrooms to display products.

BUSINESS STRATEGY

The Group endeavours to generate return to shareholders through:

- (a) Leveraging our core competencies in products and services to generate profits;
- (b) Maintaining collaborative relationships with staff members, customers and suppliers; and
- (c) Adopting a prudent financial management policy at all times.

董事委員會(續)

提名委員會(續)

董事會多元化政策

董事會已採納其自身之董事會多元化政策(「董事會多元化政策」)。董事會多元化政策旨在透過考慮多項因素，包括但不限於性別、年齡、文化及教育背景或專業經驗，務求達致董事會多元化。本公司之提名委員會將適時檢討董事會多元化政策，並就該政策之任何建議修訂向董事會提供建議。

董事會作出委任時會以客觀條件為依歸，並會充分顧及董事會多元化之裨益。

委員會成員於本年度內舉行的會議出席情況載列於第49頁。

業務模式

本公司為於香港聯合交易所有限公司上市之公司，主要業務為投資控股。

本公司的附屬公司主要於香港及中華人民共和國(「中國」)從事進口、批發、零售及安裝建築五金、衛浴、廚房設備及傢俬。

本公司及其附屬公司(統稱「本集團」)致力成為優質建築五金、衛浴、廚房設備及傢俬供應商。我們因應客戶之生活方式供應產品及優質服務，切合客戶所需，務求提升本集團之品牌價值。本集團成立四十年以來，在業界建立聲譽，並取得主要承建商、物業發展商及經銷商之信賴。本集團亦經營零售店舖及陳列室，以展示產品。

業務策略

本集團力求透過下列策略為股東帶來回報：

- (a) 利用我們在產品及服務方面的核心競爭力創造盈利；
- (b) 與員工、客戶及供應商維持合作關係；及
- (c) 時刻實行審慎嚴格的財務管理政策。

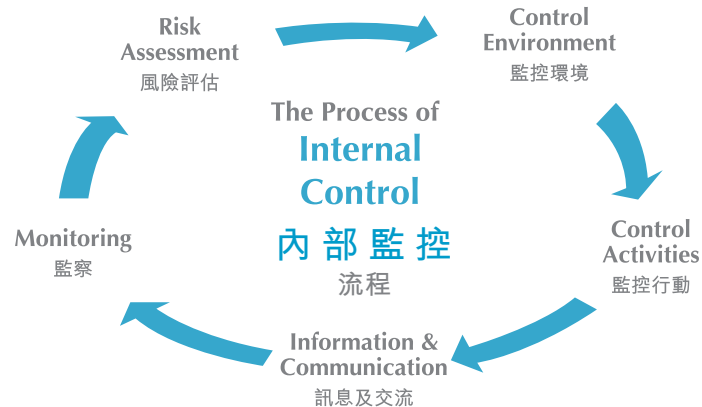
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RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems to safeguard the shareholders' investment and the Group's assets. The Board is also responsible for the risk management and internal control system and reviewing their effectiveness.

The 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.

Process of risk management and internal control systems



Internal controls encompass a set of rules, policies, and procedures that the Group implements to provide reasonable assurance that:

- (a) The Group financial reports are reliable;
- (b) The Group operations are effective and efficient; and
- (c) The Group activities comply with applicable laws and regulations. The Board, management, and other personnel are responsible for the internal control system.

風險管理及內部監控系統

董事會負責評估及釐定本公司達成策略目標時所願意接受的風險性質及程度，並確保本公司設立及維持合適而有效的風險管理及內部監控系統，保障股東的投資及本集團的資產。董事會亦負責風險管理及內部監控系統，並檢討有效性。

該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

風險管理及內部監控系統的過程

內部監控涵蓋一套本集團實施的規則、政策及程序，以合理保證：

- (a) 集團的財務報告穩妥可靠，
- (b) 集團的營運有效而具效益，及
- (c) 集團的業務活動遵從適用法律及法規。本集團董事會、管理層及其他人員負責內部監控系統的運作。



RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

風險管理及內部監控系統(續)

The key components of the Group's internal control structure are as follows:

本集團內部監控架構的主要組成部分如下：

<p>Control Environment</p> <p>Establishing a foundation for monitoring internal control begins with an effective tone at the top of the organisation. The reason of this is so important that management's attitude regarding monitoring will determine the selection of evaluators and the approach to monitoring. The tone set by the management will influence the way staff members conduct monitoring activities. In turn, the Board will influence and guide how management applies and conducts monitoring.</p>	<p>監控環境</p> <p>就成立內部監控的監察基礎而言，組織架構之基調至為重要，乃由於管理層對於監察的態度將決定評估人選及監察的方式。管理層之基調會影響團隊成員進行監察活動的方式。相應地，董事會又會影響及指導管理層執行及落實監察。</p>
<p>Control Activities</p> <p>The internal control of the Group includes the following areas:</p> <ul style="list-style-type: none"> • Integrity and ethics • Commitment to competence • Board of Directors and audit committee participation • Management philosophy and operating style • Organisational structure • Assignment of authority and responsibility • Human resource policies and practices 	<p>監控行動</p> <p>本集團的內部監控包括以下範疇：</p> <ul style="list-style-type: none"> • 品格及道德操守 • 知人善任 • 董事會及審核委員會的參與 • 管理方針及經營作風 • 組織架構 • 分派權限和責任 • 人力資源政策及常規



Corporate Governance Report 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

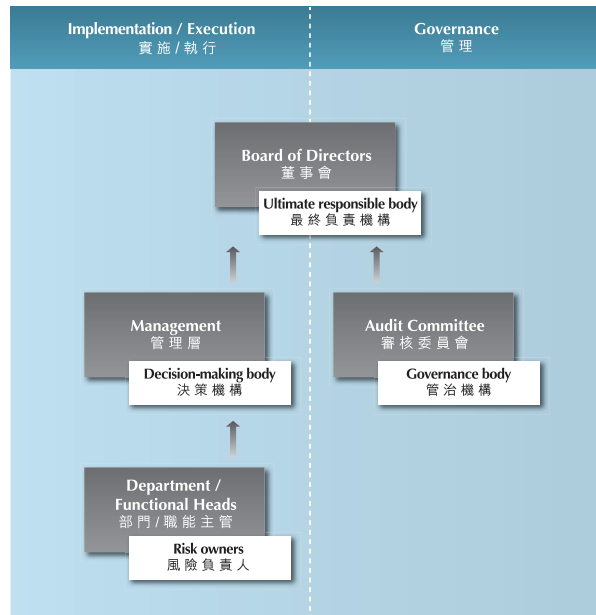
風險管理及內部監控系統(續)

Information and Communication

The Group's risk management structure is shown as below:

訊息及交流

本集團的風險管理架構如下所示：



The Board has the overall responsibility in ensuring that the Company establishes and maintains robust and effective risk management and internal control systems for the Group.

The Audit Committee, on behalf of the Board, oversees the management on the design, implementation and monitoring of the risk management and internal control systems of the Company, including financial controls, operational controls and compliance controls.

The management is the decision-making body of the risk management control system. It comprises members from various functions of the Group so as to provide holistic coverage of the Group as a whole.

Department and functional heads are responsible for managing risk during their day-to-day operations. They operate in accordance with the clearly defined procedures, responsibilities and limits of authority. They identify and assess risk associated with their operations and report to the management for review.

董事會全權負責確保本公司為本集團建立及維持穩健及有效的風險管理及內部監控系統。

審核委員會代表董事會監督本公司風險管理及內部監控系統的設計、實施及監控管理，包括財務監控、營運監控及合規監控。

管理層乃風險管理監控系統的決策機構；其成員來自本集團不同的職能部門，以全面涵蓋本集團的風險管理。

部門及職能主管負責管理日常營運中的風險。彼等按照明確界定的程序、職責及權限運作。彼等識別及評估與彼等營運相關的風險，並向管理層報告作審閱。

Monitoring

Monitoring of internal control is performed through application of both on-going evaluations and separate evaluations. These evaluations ascertain whether other components of internal control continue to function as designed and intended. In addition, these evaluations facilitate identification of internal control deficiencies and communicate them to appropriate officials responsible for taking corrective actions. More serious deficiencies are communicated to higher levels of management and to the Board of Directors when appropriate.

監察

本集團透過持續評估及獨立評估，監察內部監控。該等評估確認其他內部監控組成部分是否一直按所設計及擬定的方式運作。此外，該等評估協助識別內部監控是否有任何不足之處，本集團會就此與負責修正的有關人員溝通。較為嚴重的缺失會向管理高層匯報，並在適當時候呈報予董事會。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

風險管理及內部監控系統(續)

Risk Assessment

Business risks change over time. The internal control system needs to be capable of determining that the controls in place are relevant and effective in addressing new risks. A monitoring process must be capable of addressing the need for revisions in the design of controls based on changing risk. Effective internal control systems must be capable of containing risks at an acceptable level to ensure effective and efficient operations on an on-going basis. Thus, continuous feeding of information and communication help monitoring the changes and reaction.

By the use of the modern IT system to record, maintain and produce outputs of accurate, complete, and timely information, the Board and management team can:

- (a) Evaluate the risks associated with the updated mode of collecting, storing, and reporting data (e.g. recording the sale of merchandise, updating a customer's address, preparing a report on sales by product);
- (b) Design specific control procedures that help control the risks applicable to the new design; and
- (c) Ensure accountants are familiar with IT capabilities and risks, and recognise the opportunities that the IT system provides to prevent, detect, and correct errors and irregularities as the business events are executed.

風險評估

商業風險或會隨著時間改變。內部監控系統必須能夠釐定所實施的監控對於解決新風險而言屬相關及有效。監察程序必須能夠根據多變的風險，在設計監控時切合修訂需要。有效的內部監控系統必須能夠將風險控制於可接受的水平，確保業務按持續基準有效及順利進行。因此，持續地投入資訊及溝通有助監察有關變動及反應。

本集團利用先進的資訊科技系統去記錄、維持及製成準確、完整而及時的資料。董事會及管理團隊藉此能夠：

- (a) 評估最新收集、儲存及匯報數據的模式(例如記錄商品銷售、更新客戶地址、編製產品分類銷售報告)所涉及風險；
- (b) 設計特定監控程序以有助於新設計適用風險的監控；及
- (c) 確保會計人員熟習資訊科技的功能和風險，及認識資訊科技系統帶來當執行業務事件時能夠防範、偵測和修正錯誤和失當事宜的機會。



Corporate Governance Report 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

Risk assessment identifies and analyses the relevant risks associated with the Group's objectives. It forms the basis for determining what risks need to be controlled and the controls required to manage them. Our head of risk management has periodic meetings with directors and the management team to oversee and discuss the proper operating style with each other. Directors and the management team will then make decision and delegate to each department for execution. Through daily communication and information gathered, directors and management team will be able to monitor the daily operation and risks that might occur, thus be able to prevent or minimise them. It also makes sure operations are in compliance with laws, rules, and regulations. At the same time, each department's missions and goals are achieved. The management confirmed that the design, implementation and monitoring of the risk management and internal control systems of the Company were effective.

Handling and Dissemination of Inside Information

The Company recognises its disclosure obligation under the Securities and Futures Ordinance and the Listing Rules. The Company conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission. The Company has included in its staff handbook a strict prohibition on the unauthorised use of confidential including inside information in order to make sure appropriate handling and dissemination of Inside Information is in place.

Review of risk management and internal control systems for the year ended 31 March 2018

The Board, through the Audit Committee, oversees the management on the design, implementation and monitoring of the risk management and internal control systems of the Company, including financial controls, operational controls and compliance controls.

The Group carried out control activities comprising a diverse range of policies and procedures, including: conducting reviews of actual performance, reviewing of performance reports, checking information processing in transactions, performing physical controls, analysing performance indicators and dividing and segregating duties amongst different people. These can help the Group ensure proper internal control is in place across departments/divisions.

風險管理及內部監控系統(續)

風險評估識別及分析與本集團目標相關的風險。此為確定有何風險需要控制及管理該等風險所需控制措施的基礎。風險管理部門主管與董事及管理團隊定期開會，綜覽及討論有關合適營運方式。董事及管理團隊繼而將會下達決定及指派各部門執行。通過日常溝通及所收集的資訊，董事及管理層將可監察日常營運及可能出現的風險，從而可防範或盡可能降低該等風險。此亦可確保營運符合法例、規則及法規，並同時達成每個部門的使命和目標。管理層確認，本公司風險管理及內部監控系統的設計、實施及監測行之有效。

處理及發佈內幕消息

本公司深明其於證券及期貨條例及上市規則項下的披露責任。本公司密切根據證券及期貨事務監察委員會發佈的「內幕消息披露指引」處理其事務。本公司已在其員工手冊內訂明嚴格禁止在未經授權的情況下使用機密資料(包括內幕消息)，以確保適當處理及發佈內幕消息。

截至二零一八年三月三十一日止年度風險管理及內部監控系統的檢討

董事會透過審核委員會監督管理層對本公司風險管理及內部監控系統的設計、實施及監察，包括財務監控、運作監控及合規監控。

本集團進行的監控活動包括多項政策及程序，當中包括檢討實際表現、審閱表現報告、檢查交易的資料處理、進行現場監控、分析不同表現指標、劃定及區分不同人員間的職責。該等監控活動可協助本集團確保部門／分部之間採取適當的內部監控。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

Review of risk management and internal control systems for the year ended 31 March 2018 (cont'd)

Throughout the year, the Board through the Audit Committee, holds an annual review to consider and discuss, including but not limited to, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function. During the year, the Company did not have an internal audit department; details of which are set out on page 29. Based on the review, the Board considers that there is no significant change in the nature and extent of risks and the Company's ability to respond to changes in its business and the external environment since the last annual review. The Board was not aware of any significant issues that would have an adverse impact on the effectiveness and adequacy of the risk management and internal control systems of the Group for the year ended 31 March 2018.

Based on the internal financial controls, half-yearly financial reporting and timely updates on Listing Rules requirements, the Group's processes for financial reporting and Listing Rules compliance are considered by the Board as effective.

BOARD AND COMMITTEE ATTENDANCE AND TRAINING RECORDS

The attendance of Directors at the Annual General Meeting, Board and committee meetings and training records for the year ended 31 March 2018 is as follows:

Director	董事	Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會	Types of Training 培訓類別
Executive Directors							
Mr. TSE Sun Fat, Henry	謝新法先生	11/11			1/1	1/1	A,B
Mr. TSE Sun Wai, Albert	謝新偉先生	11/11				1/1	A,B
Mr. TSE Sun Po, Tony	謝新寶先生	11/11				1/1	B
Mr. TSE Hon Kit, Kevin	謝漢傑先生	11/11				1/1	B
Mr. LAU Shiu Sun	劉紹新先生	8/11	2/2			1/1	A,B
Independent Non-executive Directors							
Mr. LEUNG Kwong Kin, J.P.	梁光建 太平紳士	5/5	2/2	2/2		1/1	A,B
Mr. WONG Wah, Dominic	黃華先生	5/5	2/2	2/2	1/1	1/1	A,B
Mr. WAN Sze Chung	溫思聰先生	5/5		2/2	1/1	1/1	A,B

Notes:

- A: Attending seminars, conference and/or forums
B: Reading newspapers, journals and/or updates

風險管理及內部監控系統(續)

截至二零一八年三月三十一日止年度風險管理及內部監控系統的檢討(續)

於本年度內，董事會藉審核委員會進行年度審閱，以考慮及討論(包括但不限於)本集團於會計及財務報告職能方面之資源、員工資歷及經驗、培訓課程及預算是否充足。於本年度內，本公司並無內部審核部門；有關詳情載於第29頁。根據該審閱，董事會認為自上次年度審查以來風險的性質及程度以及本公司對其業務和外部環境變化做出反應的能力並無重大變動。截至二零一八年三月三十一日止年度，據董事會所悉，並無任何重大事宜對本集團的風險管理及內部監控系統的有效性及充足性構成不利影響。

由於內部財務監控、半年度財務匯報和及時更新上市規則規定的變動，董事會認為本集團對財務匯報及上市規則合規的處理行之有效。

董事會及委員會出席情況及培訓記錄

截至二零一八年三月三十一日止年度董事於股東週年大會、董事會及委員會會議出席情況及培訓記錄如下：

附註：

- A: 參加研討會、會議及／或討論會
B: 閱讀報章、期刊及／或最新資料

Corporate Governance Report 企業管治報告

COMPANY SECRETARY

The selection, appointment and dismissal of the Company Secretary of the Company is approved by the Board.

Our Company Secretary is Mr. YU Chi Wah. He is also the Chief Financial Officer and is employed on a full-time basis. During the year, he had taken no less than 15 hours relevant professional training as required under Rule 3.29 of the Listing Rules. Our Company Secretary reports to the Board Chairman, co-ordinates the supply of information to the Directors and facilitates induction and professional development of Directors. During the year, meeting agenda and accompanying board papers were provided at least 3 days before the date of the Board or committee meetings. Furthermore, all Directors have access to the Company Secretary to ensure that board policies, board procedures and all applicable laws, rules and regulations are followed.

COMMUNICATION WITH SHAREHOLDERS

It is the Company's policies to have open communication and disclose information in a fair manner. Information disclosure is a key means to enhance corporate governance standard. Shareholders can assess the Company's performance based on the information disclosed and provide feedback to the Company. Information relating to the Group and its business, together with its financial conditions, are disclosed in this report and the Company's website at www.ebon.com.hk.

All registered shareholders shall receive either notice of the annual general meeting and extraordinary general meeting (together the "Meeting") or equivalent notification letter by post. The notice of the Meeting contains an agenda, resolutions proposed and a proxy form. All shareholders, whose shares are registered in the register of members, are entitled to attend the Meeting. Shareholders who cannot attend the Meeting can appoint their proxies or the chairman of the meeting as their proxies by completing the proxy form enclosed with the notice of the meeting and returning it to the Company's share registrar. Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at the Meeting will be taken by poll. Procedures for demanding a vote by poll, together with the notice of the meeting, have been enclosed with a circular despatched to the shareholders. The procedures shall be read out at the Meeting by the chairman of the meeting so as to make sure shareholders are familiar with the detailed procedures for conducting a poll. In addition, separate resolutions for substantially separated issues shall be proposed to the Meeting for the approval of shareholders.

公司秘書

本公司公司秘書的遴選、委任及解僱均由董事會批准。

俞志燁先生獲全職聘用為公司秘書兼首席財務總監。於本年度內，彼根據上市規則第3.29條接受不少於15個小時之相關專業培訓。公司秘書向董事會主席報告，負責協調向董事提供資料，並促進董事入職及專業發展。於本年度內，會議議程及相關董事會文件最少在董事會或委員會會議舉行日期三天前提供。此外，所有董事均可接觸公司秘書以確保董事會政策、董事會程序、所有適用法例、規則及規定獲得遵守。

與股東溝通

本公司奉行坦誠溝通及公平披露資料之政策。披露資料是提升企業管治標準之主要方法。股東可憑所披露的資料評估本公司表現，並向本公司提出反饋意見。本報告及本公司網站www.ebon.com.hk內提供有關本集團及其業務之資料及財務狀況。

所有已登記之股東會以郵遞方式收取股東週年大會及股東特別大會（統稱「股東大會」）通告或相關通知書。股東大會通告載有會議議程、提呈之決議案及代表委任表格。所有股份登記於股東名冊內之股東均有權出席股東大會。未能出席股東大會之股東可填妥通告隨附之代表委任表格並交回本公司股份過戶登記處，以委任彼等之受委代表或大會主席擔任彼等之代表。根據上市規則第13.39(4)條，股東大會上所有議決事項均須以按股數投票方式表決。有關要求以按股數投票方式表決之程序已載於連同召開股東大會通告一併寄發致股東之通函，並由大會主席於股東大會讀出，以確保股東熟悉以投票方式進行表決的詳細程序。此外，本公司須於股東大會就每項實際獨立之事宜提出獨立決議案，以供股東批准。

COMMUNICATION WITH SHAREHOLDERS (CONT'D)

The annual general meeting is considered as an annual significant event of the Company. The AGM provides a precious opportunity for shareholders and the Board to exchange constructive opinions. All Directors shall attend the annual general meeting. Apart from attending the AGM, the Chairman of the Board shall arrange the chairmen of each Board Committee to attend and answer questions at the annual general meeting. The Company's auditor shall also attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

Shareholders' Communication Policy

The Board adopted a Shareholders' Communication Policy reflecting mostly the current practices of the Company for communication with its Shareholders. Such Policy aims to set out the provisions with the objective of ensuring that the Company's shareholders, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company, so that Shareholders are able to exercise their rights in an informed manner, and to allow them and the investment community to engage actively with the Company. For the purpose of this Policy, reference to the investment community is intended to include the Company's potential investors as well as analysis reporting and analysis the Company's performance.

Shareholders and other stakeholders may at any time send their written enquiries and concerns by post to the Board by addressing them to the Company Secretary of the Company at its Head Office as follows:

The Company Secretary
16th–18th Floors
First Commercial Building
33 Leighton Road, Causeway Bay
Hong Kong

與股東溝通(續)

本公司視股東週年大會為本公司之年度盛事。股東週年大會提供重要機會，讓各股東與董事會交換具建設性之意見。全體董事應該出席股東週年大會。董事會主席除參與股東週年大會外，並會安排各董事委員會主席參與股東週年大會及於會上回答提問。本公司核數師亦須出席股東週年大會，以解答有關審核工作、編製核數師報告及其內容、會計政策、核數師獨立性之提問。

股東通訊政策

董事會採用最有效反映本公司現行常規之股東通訊政策，以便與股東溝通。此政策所載條文旨在確保本公司股東(在適當情況下包括投資人士)可適時取得完備、相同、公正及容易理解之本公司資料，使股東能夠在知情情況下行使權力，並使彼等及投資人士與本公司加強溝通。就本政策而言，對投資人士之提述擬包括本公司潛在投資者以及專責報告及分析本公司表現之分析師。

股東及其他利益相關人士可隨時以郵遞方式，向董事會提交書面查詢及關注議題，信函可寄至本公司總辦事處，註明由公司秘書啟，郵址為：

公司秘書
香港
銅鑼灣禮頓道33號
第一商業大廈
16–18樓

Corporate Governance Report 企業管治報告

COMMUNICATION WITH SHAREHOLDERS (CONT'D)

Shareholders' Communication Policy (cont'd)

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders and the investment community, and will regularly review this Policy to ensure its effectiveness as follows:

- (a) Information shall be communicated to Shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), annual general meetings and other general meetings that may be convened, as well as by making available all the disclosures submitted to The Stock Exchange of Hong Kong Limited ("SEHK") and its corporate communications and other corporate publications on the Company's website.
- (b) Effective and timely dissemination of information to Shareholders and the investment community shall be ensured at all times. Any question regarding this Policy shall be directed to the Company Secretary.

Shareholders' Enquiries

- (a) Shareholders should direct their questions about their shareholdings to the Company's Registrar.
- (b) Shareholders and the investment community may at any reasonable time make a request for the Company's information to the extent such information is publicly available.
- (c) Shareholders and the investment community shall be provided with designated contacts, e-mail addresses and enquiry lines of the Company in order to enable them to make any query in respect of the Company.

與股東溝通(續)

股東通訊政策(續)

本公司已設立多個渠道持續與股東及投資人士保持溝通，並會定期檢討本政策以確保成效：

- (a) 本公司向股東及投資人士傳達資訊之主要渠道為：本公司之財務報告(中期及年度報告)；股東週年大會及其他可能召開之股東大會；並將所有呈交予香港聯合交易所有限公司(「聯交所」)之披露資料，以及公司通訊及其他登載在本公司網站的公司刊物。
- (b) 本公司時刻確保有效及適時向股東及投資人士傳達資訊。如對本政策有任何疑問，應向公司秘書提出。

股東查詢

- (a) 股東如對名下持股有任何問題，應向本公司股份過戶登記處提出。
- (b) 股東及投資人士可在任何合理時間要求索取本公司之公開資料。
- (c) 本公司須向股東及投資人士提供指定之本公司聯絡人、電郵地址及查詢熱線，以便彼等提出任何有關本公司之查詢。



SHAREHOLDERS' RIGHTS

1. The Company has only one class of shares and the Articles of Association of the Company set out the rights of our shareholders.
2. Shareholders have right to receive corporate communications issued by the Company.
3. Shareholders whose shares held in Tricor Abacus Limited ("Tricor") may notify us from time to time through Tricor if they wish to receive our corporate communications.
4. Shareholders are furnished with comprehensive background information in a timely manner concerning the matters to be decided at general meetings and they are well informed of the rules including the voting procedures that govern general meetings.
5. Subject to the Articles of Association and the rules prescribed by the Stock Exchange from time to time, shareholders have right to participate and vote in general meetings. Any shareholder not attending a general meeting can give proxy to vote on his/her behalf. Forms of Proxy are sent to shareholders of the Company together with the notice of meeting.
6. Shareholders have right to raise questions at general meetings.
7. Shareholder(s) 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 may request the Board, through the Company Secretary, to convene an extraordinary general meeting.
8. Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at the annual general meeting will be taken by poll. The chairman of the meeting will explain at the commencement of the meeting the detailed procedures for conducting a poll. On a poll, every shareholder present in person or by proxy will have one vote for every share held. A shareholder which is a corporation will be present in person if a duly authorised representative of such shareholder is present at the meeting. A shareholder present in person or by proxy who is entitled to more than one vote does not have to use all his or her votes or to cast all his or her votes the same way. The result of the poll shall be deemed to be a resolution of the meeting. After the closure of a general meeting, the poll results will be published on the Company's website at www.ebon.com.hk and the HKEXnews website at www.hkexnews.hk.

股東權利

1. 本公司只有一類股份。本公司之組織章程細則載有股東權利。
2. 股東有權收取本公司發出之公司通訊。
3. 在卓佳雅柏勤有限公司(「卓佳」)持有股份之股東如擬收取本公司之公司通訊，可不時透過卓佳通知本公司。
4. 股東適時獲提供有關將在股東大會議決事宜之全面背景資料，並獲通知有關規管股東大會之規則(包括投票程序)之詳細資料。
5. 在組織章程細則及聯交所不時訂明規則之規限下，股東有權參與股東大會並在會上投票。不擬出席股東大會之股東可委任受委代表代其出席。代表委任表格連同會議通告一併寄發予本公司股東。
6. 股東有權在股東大會提問。
7. 於遞呈要求當日持有附帶權利於本公司股東大會投票之本公司繳足股本不少於十分之一之股東可透過公司秘書要求董事會召開股東特別大會。
8. 根據上市規則第13.39(4)條，股東於股東週年大會所作任何表決必須以按股數投票方式進行。股東大會主席會在會議開始時說明以按股數投票方式表決之詳細程序。投票時，親身出席或委派受委代表出席之每名股東，每持有一股股份則可投一票。倘股東為公司並由正式授權代表代為出席，則該股東將被視作親身出席。親身出席或委派受委代表出席並可投超過一票之股東毋須行使其全部投票權或以相同方式行使其全部投票權。以按股數投票方式表決之結果將被視為會議上之一項決議案。投票結果將於股東大會完結後登載於本公司網站 www.ebon.com.hk 及 聯交所披露易網站 www.hkexnews.hk。



Corporate Governance Report 企業管治報告

SHAREHOLDERS' RIGHTS (CONT'D)

9. Shareholders are encouraged to participate in key corporate governance decisions. Sufficient time is allowed for shareholders to consider the candidates being nominated before the general meetings.
10. The Company ensures that votes cast are properly counted and recorded. Voting results are verified by independent scrutineers and announced in a timely manner after the closure of general meeting and posted on the Company's and HKEXnews websites.
11. Shareholder who has a material interest in the subject transaction may be required to abstain from voting on the relevant resolution at the relevant general meeting as required by the Listing Rules.

Procedures for a shareholder to propose a person for election as a Director

The general meeting is the principal opportunity and ideal venue for shareholders to meet and exchange views on the Company's business with the Directors and the management.

If a shareholder wishes to propose a person other than a retiring Director for election as a Director at an AGM, the shareholder should deposit a written notice of nomination which shall be given to the Company Secretary at the Company's head office within the 7-day period commencing the day after the despatch of the AGM notice (or such other period as may be determined and announced by the Directors from time to time).

Procedures for shareholders to put forward proposals at shareholders' meetings

There are no provisions in the Company's Articles of Association or the Companies Law of the Cayman Islands for shareholders to put forward new resolutions at general meetings. Shareholders who wish to put forward a new resolution may request the Company to convene a general meeting.

CONSTITUTIONAL DOCUMENTS

The Company's Memorandum and Articles of Association, in both English and Chinese, are available on the Company's website at www.ebon.com.hk and the HKEXnews website at www.hkexnews.hk. There was no significant change to the Memorandum and Articles of Association of the Company during the year ended 31 March 2018.

股東權利(續)

9. 本公司鼓勵股東參與主要企業管治事宜之決策。於股東大會前，股東會有充足時間考慮獲提名之董事會成員候選人。
10. 本公司確保每票均得到恰當計算及記錄。投票結果由獨立監票員核實，並於股東大會完結後適時於本公司及聯交所披露易網站公佈及登載。
11. 根據上市規則，在交易擁有重大權益之股東須在有關股東大會就相關決議案放棄投票。

股東提名他人選參選董事之程序

股東大會為董事及管理層與股東之間就本公司業務交流意見之重要機會及理想場合。

倘有股東欲推薦將退任董事以外之人士在股東週年大會參選董事，該股東須於股東週年大會通告寄發翌日起計七天內(或董事不時釐訂及公佈之其他期間)，向本公司總辦事處之公司秘書送交書面提名通知。

股東於股東大會提呈建議之程序

本公司之組織章程細則或開曼群島公司法並無股東於股東大會提呈新決議案的條文。有意提呈新決議案的股東可要求本公司召開股東大會。

章程文件

本公司之組織章程大綱及細則(包括中英文版本)於本公司網站 www.ebon.com.hk 及聯交所披露易網站 www.hkexnews.hk 可供查閱。截至二零一八年三月三十一日止年度，本公司之組織章程大綱及細則並無重大變動。

Environmental, Social and Governance Report 環境、社會及管治報告

OVERVIEW

This Environmental, Social and Governance Report (the “ESG Report”) is prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited. It provides an annual summary of the Group’s environmental and social performance for the financial year ended 31 March 2018. For corporate governance, please refer to pages 29 to 54.

SCOPE OF THIS REPORT

This Report aims to provide a balanced representation of the Group’s performance in the environmental and social (employment and labour practices, operating practices and community investment) aspects and covers the Group’s operations in Hong Kong. The Group will expand the scope of disclosures when the data collection system is better established.

The Group’s operations in Hong Kong:

概覽

本環境、社會及管治報告(「環境、社會及管治報告」)是依照香港聯合交易所有限公司證券上市規則(「上市規則」)附錄二十七所載的環境、社會及管治報告指引規定撰寫。本報告提供本集團截至二零一八年三月三十一日止財政年度的環境及社會表現的年度概述。有關企業管治，請參閱第29至54頁。

本報告的範圍

本報告旨在公正呈列本集團於環境及社會(僱傭及勞工常規、營運慣例及社區參與)層面的表現，範圍涵蓋本集團於香港的業務。本集團將在數據收集系統更加完善時擴大披露範圍。

本集團於香港的業務：



Environmental, Social and Governance Report 環境、社會及管治報告

CONTENT OF THIS REPORT

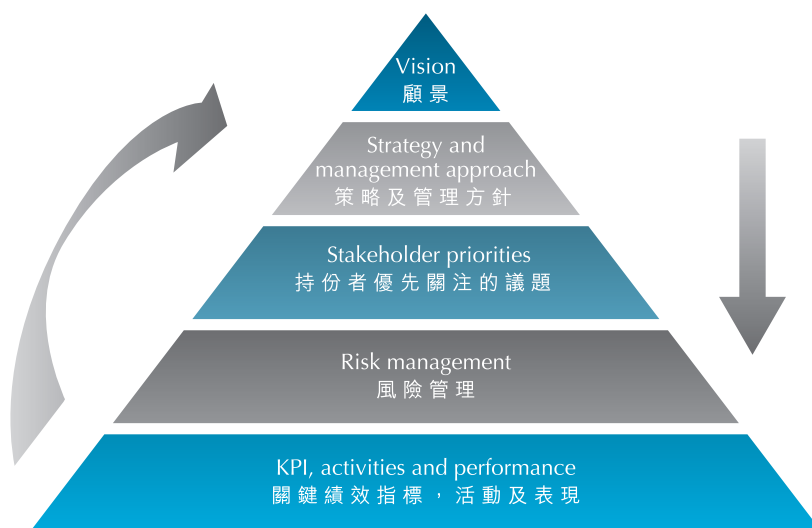
The content of this Report is defined through a systematic process including:

- Plan — Identify stakeholders and their interests
- Engage — Interact with stakeholders
- Make decisions — Use stakeholder input to determine report content
- Evaluate — Determine the effectiveness of stakeholder engagement processes

本報告的內容

本報告內容是按照一套有系統的程序而釐定，包括：

- 計劃 — 識別持份者及彼等的利益
- 參與 — 與持份者互動
- 決定 — 利用持份者所提供之資料釐定報告內容
- 評估 — 釐定持份者參與流程是否有效



ASSURANCE

This Report has been independently verified by the Hong Kong Quality Assurance Agency, with the scope and basis of the verification set out in the Verification Statement of this Report.

保證

本報告已獲香港品質保證局獨立驗證，驗證範圍及基準載於本報告核實聲明一節。

REPORTING RESPONSIBILITY

The Board has delegated the environmental and social performance to an ESG workgroup which comprising of a director of the Group. The ESG workgroup reports to the Board and the Board has the overall responsibility for the Group's sustainability performance and ESG reporting. The Group is committed to making continuous improvements on environmental and social aspects and has taken measures to supervise and implement policies to manage sustainable development of the Group. Key performance indicators were identified and monitored for reviews and enhancement plans. This Report was approved by the Board on 27 June 2018.

報告責任

董事會已將環境及社會表現委託予環境、社會及管治工作組，成員包括本集團一名董事。環境、社會及管治工作組向董事會報告，而董事會全權負責本集團的可持續發展表現及環境、社會及管治報告。本集團致力改善環境及社會層面的表現，並已採取措施監督及實施政策來管理本集團的可持續發展。關鍵績效指標用作識別及監察用途，以便董事會評估及推行改進計劃。本報告已於二零一八年六月二十七日獲董事會批准。

SUSTAINABILITY POLICY

At E. Bon, sustainability is embedded in our business operations that creates sustainable value with its stakeholders in economic, environmental and social dimensions. The Group has developed a dedicated sustainability policy which directs its operations towards the best practice in areas such as business growth, environmental protection, employment and labour practices, operating practices and community involvement. The sustainability policy commits the Group to:

- Meeting all applicable legal and regulatory requirements on sustainability issues;
- Pursuing good practices of sustainability in its operations;
- Implementing policies relating to business growth, environmental protection, workplace quality, operating practices and community involvement;
- Encouraging our staff to be proactive in sustainability issues;
- Promoting sustainability awareness along its value chain;
- Engaging our stakeholders in the sustainability process; and
- Monitoring and improving the sustainability performance.

可持續發展政策

「可持續發展」的概念已根植於怡邦行業務營運中，與其持份者在經濟、環境及社會層面上創造可持續價值。本集團已制定一項專門的可持續發展政策，指導其在業務增長、環境保護、僱傭及勞工常規、營運實踐及社區參與方面的營運達至最佳實踐。可持續發展政策使本集團致力：

- 在可持續發展事宜上遵守所有適用法律及監管規定；
- 在營運中實施良好的可持續發展常規；
- 實施有關業務增長、環境保護、工作場所質素、營運實踐及社區參與的政策；
- 鼓勵員工積極應對可持續發展事宜；
- 向其價值鏈提倡可持續發展意識；
- 讓本集團持份者參與可持續發展流程；及
- 監控及改善可持續發展表現。

Environmental, Social and Governance Report 環境、社會及管治報告

SUSTAINABILITY STRATEGY

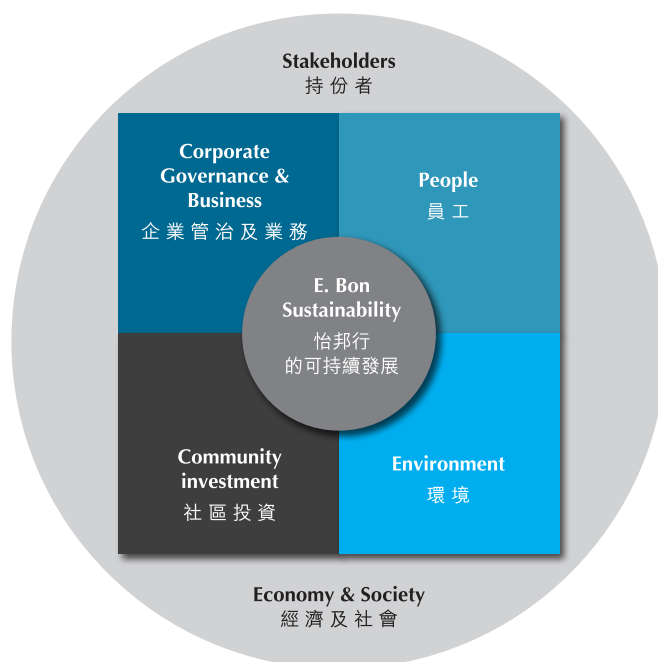
When we execute business strategies, our sustainability vision and policy enable us to take account of our responsibility to the environment and society in general. It steers us towards a balance of stakeholders' interests in the environment that we operate.

Our ESG matrix:

可持續發展策略

在執行業務策略時，本集團的可持續發展願景及政策促使我們考慮對環境及社會整體的責任，並引領我們在我們的營運環境中實現持份者之間的利益平衡。

以下為本集團的環境、社會及管治矩陣圖：



Although our vision remains consistent, the dynamic nature of stakeholders' preferences requires regular review and refinement of our strategies and risk management procedures to ensure the fulfilment of stakeholders' ever-changing needs.

雖然本集團的願景始終如一，但持份者所關注的議題會有所改變，因此須定期審閱，並改進集團的策略及風險管理程序，以確保滿足持份者不斷變化的需要。

Note: Unless otherwise stated, this ESG Report covers our operations in Hong Kong only. Our Hong Kong operations represent the core of all of our operations, contributing over 90% of our Group's turnover in the financial year ended 31 March 2018.

附註：除另有說明外，本環境、社會及管治報告僅涵蓋本集團於香港的業務。我們於香港的業務為業務核心，於截至二零一八年三月三十一日止財政年度為本集團營業額貢獻超過90%。



STAKEHOLDER ENGAGEMENT

Plan — Identify stakeholders and their interests

The ESG Workgroup reviewed the appropriateness of the sampling of stakeholders with reference to the current course of business to make sure the stakeholders being considered were relevant to the Group. Findings of the Workgroup were submitted to the management for discussions and actions where necessary.

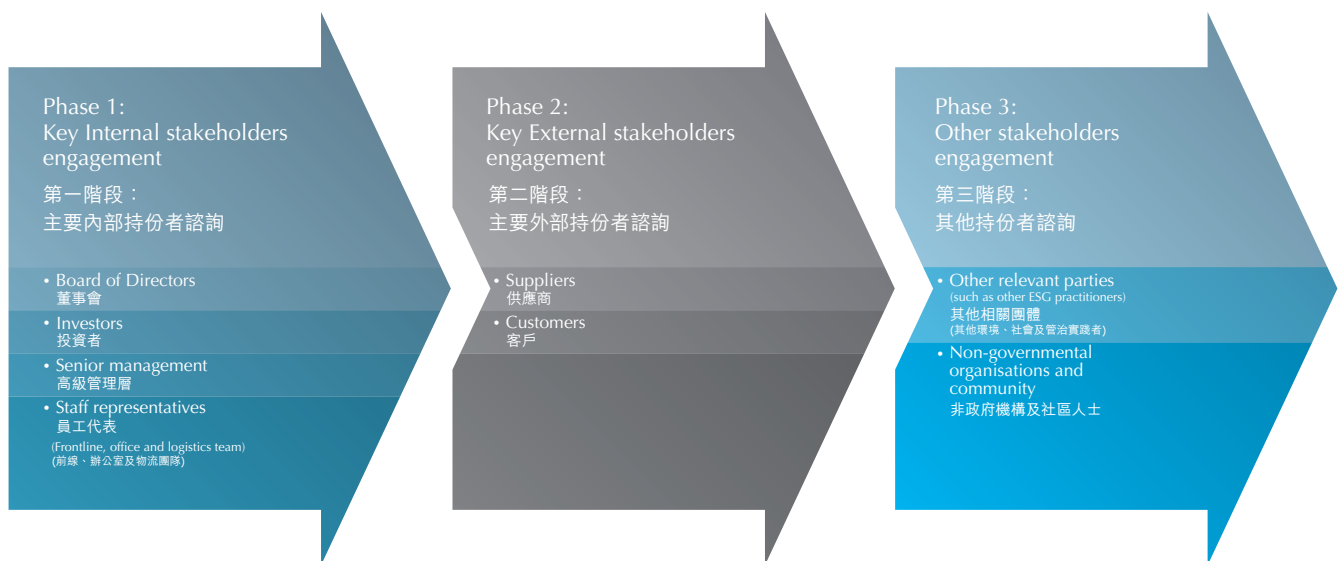
The stakeholder engagement process is spread over 3 key phases:

持份者參與

計劃 — 識別持份者及彼等的利益

環境、社會及管治工作組參考目前業務狀況檢討持份者抽樣的合適性，以確保所考慮的持份者與本集團相關。工作組的調查結果將遞交至管理層供有需要時進行討論及行動。

持份者參與流程包括三個主要階段：



Environmental, Social and Governance Report 環境、社會及管治報告

STAKEHOLDER ENGAGEMENT (CONT'D)

Engage — Interact with stakeholders

To identify our reportable material aspects, we carried out an on-going process of stakeholder engagement. Materiality assessment was conducted to identify important issues to both internal and external stakeholders of the Group by questionnaire. Material topics include issues that have a direct or indirect impact on the Group's ability to create, preserve or erode economic, environmental and social value of itself, its stakeholders and society at large. This process enables us to categorise various groups of stakeholders into an engagement matrix: (1) engage, (2) communicate and (3) inform stakeholders.

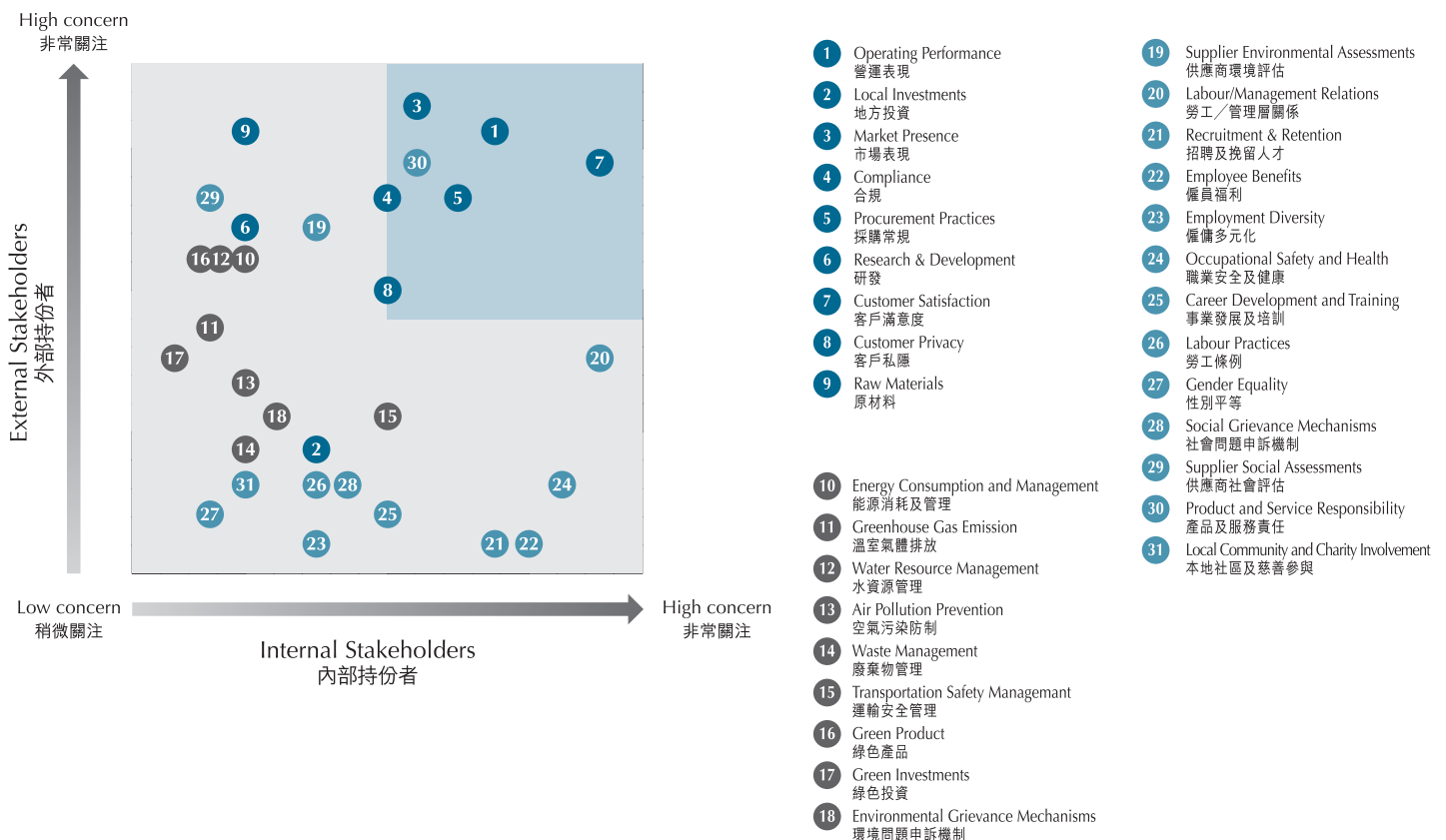
The following matrix outlines the perspectives of key internal and key external stakeholders of the Group based on the materiality assessments conducted over the past two years.

持份者參與(續)

參與 — 與持份者互動

為確定我們的可呈報重大範疇，我們持續進行持份者參與活動。我們實施重要性評估，透過問卷調查來確定對本集團內部及外部持份者而言重要的事宜。重大議題包括直接或間接影響本集團創造、保持或侵蝕其自身、其持份者及社會的經濟、環境及社會價值能力的事宜。該流程讓我們將不同群體的持份者歸類至一個參與矩陣圖：(1)參與；(2)交流及(3)知會持份者。

根據過往兩年實施的重要性評估，下列矩陣圖概括了本集團主要內部及主要外部持份者的觀點：



STAKEHOLDER ENGAGEMENT (CONT'D)

Engage — Interact with stakeholders (cont'd)

The Group identified 31 material issues related to its business operations. Through the materiality assessment, five issues were identified to have significant impacts by stakeholders, namely, customer satisfaction, market presence, operating performance, procurement practices, product and service responsibility. The assessment results were discussed and validated by the management of the Group. The Group has decided to prioritise its sustainability efforts on people issues where the Group has a relatively high sustainability impact.

Make decisions — Use stakeholder input to determine report content

During the year, the Group identified stakeholders' priorities to work on over the coming year:

- Continue policy enhancement
 - Review our current policies on major ESG subject areas of customer service and supplier management
 - Complete the collection of data in order to make comparisons feasible
- Increase disclosure coverage
 - Increase the disclosure in key performance indicators (KPI) where material

Evaluate — Determine the effectiveness of stakeholder engagement processes

The management is responsible to review the stakeholder engagement process to ensure a sufficient coverage of stakeholders and issues. Feedback of publication of ESG report is also included in the evaluation process.

持份者參與(續)

參與 — 與持份者互動(續)

本集團確定了與其業務營運相關的三十一個重大議題。透過重要性評估，持份者確定當中有五個議題有重大影響，即客戶滿意度、市場表現、營運表現、採購常規、產品及服務責任。本集團管理層已討論及驗證評估結果，並決定優先處理關於「人」的工作，此乃由於在此範疇上本集團受到相對較高的可持續發展影響。

決定 — 利用持份者所提供之資料釐定報告內容

於本年度，本集團已確定來年持份者的優先事項：

- 持續改善政策
 - 在環境、社會及管治主題範圍的政策上，檢視我們有關客戶服務及供應商管理的現行政策
 - 完成數據收集，以便進行比較
- 增加披露範圍
 - 在重大的事宜上，增加關鍵績效指標的披露

評估 — 釐定持份者參與流程是否有效

管理層負責審閱持份者參與流程，以確保涵蓋足夠的參與者及議題。環境、社會及管治報告的反饋意見亦會納入評估流程。

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SUSTAINABILITY MEASUREMENT AND MONITORING

The Group adopted Appendix 27 of the Listing Rules as the sustainability measurement framework. During the year, the Group enhanced data collection approaches and recorded certain key performance indicators (KPIs) as stated in Appendix 27 of the Listing Rules. KPIs were measured and recorded regularly by the ESG workgroup. The Group has set target to full disclosures by 2020. The Group would go beyond minimum disclosure requirements where appropriate.

Sustainability performance data was analysed. Both KPIs and analysis were reported to the management for discussion and establishment of improvement plans. Improvement targets were made with reference to the performance recorded for the year ended 31 March 2017 (the “Baseline”).

ENVIRONMENT

The Group endeavours to minimise pollution and protect the environment by conserving natural resources, reducing the use of energy and waste. We first implement business activities for which we bear responsibility and addressing the environmental issues by integrating environment considerations in our business. We create environmental awareness amongst our staff members and whenever possible and practical to do so. Our aim is to contribute to the sustainable future and be in harmony with the global environment.

A1 Emissions

Our electricity consumption accounts for a major part of its GHG emissions, with local transport contributing less than 5% of the total GHG emission. Measures aimed at improving energy efficiency are outlined on page 64.

Deliveries to the same district are gathered in bundles to minimise travel routes, hence reduce the use of petrol and emissions to air. In addition, we encourage our staff to use public transport; for those that are not accessible by public transport means, to carpool when travelling on business. Discharges to water are made through public sewages system. There was no discharge to water and/or land. There was no prosecution to the Group in relation to air emissions during the year.

可持續發展的計量及監控

本集團採用上市規則附錄二十七作為可持續性計量框架。於本年度，本集團已提升數據收集方法並記錄上市規則附錄二十七所列的若干關鍵績效指標。關鍵績效指標乃由環境、社會及管治工作組定期計量及記錄。本集團已定下目標，至二零二零年全面披露證券上市規則所要求的事項。在適當情況下，本集團將提供較最低披露要求更豐富的資料。

可持續發展績效數據已獲分析。關鍵績效指標及分析已呈報予管理層以供討論及制定改善計劃。改善目標乃根據截至二零一七年三月三十一日止年度錄得的表現（「基線」）而訂立。

環境

本集團致力將污染程度減至最低，透過保育天然資源、減少使用能源及製造廢物為保護環境出一分力。我們首先以負責任之態度進行商業活動，並在經營業務時考慮對環境的影響以應對環境問題。我們積極向員工灌輸環保意識，鼓勵員工在可能及切實可行之情況下貫徹環保原則。我們致力為可持續未來及全球環境和諧盡一分力。

A1 排放物

我們的溫室氣體排放主要來自電力消耗，本地運輸佔溫室氣體排放總量的比例不足5%。提高能源效率的措施概述於第64頁。

交付至相同區域的貨物集中付運，以盡量縮短運送路線，從而減少汽油的使用及空氣污染物的排放。此外，我們鼓勵員工使用公共交通工具，至於在工作地點遠離公共交通設施之情況，則安排多人同乘一部汽車。向水排污乃透過公共污水收集系統進行。本集團概無向水源及／或土地的排污。於本年度，本集團並無受到有關廢氣排放的起訴。



ENVIRONMENT (CONT'D)

A1 Emissions (cont'd)

The Group pays attention to hazardous waste such as e-waste. We have implemented plans to reduce the quantity of e-waste as outlined on page 66. Disposal of hazardous waste is conducted safely in accordance to relevant regulations. There was no prosecution to the Group in relation to hazardous waste handling during the year.

Non-hazardous waste is sorted in accordance with the possibility of re-use and recycling. Materials such as paper are collected by recyclers. There was no prosecution to the Group in relation to non-hazardous waste handling during the year.

環境(續)

A1 排放物(續)

本集團重視電子垃圾等有害廢棄物。我們已執行計劃減少電子垃圾數量，詳情載於本報告第66頁。有害廢棄物已依照有關規例妥善處理。於本年度，本集團並無受到有關有害廢棄物處理的起訴。

無害廢棄物以「重用」及「循環再造」的可能性原則來分類。紙張等材料則由回收商回收。於本年度，本集團並無受到有關無害廢棄物處理的起訴。

		2018 二零一八年	2017 ¹ 二零一七年
Total air emissions (Scope 1) (tonnes)	廢氣排放總量(範圍1)(噸)	0.006	0.006 ²
NOx (tonnes)	氮氧化物(噸)	0.006	0.006 ²
SOx (tonnes)	硫氧化物(噸)	0.000	0.000 ²
Particulate matter (tonnes)	懸浮粒子(噸)	0.000	0.000 ²
Total GHG emissions (Scope 1 and 2) (CO ₂ e tonnes)	溫室氣體排放總量(範圍1及2)(二氧化碳當量噸)	1,453.582	800.566
Direct emissions (Scope 1) (CO ₂ e tonnes)	直接排放(範圍1)(二氧化碳當量噸)	0.018	13.039
Indirect emissions (Scope 2) (CO ₂ e tonnes)	間接排放(範圍2)(二氧化碳當量噸)	1,453.564	789.644
Indirect emissions (Scope 2) per floor area (CO ₂ e tonnes/m ²)	單位樓面面積的間接排放(範圍2) (二氧化碳當量噸/平方米)	0.147	0.084
Indirect emissions (Scope 2) per employee (CO ₂ e tonnes/employee)	每名僱員的間接排放(範圍2) (二氧化碳當量噸/僱員)	10.236	5.849
Total emissions (Scope 1 and 2) per floor area (CO ₂ e tonnes/m ²)	單位樓面面積的排放總量(範圍1及2) (二氧化碳當量噸/平方米)	0.147	0.086
Total emissions (Scope 1 and 2) per employee (CO ₂ e tonnes/employee)	每名僱員的排放總量(範圍1及2) (二氧化碳當量噸/僱員)	10.236	5.946
Total hazardous waste produced (tonnes) ³	有害廢棄物產生總量(噸) ³		
Total non-hazardous waste produced (tonnes)	無害廢棄物產生總量(噸)	8.345	10.538
Total non-hazardous waste produced per floor area (tonnes/m ²)	單位樓面面積所產生無害廢棄物總量(噸/平方米)	0.001	0.001
Total non-hazardous waste produced per employee (tonnes/employee)	每名僱員所產生無害廢棄物總量(噸/僱員)	0.059	0.078
Total non-hazardous waste recycled (tonnes)	無害廢棄物回收總量(噸)	0.680	N/A 不適用

¹ Data was reported in the 2017 Annual Report. Certain figures have been restated in this ESG report after data consolidation.

² The annual data is obtained by projection.

³ Disposal of hazardous waste is negligible.

N/A = not applicable

¹ 數據報告於二零一七年年報內。若干數字於數據綜合後於本環境、社會及管治報告中重列。

² 年度數據乃透過預測得出。

³ 有害廢棄物處置微不足道。

N/A = 不適用

Environmental, Social and Governance Report 環境、社會及管治報告

ENVIRONMENT (CONT'D)

A2 Use of Resources

Electricity

Starting from January 2016, we have been phasing out old air-conditioners by energy-saving ones. Indoor temperature remains at 23°C–25°C.

Besides, old halogen lamps in shops have also been gradually replaced by LED spotlights. It consumes less energy, helps lower the indoor temperature (which requires less air-conditioning) but maintains approximate brightness. We are planning to phase out fluorescent lightings from T8 to T5 which consumes less energy.

Our promotional light boxes go automatically off from midnight to morning to reduce energy consumption.

The Group has set target to reduce the total energy consumption per employee by 10% by 2020 from the Baseline.

環境(續)

A2 資源使用

電力

自二零一六年一月起，我們已逐步淘汰舊式空調，轉而使用節能空調。室內溫度維持於23°C至25°C。

此外，店舖中的舊式石英燈亦已逐步更換為LED聚光燈。LED聚光燈消耗較少能源，有助於降低室內溫度（可少開空調），並且維持相若的亮度。我們正計劃逐步用消耗更少能源的T5熒光燈取代T8熒光燈。

我們的店舖燈箱於午夜至早上自動關閉，以減少能源消耗。

本集團已設定目標：從基線到二零二零年，每位僱員能源消耗總量減少10%。



ENVIRONMENT (CONT'D)

A2 Use of Resources (cont'd)

Water

Water consumed is for hygienic purpose. Labels of 'treasure every drop' are posted at prominent place next to taps to encourage staff members to minimise the use of water. We plan to replace old taps with sensor-type and add flow regulators to control water flow when feasible. As a supplier of home fittings, we provide a range of products with green features (eco-sensor, flow regulator, smart green design) to the market.

環境(續)

A2 資源使用(續)

水

集團用水乃用作衛生用途。水龍頭旁邊顯眼的位置貼有「珍惜每點滴」標籤，鼓勵員工盡量減少用水。我們計劃將舊式水龍頭替換成感應式水龍頭，並於可行的情況下添置流量調節器控制水流量。作為家居產品供應商，我們向市場供應各類環保產品（環保感應器、流量調節器、智能環保設計）。

		2018 二零一八年	2017 ⁴ 二零一七年 ⁴
Total energy consumption (MWh)	能源總耗量(兆瓦時)	1,095.583	1,072.726 ⁵
Total direct energy consumption (MWh)	直接能源總耗量(兆瓦時)	61.860 ⁶	42.999 ⁷
Total direct energy consumption per floor area (MWh/m ²)	單位樓面面積的直接能源總耗量(兆瓦時/平方米)	0.006	0.005 ⁷
Total direct energy consumption per employee (MWh/employee)	每名僱員的直接能源總耗量(兆瓦時/僱員)	0.436	0.319 ⁷
Total indirect energy consumption (MWh)	間接能源總耗量(兆瓦時)	1,033.723	1,029.726
Total indirect energy consumption per floor area (MWh/m ²)	單位樓面面積的間接能源總耗量(兆瓦時/平方米)	0.104	0.110
Total indirect energy consumption per employee (MWh/employee)	每名僱員的間接能源總耗量(兆瓦時/僱員)	7.280	7.628
Water consumption (m ³)	總耗水量(立方米)	1,150.139	1,085.720
Water consumption per floor area (m ³ /m ²)	單位樓面面積的總耗水量(立方米/平方米)	0.116	0.116
Water consumption per employee (m ³ /employee)	每名僱員的總耗水量(立方米/僱員)	8.100	8.042
Total packaging material (tonnes)	包裝材料總量(噸)	4.352	9.293
Total packaging material per floor area (tonnes/m ²)	單位樓面面積的包裝材料總量(噸/平方米)	0.000	N/A 不適用
Total packaging material per employee (tonnes/employee)	每名僱員的包裝材料總量(噸/僱員)	0.031	N/A 不適用

⁴ Data was reported in the 2017 Annual Report.

⁵ Certain calculation is estimated based on half-year data.

⁶ Figure calculated with reference to IOR Australia.

⁷ The calculation is estimated based on half-year data.

⁴ 數據報告於二零一七年年報內。

⁵ 若干計算基於半年數據估計。

⁶ 數字根據 IOR Australia 計算。

⁷ 此計算基於半年數據估計。

N/A = not applicable

N/A = 不適用

Environmental, Social and Governance Report 環境、社會及管治報告

ENVIRONMENT (CONT'D)

A3 The Environment and Natural Resources

Electricity: Reduction

Details of electricity reduction is set out on page 64.

Paper: Reduction

All office paper and almost all paper for printing the Group's publications are Forest Stewardship Council (FSC)-certified or recycled paper, except old publication (such as catalogues) which is yet to disseminate. Not only adopting FSC certified paper, the Group encourages the use of paperless communication. If printing is necessary, we encourage environmentally friendly printing manner (such as to print on both sides, reduce font size and margin). For internal reference document, we upload to intranet or circulate hardcopies instead of printing one copy for each staff member. In addition, paper collection tray is placed next to printer to gather single-side-printed paper for re-use.

Our box packaging fits the size of goods so as to minimise the use of paper and provide the best protection to the goods contained. The materials of our carton boxes fulfil relevant safety standards. Besides, we encourage the use of carton boxes for multiple times.

** FSC is an independent, non-governmental, not for profit organisation established to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

Electronic devices: Re-use

Technology advancement leads to shorter lifespan of electronic devices. Certain equipment becomes obsolete or incompatible to our operations after software upgrades. We are aware of potential environmental and health hazards related to disposal of e-waste. Hence, we have adopted the following initiative:

- Obsolete: Donate to non-governmental organisations such as Hong Kong Caritas Computer Recycle Project

環境(續)

A3 環境及天然資源

減少用電

有關減少用電詳情載於第64頁。

減少用紙

所有辦公室用紙及幾乎所有集團刊物用紙均為森林管理委員會認證或再生紙，惟尚未悉數派發的舊有刊物(如產品目錄)除外。本集團不僅採用森林管理委員會認證紙，亦鼓勵使用無紙化通訊。如需打印，我們鼓勵環保的打印方式(例如雙面打印、縮小字體和頁邊)。對於內部參考文件，我們上傳至內聯網或傳閱，而非為每位成員都打印一份副本。此外，紙張收集盒放置於打印機旁邊，收集單面打印的紙張，以便重用。

我們的包裝盒與貨品的尺寸相符，從而盡量減少用紙及為所包裝的貨物提供最佳保護。我們紙箱的材料達到相關安全標準。此外，我們鼓勵使用同一紙箱多次。

** 森林管理委員會為獨立非政府非牟利機構，成立目的為推動全球森林在環境上適當、在社會上有益和在經濟上可行的管理。

重用電子設備

科技進步縮短電子設備的使用壽命。若干設備於軟件升級後，變得過時或與日常運作不協調。我們知悉有關處置電子垃圾的潛在環境及健康危害，因此採納了以下措施：

- 過時：捐贈予非政府組織，例如香港明愛電腦再生計劃

		2018 二零一八年	2017 ⁸ 二零一七年 ⁸
Total paper consumption (tonnes)	紙消耗總量(噸)	43.923	17.000
Office paper (tonnes)	辦公室用紙(噸)	5.921	3.000
Paper for printing publications (tonnes)	打印刊物用紙(噸)	38.002	14.000

⁸ Data was reported in the 2017 Annual Report.

⁸ 數據報告於二零一七年年報內。

SOCIAL

Employment and Labour Practices

The Group believes its success, long-term growth and development depend upon the quality, performance and commitment of its staff members. We are committed to providing equal opportunity to our staff, matching the right people with the right job, and offering them a suitable platform to develop and excel in their career. Besides, we keep in mind to treat all staff members fairly and equally. We are committed to the provision of a healthy and safe workplace and encourage work-life balance of staff members.

B1 Employment

As at 31 March 2018, our workforce in operations in Hong Kong was recorded at 142 employees.

Our employment policy adheres to statutory requirements including but not limited to the Mandatory Provident Fund, Statutory Minimum Wages, Employees' Compensation Insurance and Paid Annual Leave. Competitive packages are offered to attract, retain and motivate competent individuals. We are dedicated to promoting equal opportunities for all of our employees in different areas, including recruitment, compensation and benefits, training, staff promotion and transfer. All staff members are assessed based on their ability, performance and contribution, irrespective of their gender, age, disability, family status, race, religious beliefs or sexual orientation.

We provide employee benefits such as subsidised medical scheme and travel allowance. The Group supports the staff's family life by providing children's scholarship. The Group has joined the Government's gender mainstreaming network 'Gender Focal Point'.

社會

僱傭及勞工常規

本集團相信集團之成就、長遠增長及發展，有賴員工之質素、表現及承擔。我們致力為員工提供平等機會、知人善任、讓員工發揮所長及完善他們的事業。此外，我們時刻謹記對所有員工一視同仁。我們亦致力提供健康及安全的工作環境，並提倡工作與生活平衡。

B1 僱傭

於二零一八年三月三十一日，本集團的香港員工人數為142名。

我們的僱傭政策符合法定規定，包括但不限於強制性公積金、法定最低工資、僱員賠償保險及有薪年假。我們提供具競爭力之薪酬待遇以吸納、留聘及鼓勵能幹人才。本集團致力在各項範疇為全體僱員提倡平等機會，當中包括招聘、薪酬及福利、培訓、晉升及調職。本集團乃根據僱員之能力、表現和貢獻作出評估，而不論其性別、年齡、殘障、家庭狀況、種族、宗教信仰或性取向。

本集團提供醫療補助及交通津貼等僱員福利，以及子女獎學金，照顧員工之家庭生活。本集團已參與香港政府的性別主流網絡「性別課題聯絡人」。

Environmental, Social and Governance Report 環境、社會及管治報告

SOCIAL (CONT'D)

Employment and Labour Practices (cont'd)

B1 Employment (cont'd)

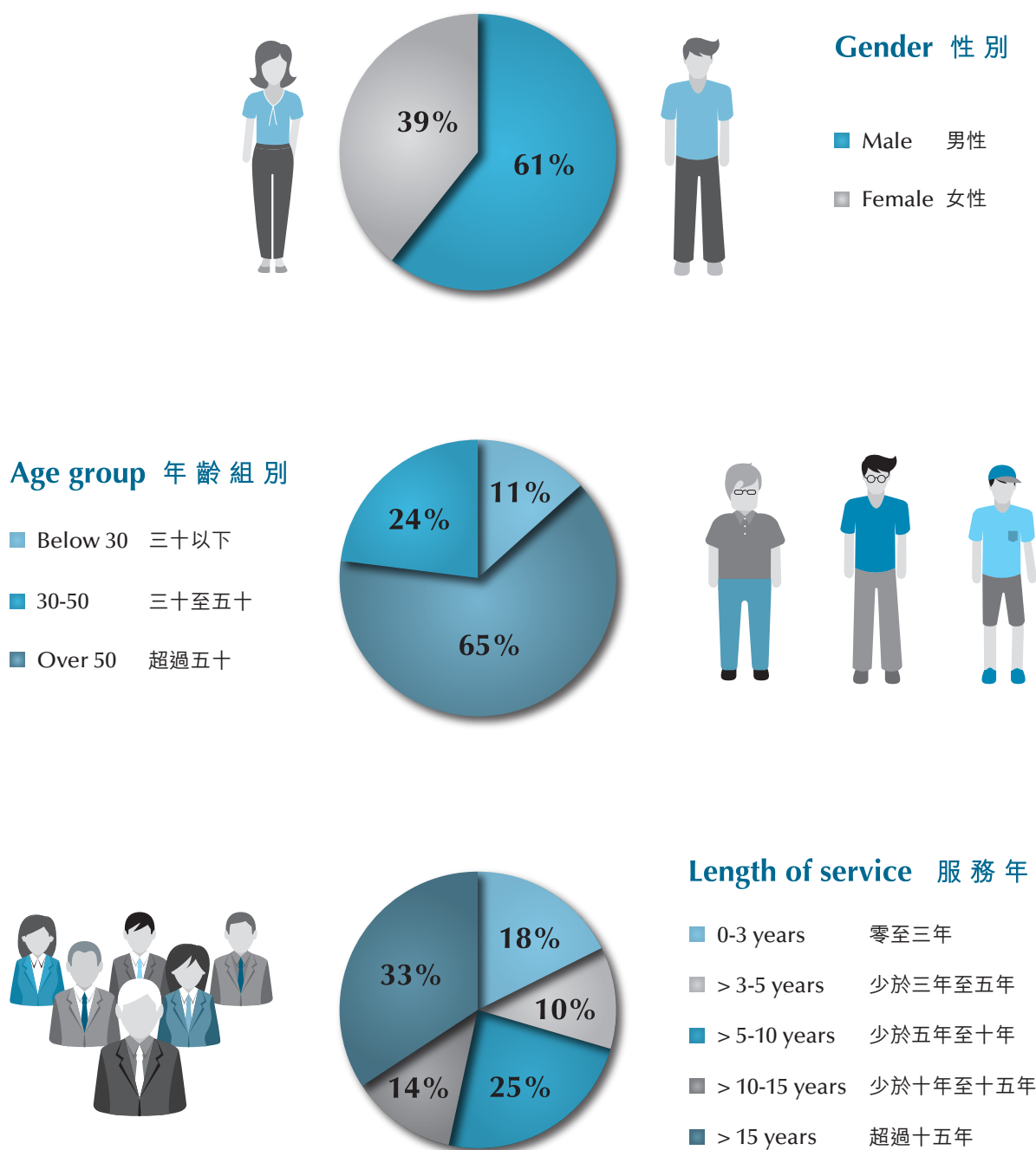
All of our staff members work on full time basis. Our workforce is comprised of:

社會(續)

僱傭及勞工常規(續)

B1 僱傭(續)

本集團員工均為全職員工，其組成如下：



SOCIAL (CONT'D)

Employment and Labour Practices (cont'd)

B2 Health and Safety

Our workplace is kept clean and tidy, with adequate work space for staff members to work in. Apart from that, a number of initiatives have been carried out to increase the staff awareness in health and safety at work:

- Occupational safety briefing
 - Guide new staff members especially those work in warehouse or go to construction sites
 - Staff members are able to stop work if they feel unsafe or is not properly trained
- Staff handbook (detailing employees' benefits and welfare, holiday and leave, working hours, feedback mechanisms)

All staff members, before going to construction sites, have attended safety training. When entering construction sites, they are equipped with safety helmet and briefed by relevant safety officers.

B3 Development and Training

The Group maintains an open, interactive and motivating working environment for our staff members. The management reviews its training and career development programmes with employees. Set out below are some training and development programmes:

- Sales and product training
 - Overseas training: Visit factory overseas
 - In-house training: Across senior to junior sales representatives
- Management training
 - For directors and senior management team to keep them abreast of the latest regulatory requirements, corporate governance practices, macro-economics and consumer trends
- Warehouse operation training
- Back office operation training

B4 Labour Standards

We comply with local employment regulations in all locations of our operations, and do not engage in any forced or child labour.

社會(續)

僱傭及勞工常規(續)

B2 健康與安全

我們的工作場所保持乾淨整潔，及給予員工足夠的工作空間。此外，我們已開展多個計劃以提高員工的工作健康與安全意識：

- 職業安全簡報
 - 為新入職員工(尤其是貨倉或前往建築地盤的員工)提供指引
 - 員工如感到不安全或未經適當培訓可停止作業
- 員工手冊(詳述僱員福利待遇、休假、工作時間、反饋機制)

所有員工於進入建築地盤之前已參加安全培訓。於進入建築地盤時，彼等須佩戴安全帽及聽取地盤安全主任的簡要提醒。

B3 發展及培訓

本集團為員工營造開放、互動及互相鼓勵的工作環境。管理層與僱員共同檢討其培訓及事業發展方案。以下為部分培訓及發展方案：

- 銷售及產品培訓
 - 海外培訓：參觀外國工廠
 - 內部培訓：各級銷售代表均參與
- 管理層培訓
 - 讓董事及高級管理人員緊貼最新的監管規例、企業管治實務、宏觀經濟及消費市場趨勢
- 貨倉操作培訓
- 後勤辦公室操作培訓

B4 勞工準則

我們遵守所有營運地點當地的僱傭法規，並無涉及任何強制勞工或童工問題。

Environmental, Social and Governance Report 環境、社會及管治報告

SOCIAL (CONT'D)

Operating Practices

B5 Supply Chain Management

Our customers include contractors, property developers and dealers. We recognise the uniqueness of requirements of each customer, and offer a full range of products to satisfy customers' needs.

The number of major suppliers, in terms of purchase amount, by geographical region is indicated as below:

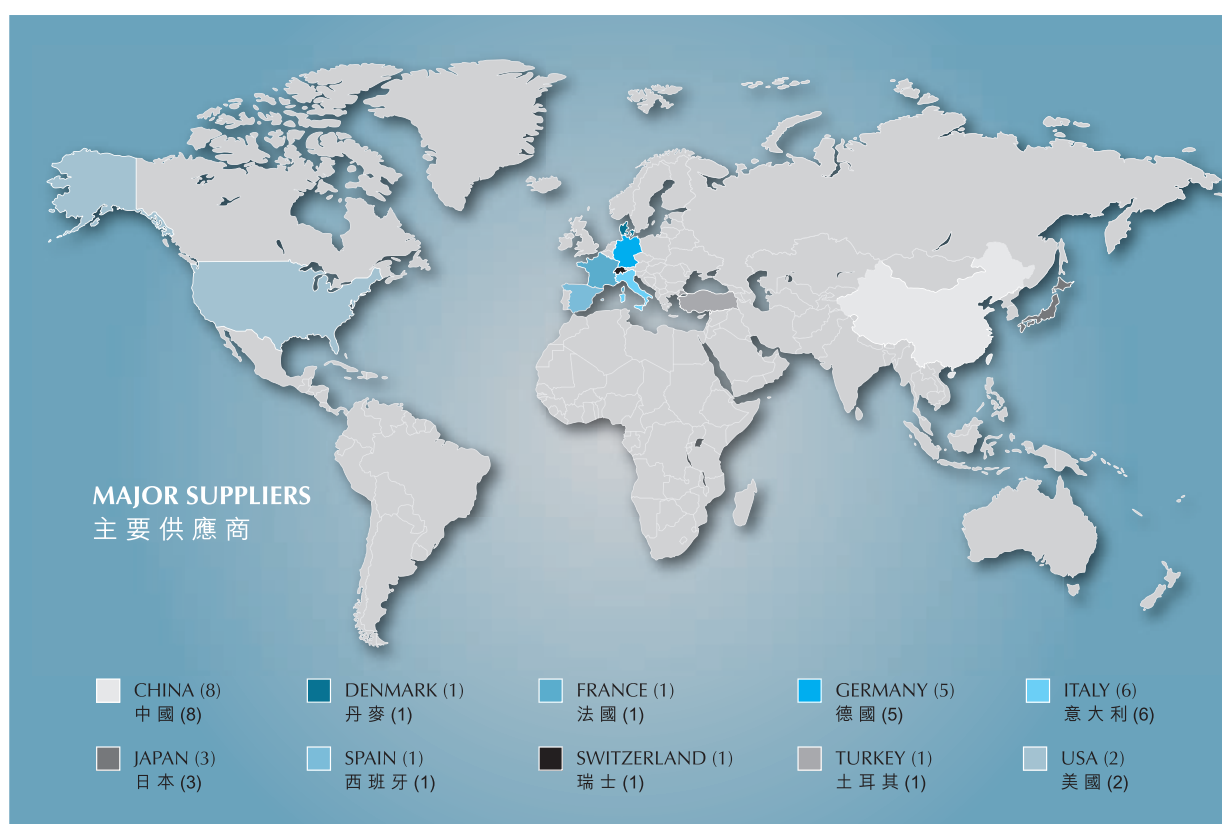
社會(續)

營運慣例

B5 供應鏈管理

我們客戶包括承建商、物業發展商及經銷商。我們深明客戶各有不同的需要，並提供一系列產品以滿足客戶的需求。

就購買金額而言，按地域劃分的主要供應商數目如下：



We pay attention to the operating practices of our suppliers (including but not limited to employment practices, product responsibility, anti-corruption policy). We regularly conduct factory visits to inspect their production capacity, technical capability, quality control systems, production facilities, testing capability and personnel quality.

In view of the growing environmental awareness in Hong Kong, we requested for green features in our products, such as water flow control and FSC-certified materials. We will continue our efforts in bringing environmentally friendly products to customers.

我們重視供應商的營運政策(包括但不限於僱傭措施、產品責任及反貪污政策)。我們定期到工廠實地視察，以檢查彼等的生產能力、技術能力、質量控制系統、生產設備、檢測能力以及人員質素。

在香港，環保意識日益提高，我們要求產品具備環保特質，如節水功能及採用已獲森林管理委員會認證的材料。我們將繼續努力為客戶提供環保產品。

SOCIAL (CONT'D)

Operating Practices (cont'd)

B5 Supply Chain Management (cont'd)

In selecting installation sub-contractors, we consider a range of factors such as price, past performance, the scale of the project, technical competence, environmental records, workplace health and safety standards. Training sessions are held to help sub-contractors familiarise with the features and installation techniques of our products. We conduct appraisals to evaluate sub-contractors' performance.

B6 Product Responsibility

The Group's objective is to become one of the leading quality suppliers of architectural builder's hardware, bathroom, kitchen collections and furniture. Our goal is to enhance the brand value of the Group by managing customers' expectation of getting products that commensurate with their lifestyles. We strive to provide quality products and services to fulfil customers' needs; and to establish the brand and reputation of our Group for customers' recognition of our ability to serve them with two fundamental qualities, "sincerity" and "quality" which would enable us to build customer loyalty, allowing us to establish strong customer relationships for future businesses.

Product safety is our primary concern. The majority of our products originate from Europe where rigorous product testing regulations and requirements are in place. Nevertheless, we carry out a number of measures to ensure product safety, such as warranties and certificates from manufacturers, tests according to customers' requirements.

Apart from safety, we also value performance ratings and feedback from customers, of which feedback identifies areas of improvement. We have established various communication channels including corporate website and social media platforms to facilitate and strengthen communication with our customers. Feedback from customers is discussed and improvement will be made where appropriate. Our labelling and advertising materials are reviewed to ascertain their compliance with relevant marketing communication practices.

We comply with the latest Personal Data (Privacy) Ordinance, ensuring that the customer information we receive is only used for its intended purpose. We regularly brief our staff, especially front-line staff, to take great care in dealing with privacy matters. We have gradually placed our privacy statement on corporation publications.

社會(續)

營運慣例(續)

B5 供應鏈管理(續)

於挑選安裝分包商時，我們考慮多項因素，例如價格、過往表現、項目規模、技術能力、環保記錄、工作場所健康與安全標準。我們為分包商提供培訓，幫助彼等熟悉我們產品的特性及安裝工藝。我們進行考評以評估分包商的表現。

B6 產品責任

本集團致力成為提供優質建築五金、衛浴、廚房設備及傢俬供應商。我們因應客戶之生活方式供應產品，切合客戶所需，務求提升本集團之品牌價值。我們著重提供優質產品及服務滿足客戶需要，讓客戶領略我們貫徹「誠懇」及「質素」之宗旨；透過為集團建立品牌價值及信譽取信於客戶，令本集團與客戶建立堅固關係，為日後發展作好準備。

產品安全是我們的首要考慮因素。本集團的產品主要產自歐洲，當地對產品測試規定及要求十分嚴格。儘管如此，我們採取不少措施確保產品安全，例如取得生產商的保證及證書、根據客戶的要求進行測試。

除了產品安全，我們亦重視客戶的表現評價及意見，而當中客戶意見指出須改善的地方。我們已建立不同的溝通渠道，包括企業網站及社交媒體平台，以促進及加強與我們客戶的溝通。我們討論客戶的意見並於適當時作出改進。本集團的標籤及廣告材料均經審閱，以確保遵守相關的市場傳訊慣例。

我們遵守最新的個人資料(私隱)條例，確保所收集的客戶資料僅作指定用途。我們定期向員工(尤其是前線員工)重申要以謹慎方式處理私隱事宜。本集團已逐步將私隱聲明列印於企業刊物中。

Environmental, Social and Governance Report 環境、社會及管治報告

SOCIAL (CONT'D)

Operating Practices (cont'd)

B7 Anti-corruption

The Group is committed to maintaining the highest standard of integrity when doing business. We adopt the code of conduct that complies with HKEX expectations on corporate governance and the Independent Commission Against Corruption's anti-corruption policies. Our staff handbook has outlined such code of conduct to all staff members including prevention of bribery. There was no legal case brought against the Group for corruption during the year.

Subcontract works are made in accordance with the standard procedure of the Group. Once having received the quotations from potential contractors, we evaluate each based on a range of factors such as: price, past performance, the scale of the project, technical competence, environmental records, workplace health and safety standards. Decisions on subcontract appointments are reviewed and endorsed by the management of the Group.

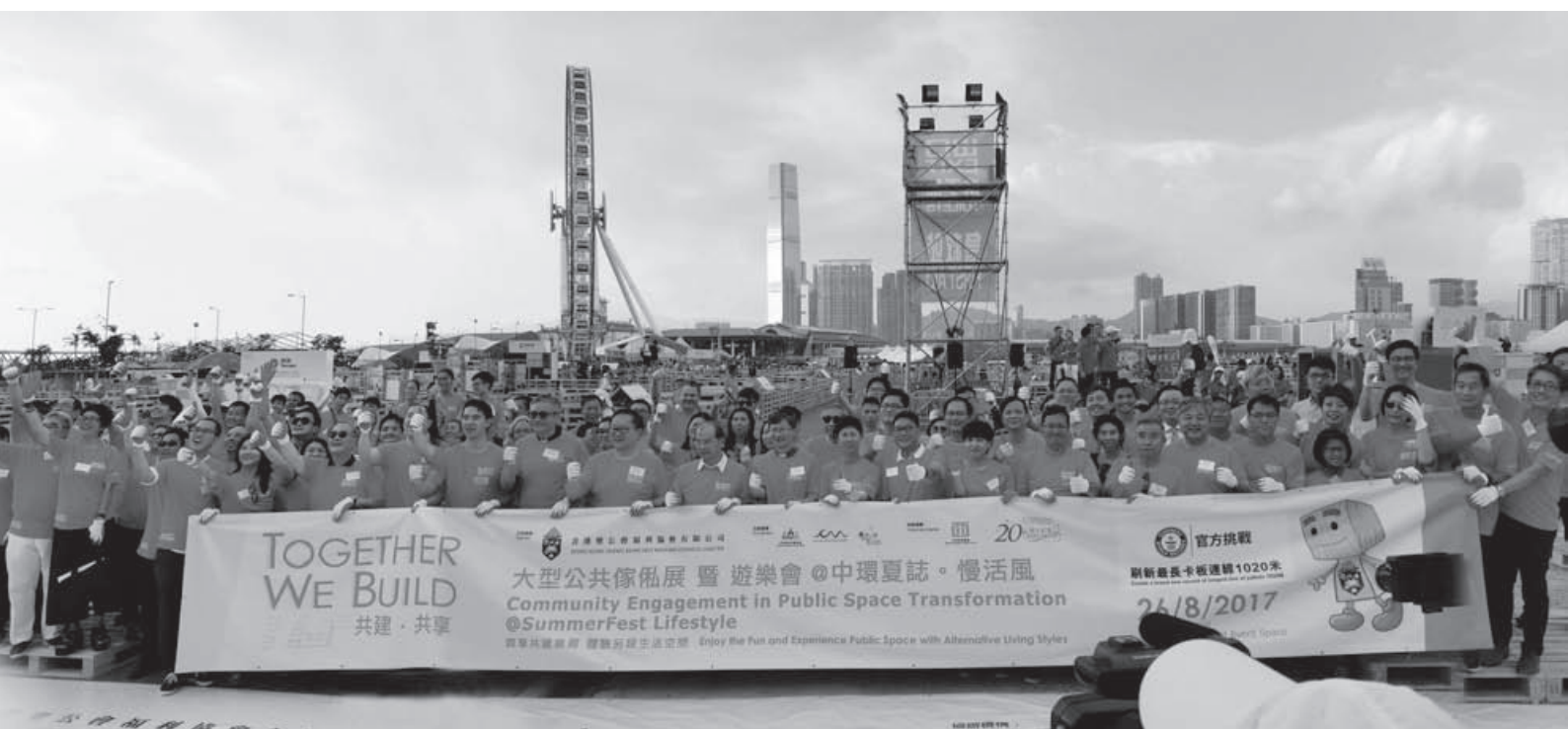
社會(續)

營運慣例(續)

B7反貪污

本集團致力以最高的誠信標準經營業務。我們採納符合香港交易所對企業管治預期及廉政公署的反貪污政策的操守準則。我們的員工手冊已向全體員工概述該操守守則，包括防止賄賂。於本年度，本集團並無受到任何有關貪污的法律案件。

分包工程乃根據本集團的標準程序作出。當收到潛在分包商的報價，我們根據多項因素對每位分包商進行評估，例如價格、過往表現、項目規模、技術能力、環保記錄、工作場所健康與安全標準。分包委聘的決定乃經本集團管理層審閱並認可。



SOCIAL (CONT'D)

Community

B8 Community Investments

The Group is committed to be an active participant in the local community wherever it operates. Our participation to the community does not limit to donations but also voluntary works. We also encourage its employees to do the same to contribute to their neighbourhood. A care to the society will eventually benefit our future generations.



社會(續)

社區

B8 社區投資

本集團致力融入其營運所在地之社區。我們對社區的參與不限於捐款，還會進行義工活動。我們亦鼓勵其員工一起實踐，為鄰里出一分力。關懷社區最終惠及我們下一代。



FEEDBACK TO THIS REPORT

We welcome comments and suggestions regarding our environmental and social performance for continuous improvement. Stakeholders may at any time send their written enquiries and concerns to the ESG Representative of the Company at its Head Office as follows:

ESG Representative
16th–18th Floors
First Commercial Building
33 Leighton Road, Causeway Bay
Hong Kong
esg@ebon.com.hk

對本報告的意見

我們歡迎各持份者就持續改進本集團的環境及社會表現，提供意見及建議。持份者可隨時提交彼等之書面問題及所關注之事項予本公司總辦事處之公司環境、社會及管治代表，地址如下：

環境、社會及管治代表
香港
銅鑼灣禮頓道33號
第一商業大廈
16–18樓
esg@ebon.com.hk

Environmental, Social and Governance Report 環境、社會及管治報告



VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) has been commissioned by E. Bon Holdings Limited (hereinafter referred to as “E. Bon Holdings”) to undertake a limited assurance engagement in respect of the selected information of Environmental, Social and Governance (“ESG”) Report (the “Report”). Our verification processes are limited to the Report stating E. Bon Holdings’ ESG performance and achievements from 1st April 2017 to 31st March 2018 (the “Reporting Period”).

The aim of this verification is to undertake a limited assurance engagement of the selected information stated in the Report with reference to the “Environmental, Social and Governance (“ESG”) Reporting Guide” pursuant to Appendix 27 to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Main Board Listing Rules”).

This report has been prepared on the basis of the data and information provided by E. Bon Holdings. Therefore, E. Bon Holdings is liable and responsible for the preparation of the ESG report, including but not limited to any material misrepresentation, arising out of fraud or error. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Methodology

The verification process was undertaken with reference to:

- International Standard on Assurance Engagement (ISAE) 3000 (Revised) — “Assurance Engagement Other Than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board; and
- The “Environmental, Social and Governance (“ESG”) Reporting Guide” pursuant to Appendix 27 to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Main Board Listing Rules”).

核實聲明

範圍及目的

香港品質保證局已對怡邦控股有限公司（以下簡稱「怡邦行控股」）環境、社會及管治報告（以下簡稱「報告」）所選的資料執行了有限保證的鑑證工作。我們的驗證僅限於怡邦行控股在2017年4月1日至2018年3月31日（「報告期」）對於環境、社會及管治報告載列的表現及成就。

驗證的目的是參照《香港聯合交易所有限公司的證券上市規則》（「主板上市規則」）附錄二十七所載的《環境、社會及管治報告指引》，為報告執行了有限保證的鑑證工作。

本報告乃根據怡邦行控股提供的數據和信息而編製。因此，怡邦行控股須以使對其環境、社會及管治報告的擬備不存在包括但不限於欺詐或錯誤而導致的重大虛假陳述。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

方法

驗證過程是參照：

- 國際審計與鑑證準則理事會發佈的《國際鑑證業務準則（ISAE）第3000號（修訂版）——歷史財務資料審計或審閱以外的鑑證》；以及
- 《香港聯合交易所有限公司的證券上市規則》（「主板上市規則」）附錄二十七所載的《環境、社會及管治報告指引》。

VERIFICATION STATEMENT (CONT'D)

The process included, inter alia, reviewing the internal data collection and management mechanism, interviewing responsible personnel with accountability for preparing the Report. Meanwhile, examining the raw data and supporting evidence of representative samples of data as well as information selected for verification would be conducted by a risk-based approach.

Our assurance engagement was with respect to the Reporting Period information only and we have not performed any procedures with respect to earlier periods or any other irrelevant elements include in the 2017/2018 Environmental, Social and Governance (“ESG”) Report and, therefore, do not express any form of assurance conclusion thereon.

Independence

At all material times, HKQAA is independent from E. Bon Holdings in terms of its engagement in collecting and calculating the reporting data, and/or any development of the Report, save from verification process.

Limitation and Exclusions

The verification is carried out only on the basis of the data and information provided by E. Bon Holdings, with the assumption of completeness and truthfulness.

The following items are excluded from the scope of work:

- Any information not directly linked to the selected environmental, social and governance data;
- Activities outside the defined reporting period;
- Company strategy and position statements (including any expression of opinion, belief, aspiration, expectation, aim or future intention); and
- Financial data which is taken from E. Bon Holdings’ Annual Report and Accounts.

核實聲明(續)

驗證過程包括檢視內部數據收集及管理機制、與負責編製報告的代表面談，並以風險為本選取具代表性的樣本數據及資料加以驗證，審閱相關原始數據和支持證據。

我們的鑑證工作僅限於報告期內的資料，對於前期間的資料或2017/2018環境、社會及管治報告中所包括的任何其他無關資料均不在我們的工作範圍內，因此我們也不對其他信息發表任何形式的鑑證結論。

獨立性

在有關時間內，香港品質保證局不涉及收集和計算此報告的數據或參與編撰此報告。香港品質保證局的驗證過程是獨立於怡邦行控股。

限制與除外

是次驗證根據怡邦行控股提供的數據和信息進行，有關資料的完整性和真實性為假設前提。

以下各項不屬於我們的職責範圍：

- 任何與所選的環境，社會及管治數據沒有直接關連的信息；
- 在界定報告期以外的活動；
- 公司策略和立場聲明(包括任何意見，信念，願望，期望，目標或未來意向的表達)；以及
- 來自怡邦行控股的年度報告和賬目的財務數據。

Environmental, Social and Governance Report 環境、社會及管治報告

VERIFICATION STATEMENT (CONT'D)

Assurance Conclusion

Based on our verification, nothing has come to our attention that causes us to believe that E. Bon Holdings' verified information for the Reporting Period is not prepared, in all material aspects, with reference to the "Environmental, Social and Governance ("ESG") Reporting Guide" pursuant to Appendix 27 to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Main Board Listing Rules").

Signed on behalf of Hong Kong Quality Assurance Agency



Bryan Peng


Assistant Director, Manufacturing & Service
July 2018

核實聲明(續)

結論

根據我們的驗證，我們未發現到任何事項使我們相信怡邦行控股報告期內經驗證的環境、社會及管治資料在所有重大方面未有經參照《香港聯合交易所有限公司的證券上市規則》(「主板上市規則」)附錄二十七所載的《環境、社會及管治報告指引》編製。

香港品質保證局



彭文俊

助理總監 — 製造及服務業
2018年7月

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索引

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Compliance level 合規水平	Reference (page) 參考(頁次)
Aspect A1: Emissions 層面 A1：排放物			
General Disclosure 一般披露	Information on: 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例 relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste 的資料	Comply 遵守	62-63
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data 排放物種類及相關排放數據	Comply 遵守	63
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total and, where appropriate, intensity 溫室氣體總排放量及(如適用)密度	Comply 遵守	63
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced and, where appropriate, intensity 所產生有害廢棄物總量及(如適用)密度	Explain 解釋	63
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced and, where appropriate, intensity 所產生無害廢棄物總量及(如適用)密度	Comply 遵守	63
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果	Comply 遵守	62-63
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	Comply 遵守	63
Aspect A2: Use of Resources 層面 A2：資源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials 有效使用資源(包括能源、水及其他原材料)的政策	Comply 遵守	64-65
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type in total and intensity 按類型劃分的直接及/或間接能源總耗量及密度	Comply 遵守	65
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity 總耗水量及密度	Comply 遵守	65
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計劃及所得成果	Comply 遵守	64-65
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	Comply 遵守	64-65
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced 製成品所用包裝材料的總量及(如適用)每生產單位佔量	Comply 遵守	65

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Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Compliance level 合規水平	Reference (page) 參考(頁次)
Aspect A3: The Environment and Natural Resources 層面 A3：環境及天然資源			
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources 減低發行人對環境及天然資源造成重大影響的政策	Comply 遵守	66
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	Comply 遵守	66
Aspect B1: Employment 層面 B1：僱傭			
General Disclosure 一般披露	Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例 relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare 的資料	Comply 遵守	67-68
Aspect B2: Health and Safety 層面 B2：健康與安全			
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例 relating to providing a safe working environment and protecting employees from occupational hazards 的資料	Comply 遵守	69
Aspect B3: Development and Training 層面 B3：發展及培訓			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動	Comply 遵守	69

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索引(續)

Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Compliance level 合規水平	Reference (page) 參考(頁次)
Aspect B4: Labour Standards 層面 B4：勞工準則			
General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例 relating to preventing child and forced labour 的資料	Comply 遵守	69
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain 管理供應鏈的環境及社會風險政策	Comply 遵守	70-71
Aspect B6: Product Responsibility 層面 B6：產品責任			
General Disclosure 一般披露	Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例 relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress 的資料	Comply 遵守	71
Aspect B7: Anti-corruption 層面 B7：反貪污			
General Disclosure 一般披露	Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及規例 relating to bribery, extortion, fraud and money laundering 的資料	Comply 遵守	72
Aspect B8: Community Investment 層面 B8：社區投資			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策	Comply 遵守	73

Independent Auditor's Report 獨立核數師報告



羅兵咸永道

To the Members of E.Bon Holdings Limited
(incorporated in the Cayman Islands with limited liability)

致怡邦行控股有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

意見

What we have audited

我們已審計的內容

The consolidated financial statements of E.Bon Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 88 to 157, which comprise:

怡邦行控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)列載於第88至157頁的綜合財務報表，包括：

- the consolidated statement of financial position as at 31 March 2018;
 - the consolidated statement of comprehensive income for the year then ended;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated statement of cash flows for the year then ended; and
 - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於二零一八年三月三十一日的綜合財務狀況表；
 - 截至該日止年度的合全面收益表；
 - 截至該日止年度的綜合權益變動表；
 - 截至該日止年度的綜合現金流量表；及
 - 綜合財務報表附註，包括主要會計政策概要。

Our opinion

我們的意見

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 2018, 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.

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貴集團於二零一八年三月三十一日的綜合財務狀況，及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current 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.

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

- Provision for inventory obsolescence
- Provision for impairment of trade and retention receivables
- Recognition of contract revenue

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進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本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。

我們在審計中識別的關鍵審計事項如下：

- 過時存貨撥備
- 應收賬款及應收保留賬款減值撥備
- 確認合同收益





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KEY AUDIT MATTERS (CONT'D)

Key Audit Matter

Provision for inventory obsolescence

Refer to notes 2.12 and 4.1 to the consolidated financial statements for the disclosures of the related accounting policies, judgements and estimates.

As at 31 March 2018, the Group held inventories of HK\$168 million.

The Group determines the net realisable value ("NRV") at each period end based on the estimated selling price less cost to sell and the estimated quantity to be sold in the future. It requires significant judgements and assumptions to be made to determine the estimated selling price and sales quantity of individual products, including historical experience of selling products of similar nature, current market conditions and other available information. The estimations are also subject to uncertainties as a result of future changes of market trends, customer demands and fashion trends.

How our audit addressed the Key Audit Matter

We understood, evaluated and tested the key controls by which management estimated the NRV, and found the assessment processes to be consistent with those of the prior years.

For products with material balances as at year end, we discussed with management and evaluated the assumptions on estimated future sales, which are based on (i) secured orders received from customers as at year end; (ii) historical sales data in the past two years; and (iii) future sales strategies that may require adjustments to the historical sales pattern for the selected products.

We obtained evidence for these explanation and evaluated the relevance of these factors by using our industry knowledge. We tested, on a sample basis, the secured orders from customers and NRV of products by comparing the estimated selling price and sales quantity of individual products with the corresponding post year-end sales data.

We considered these assumptions appropriate based on the procedures performed above.

關鍵審計事項(續)

關鍵審計事項

過時存貨撥備

關於披露相關會計政策、判斷及估計，請參閱綜合財務報表附註2.12及4.1。

於二零一八年三月三十一日，貴集團持有存貨168百萬港元。

於各個期間末，貴集團根據估計售價減銷售成本及估計未來銷售數量計算可變現淨值（「可變現淨值」），釐定個別產品估計售價及銷售數量時，需要作出重大判斷及假設，包括銷售同類產品的歷史經驗、現行市況及其他可得資料。估計亦受因市場趨勢、客戶需求及流行趨勢的未來變動而產生的不確定因素所影響。

我們的審計如何處理關鍵審計事項

我們了解、評估及測試管理層估計可變現淨值的關鍵控制，並發現評估過程與往年一致。

就於年末存在重大結餘的產品而言，我們與管理層討論並評估估計未來銷售的假設，該等假設乃基於(i)於年末接獲客戶的確認訂單；(ii)過去兩年的歷史銷售數據；及(iii)未來銷售策略，可能需要對所選產品的歷史銷售模式作出調整。

我們獲得該等解釋的證據並利用我們的行業知識評估該等因素的相關性及支持可變現淨值估計的證據。我們以抽樣形式，測試來自客戶的確認訂單，以及透過比較個別產品的估計售價及銷售數量與年末後的銷售數據，測試產品的可變現淨值。

基於上述執行的程序，我們認為該等假設屬適當。

KEY AUDIT MATTERS (CONT'D)

Key Audit Matter (cont'd)

Impairment of trade and retention receivables

Refer to notes 2.10 and 4.2 to the consolidated financial statements for the disclosures of the related accounting policies, judgements and estimates.

As at 31 March 2018, the Group had trade and retention receivables of HK\$142 million.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

For trade and retention receivables that are individually significant, management estimates impairment by considering ageing, creditability of individual customers and their past payment records.

For trade and retention receivables that are individually insignificant, management estimates impairment by considering ageing and bad debt history of the Group collectively.

The recoverability assessment on the trade and retention receivables involves significant judgement by management. The estimations are significant to the consolidated financial statements and are subject to uncertainties as a result of future changes of economies and customers' financial positions.

How our audit addressed the Key Audit Matter

We understood, evaluated and tested the key controls by which management assesses impairment, and found the assessment processes to be consistent with those of the prior years.

We tested the accuracy of the ageing report of trade and retention receivables on a sample basis by tracing to invoices.

We scrutinised the ageing report and focused on the receivables that have been past due but not impaired. We discussed with management as to the recoverability of balances. Where settlement was made by these debtors subsequent to the year end, we tested on a sample basis of the settlement by tracing to bank receipt records.

For overdue receivables which are individually significant, we further corroborated management's explanations by checking to correspondence between the customers and the Group and past payment records.

We consider the judgements applied in the recoverability assessment by management were reasonable based on the procedures performed.

關鍵審計事項(續)

關鍵審計事項(續)

應收賬款及應收保留款減值

關於披露相關會計政策、判斷及估計，請參閱綜合財務報表附註2.10及4.2。

於二零一八年三月三十一日，貴集團持有應收賬款及應收保留款142百萬港元。

貴集團於各報告期末評估有否客觀跡象顯示一項金融資產或一組金融資產出現減值。

就個別重大的應收賬款及應收保留款而言，管理層透過考慮賬齡、個別客戶的信用以及彼等的付款記錄對減值進行估計。

就個別不重大的應收賬款及應收保留款而言，管理層透過考慮賬齡及貴集團整體壞賬歷史對減值進行估計。

應收賬款及應收保留款的可收回性評估涉及管理層重大判斷。該等估計對綜合財務報表而言屬重大且因未來經濟及客戶財務狀況的變動受不確定因素影響。

我們的審計如何處理關鍵審計事項

我們了解、評估及測試管理層評估減值的關鍵控制，並發現評估過程與往年一致。

我們透過檢查發票抽樣測試應收賬款及應收保留款賬齡報告的準確性。

我們仔細檢查賬齡報告並關注已逾期但未作出減值撥備的應收款。我們與管理層討論結餘的可收回性。倘結算乃由債務人於年末後作出，則我們透過檢查銀行收據記錄抽樣測試結算。

就個別重大的逾期應收款，我們透過檢查客戶與貴集團之間的通信及過往付款記錄進一步證實管理層的解釋。

基於所執行的程序，我們認為管理層就可收回性評估所採納的判斷屬合理。



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KEY AUDIT MATTERS (CONT'D)

Key Audit Matter (cont'd)

Recognition of contract revenue

Refer to notes 2.22(b) and 4.3 to the consolidated financial statements for the disclosures of the related accounting policies, judgements and estimates.

For the year ended 31 March 2018, revenue from construction contracts amounted to HK\$72 million.

Revenue and gross profit margin are recognised based on the stage of completion of individual contract, and the amounts are determined by reference to independent surveys of work performed or completion of a physical proportion of the contract work, depending on the terms and information available for the construction contract. Management assesses the status of contract at each period end. The amount of revenue to be recognised for each in-progress contract involves significant judgement in determining the percentage of completion as at year end.

How our audit addressed the Key Audit Matter

We understood, evaluated and tested the key controls by which management recognised contract revenue based on the percentage of completion, and found the assessment processes to be consistent with those of the prior years.

We selected in-progress projects that either the recognised revenue during the year or the unrecognised revenue as at year end is individually significant. We assessed the stage of completion of these in-progress projects by tracing to the contracts (such as contract sum, terms and conditions), internal status reports and external evidence such as surveyors' reports.

We consider the estimates made by management were reasonable based on the procedures performed.

OTHER INFORMATION

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

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

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

關鍵審計事項(續)

關鍵審計事項(續)

確認合同收益

關於披露相關會計政策、判斷及估計，請參閱綜合財務報表附註2.22(b)及4.3。

截至二零一八年三月三十一日止年度，工程合同收益為72百萬港元。

收益及毛利率乃根據個別合同的完工階段確認，金額乃參考經獨立測量之已執行的工作或合同工作的實際完成比例(視乎於工程合同的條款及可得資料而定)。管理層於各期間末評估合同的狀態。於各年末，須確認的各進行中的合同的收益金額，對釐定年末完工比例涉及重大判斷。

我們的審計如何處理關鍵審計事項

我們了解、評估及測試管理層根據完工百分比法確認合同收益的關鍵控制，並發現評估過程與往年一致。

我們選擇屬個別重大且進行中的項目，不論於年內已確認收益或於年末未確認收益。我們透過檢查合同(如合同金額、條款及條件)、內部進程報告以及外部證據(如測量師報告)評估該等進行中項目的完工階段。

基於所執行的程序，我們認為管理層就作出的估計屬合理。

其他信息

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

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

就我們對綜合財務報表的審計，我們的責任是細閱其他信息，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。

OTHER INFORMATION (CONT'D)

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, 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 HKSAs 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.

其他信息(續)

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

董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

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

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

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

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

核數師就審計綜合財務報表承擔的責任 (續)

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：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述、或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。
- 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、結構及內容，包括披露，以及綜合財務報表是否中肯反映相關交易及事項。



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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current 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 Cheng Lap Yam.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 June 2018

核數師就審計綜合財務報表承擔的責任 (續)

- 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、監督及執行。我們為審計意見承擔全部責任。

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

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，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及其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本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。

出具本獨核數師報告的審計項目合夥人是鄭立欽。

羅兵咸永道會計師事務所
執業會計師

香港，二零一八年六月二十七日



Consolidated Statement of Comprehensive Income 綜合全面收益表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益	5	584,720	505,981
Cost of sales	銷售成本	9	(345,419)	(294,542)
Gross profit	毛利		239,301	211,439
Other income	其他收入	6	994	996
Other gains, net	其他收益，淨額	7	117	5,124
Distribution costs	分銷成本	9	(109,134)	(97,091)
Administrative expenses	行政開支	9	(76,898)	(69,679)
Operating profit	經營溢利		54,380	50,789
Finance income	財務收益		99	619
Finance costs	財務費用		(897)	(1,005)
Finance costs, net	財務費用，淨額	10	(798)	(386)
Profit before income tax	除所得稅前溢利		53,582	50,403
Income tax expense	所得稅開支	13	(9,388)	(8,096)
Profit for the year attributable to equity holders of the Company	本公司所有者應佔年度溢利		44,194	42,307
Other comprehensive income	其他全面收益			
<i>Items that may be subsequently reclassified to profit or loss</i>	其後可能重新分類至損益的項目			
Exchange gain/(loss) on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌收益／(虧損)		2,884	(1,734)
<i>Items that will not be reclassified subsequently to profit or loss</i>	其後不會重新分類至損益的項目			
Surplus on revaluation of properties held for own use	持作自用物業重估盈餘	16	25,497	20,966
Tax effect relating to revaluation of properties held for own use	有關重估持作自用物業之稅項影響	25	(4,207)	(3,459)

Consolidated Statement of Comprehensive Income 綜合全面收益表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other comprehensive income for the year, net of tax	年度其他全面收益， 除稅後		<u>24,174</u>	<u>15,773</u>
Total comprehensive income for the year attributable to equity holders of the Company	本公司所有者應佔年度 全面收益合計		<u>68,368</u>	<u>58,080</u>
Earnings per share (expressed in HK cents per share)	每股溢利(以每股港仙為單位)			
— Basic and diluted	— 基本及攤薄	15	<u>7.36 cents 港仙</u>	<u>7.04 cents 港仙</u>

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157頁之附註為此等綜合財務報表一部分。

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	189,735	165,666
Investment properties	投資物業	17	36,100	32,700
Deferred income tax assets	遞延所得稅資產	25	4,491	2,618
Trade, retention and other receivables	應收賬款、應收保留款及 其他應收款	20	18,070	10,418
			<u>248,396</u>	<u>211,402</u>
Current assets	流動資產			
Inventories	存貨	19	168,497	146,058
Current income tax recoverable	可收回本期所得稅		1,973	6,131
Trade, retention and other receivables	應收賬款、應收保留款及 其他應收款	20	171,780	136,587
Restricted cash	受限制現金	21	3,008	2,981
Cash and cash equivalents	現金及現金等價物	22	62,357	79,706
			<u>407,615</u>	<u>371,463</u>
Total assets	總資產		<u>656,011</u>	<u>582,865</u>
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司所有者應佔權益			
Share capital	股本	26	60,060	60,060
Reserves	儲備	27	419,151	371,804
Total equity	總權益		<u>479,211</u>	<u>431,864</u>

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
LIABILITIES	負債			
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	23	51,300	43,041
Receipts in advance	預收款項		51,328	47,175
Borrowings	借款	24	41,382	38,115
Current income tax liabilities	本期所得稅負債		7,392	3,252
			<u>151,402</u>	<u>131,583</u>
Non-current liabilities	非流動負債			
Other provision	其他撥備		2,500	—
Deferred income tax liabilities	遞延所得稅負債	25	22,898	19,418
			<u>25,398</u>	<u>19,418</u>
Total liabilities	總負債		<u>176,800</u>	<u>151,001</u>
Total equity and liabilities	總權益及負債		<u>656,011</u>	<u>582,865</u>

The consolidated financial statements on pages 88 to 157 were approved by the Board of Directors on 27 June 2018 and were signed on its behalf.

第88至157頁的綜合財務報表已經董事會於二零一八年六月二十七日批准，並由下列董事代表簽署。

TSE Sun Fat, Henry
謝新法
Director
董事

TSE Sun Po, Tony
謝新寶
Director
董事

The notes on pages 95 to 157 are an integral part of these consolidated financial statements.

第95至157頁之附註為此等綜合財務報表一部分。

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	30,030	31,231	105,340	6,979	2,896	1,308	2,171	244,880	424,835
Profit for the year	年度溢利	–	–	–	–	–	–	–	42,307	42,307
Other comprehensive income	其他全面收益									
Exchange loss on translation of financial statements of foreign operations	換算海外業務財務報表 之匯兌虧損	–	–	–	–	–	(1,734)	–	–	(1,734)
Surplus on revaluation of properties held for own use	持作自用物業重估收益	–	–	20,966	–	–	–	–	–	20,966
Tax effect relating to revaluation of properties held for own use	有關重估自用物業 之稅項影響	–	–	(3,459)	–	–	–	–	–	(3,459)
Total comprehensive income	全面收益合計	–	–	17,507	–	–	(1,734)	–	42,307	58,080
Issue of bonus shares (note 26)	紅股發行(附註26)	30,030	(30,030)	–	–	–	–	–	–	–
Dividends (note 14(a))	股息(附註14(a))	–	–	–	–	–	–	–	(51,051)	(51,051)
Appropriation to statutory reserve (note 27)	法定儲備分配(附註27)	–	–	–	–	–	–	(43)	43	–
Transactions with owners	與所有者之交易	30,030	(30,030)	–	–	–	–	(43)	(51,008)	(51,051)
At 31 March 2017	於二零一七年三月三十一日	60,060	1,201	122,847	6,979	2,896	(426)	2,128	236,179	431,864

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157頁之附註為此等綜合財務報表一部分。

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	60,060	1,201	122,847	6,979	2,896	(426)	2,128	236,179	431,864
Profit for the year	年度溢利	-	-	-	-	-	-	-	44,194	44,194
Other comprehensive income	其他全面收益									
Exchange gain on translation of financial statements of foreign operations	換算海外業務財務報表 之匯兌收益	-	-	-	-	-	2,884	-	-	2,884
Surplus on revaluation of properties held for own use	持作自用物業重估收益	-	-	25,497	-	-	-	-	-	25,497
Tax effect relating to revaluation of properties held for own use	有關重估自用物業 之稅項影響	-	-	(4,207)	-	-	-	-	-	(4,207)
Total comprehensive income	全面收益合計	-	-	21,290	-	-	2,884	-	44,194	68,368
Dividends (note 14(a))	股息(附註14(a))	-	-	-	-	-	-	-	(21,021)	(21,021)
Appropriation to statutory reserve (note 27)	法定儲備分配(附註27)	-	-	-	-	-	-	27	(27)	-
Transactions with owners	與所有者之交易	-	-	-	-	-	-	27	(21,048)	(21,021)
At 31 March 2018	於二零一八年三月三十一日	60,060	1,201	144,137	6,979	2,896	2,458	2,155	259,325	479,211

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157頁之附註為此等綜合財務報表一部分。

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash flows from operating activities	經營活動之現金流量			
Cash generated from operations	經營產生之現金	28(a)	11,741	44,606
Income tax paid	已付所得稅		(3,753)	(12,064)
Net cash generated from operating activities	經營活動產生淨現金		7,988	32,542
Cash flows from investing activities	投資活動之現金流量			
Payment for settlement of forward contracts	遠期合約交割付款		—	(584)
Purchase of property, plant and equipment	購買物業、廠房及設備		(8,446)	(6,586)
Interest received	已收利息		56	44
Net cash used in investing activities	投資活動所用淨現金		(8,390)	(7,126)
Cash flows from financing activities	融資活動之現金流量			
Proceeds from borrowings	借款所得款項	28(c)	6,112	12,151
Repayments of borrowings	償還借款	28(c)	(15,675)	(21,464)
Interest paid on bank borrowings	已付銀行借款利息		(897)	(1,005)
Proceeds from/(repayment of) trust receipt loans	信託收據貸款之所得款項／(還款)	28(c)	12,830	(11,423)
Increase in restricted cash	受限制現金增加		(27)	(15)
Dividends paid	已付股息		(21,021)	(51,051)
Net cash used in financing activities	融資活動所用淨現金		(18,678)	(72,807)
Net decrease in cash and cash equivalents	現金及現金等價物淨減少		(19,080)	(47,391)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		79,706	127,781
Exchange gain/(loss) on cash and cash equivalents	現金及現金等價物匯兌收益／(虧損)		1,731	(684)
Cash and cash equivalents at end of the year	年終現金及現金等價物	22	62,357	79,706

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157頁之附註為此等綜合財務報表一部分。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

1 GENERAL INFORMATION

E. Bon Holdings Limited (“the Company”) is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is 16th–18th Floors, First Commercial Building, 33 Leighton Road, Causeway Bay, Hong Kong. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the importing, wholesale, retail and installation of architectural builders’ hardware, bathroom, kitchen collections and furniture in Hong Kong and the People’s Republic of China (the “PRC”).

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated. These consolidated financial statements have been approved for issue by the board of directors on 27 June 2018.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of E. Bon Holdings Limited have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of leasehold land and buildings held for own use and investment properties, which are carried at fair values.

1 一般資料

怡邦行控股有限公司(「本公司」)為於開曼群島註冊成立之有限責任公司，其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands及其主要營業地點為香港銅鑼灣禮頓道33號第一商業大廈16至18樓。其股份於香港聯合交易所有限公司(「聯交所」)之主板上市。

本公司的主要業務為投資控股。其附屬公司主要於香港及中華人民共和國(「中國」)從事進口、批發、零售及安裝建築五金、衛浴、廚房設備及傢俬。

除另有說明外，該等綜合財務報表以港元呈列。該等綜合財務報表已於二零一八年六月二十七日獲董事會批准刊發。

2 主要會計政策概要

編製該等綜合財務報表所採用主要會計政策載列如下。除另有說明外，該等政策於所有呈報年度貫徹採用。

2.1 編製基準

怡邦行控股有限公司之綜合財務報表乃根據所有適用香港財務報告準則(「香港財務報告準則」)編製。本綜合財務報表依據歷史成本常規法編製，並已就持作自用租賃土地及樓宇及投資物業之重估作出調整，按其公允值列賬。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

- (a) The following new standards and amendments to standards are mandatory for the first time for the financial year beginning on or after 1 January 2017 but they have no significant impact to the Group's results and financial position or are not currently relevant to the Group:

Amendment to HKAS 7	Disclosure initiative
Amendment to HKAS 12	Recognition of deferred tax assets for unrealised losses
Amendment to HKFRS 12	Disclosure of interest in other entities

2 主要會計政策概要(續)

2.1 編製基準(續)

根據香港財務報告準則編製財務報表須使用若干重要會計估計，亦須管理層在應用本集團會計政策時行使其判斷。涉及高度判斷或複雜性，或其假設及估計對綜合財務報表而言屬重大之範圍，於附註4中披露。

- (a) 下列各項新準則及準則修訂本乃強制規定於二零一七年一月一日或之後開始之財政年度首次採納，惟並無對本集團的業績及財務狀況造成重大影響或目前不適用於本集團：

香港會計準則 第7號修訂本	披露方法
香港會計準則 第12號修訂本	確認未變現 虧損之遞延 稅項資產
香港財務報告 準則第12號 修訂本	披露於其他 實體之權益



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

- (b) New standards, amendments to standards and interpretations have been issued but are effective for the financial year beginning on or after 1 January 2018 and have not been early adopted:

2 主要會計政策概要(續)

2.1 編製基準(續)

- (b) 已頒佈惟於二零一八年一月一日或之後開始之財政年度尚未生效且並無提早採納之新準則、準則修訂本及詮釋：

		Effective for annual periods beginning on or after 於下列日期或之後 開始之年度期間生效
Amendment to HKAS 19 香港會計準則第19號修訂本	Employee benefits 僱員福利	1 January 2019 二零一九年一月一日
Amendment to HKAS 28 香港會計準則第28號修訂本	Investments in associates and joint ventures 於聯營公司及合營公司的投資	1 January 2018 二零一八年一月一日
Amendment to HKAS 40 香港會計準則第40號修訂本	Transfers of investment property 投資物業的轉讓	1 January 2018 二零一八年一月一日
Amendment to HKFRS 1 香港財務報告準則第1號修訂本	First time adoption of HKFRS 首次採納香港財務報告準則	1 January 2018 二零一八年一月一日
Amendment to HKFRS 2 香港財務報告準則第2號修訂本	Classification and measurement of share-based payment transactions 以股份為基礎的付款交易分類及計量	1 January 2018 二零一八年一月一日
Amendment to HKFRS 4 香港財務報告準則第4號修訂本	Applying HKFRS 9 financial instruments with HKFRS 4 insurance contracts 應用香港財務報告準則第9號金融工具 於香港財務報告準則第4號保險合約	1 January 2018 二零一八年一月一日
HKFRS 9 香港財務報告準則第9號	Financial instruments 金融工具	1 January 2018 二零一八年一月一日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及 香港會計準則第28號修訂本	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營公司之間的資產出售及注資	To be determined 尚待釐定
HKFRS 15 香港財務報告準則第15號	Revenue from contracts with customers 來自客戶合約的收益	1 January 2018 二零一八年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2021 二零二一年一月一日
Amendments to HKFRSs 香港財務報告準則修訂本	Annual improvement to HKFRSs 2015-2017 cycle 香港財務報告準則二零一五年至二零一七年週期之年度改進	1 January 2018 二零一八年一月一日
HK(IFRIC)22 香港(國際財務報告詮釋委員會) — 註釋第22號	Foreign currency transactions and advance consideration 外幣交易及預支代價	1 January 2018 二零一八年一月一日
HK(IFRIC)23 香港(國際財務報告詮釋委員會) — 註釋第23號	Uncertainty over income tax treatments 所得稅處理之不確定性	1 January 2019 二零一九年一月一日



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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) (cont'd)

Notes:

- (i) HKFRS 9 "Financial Instruments"

The new standard addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The Group has reviewed its financial assets and liabilities and is expecting the following impact from the adoption of the new standard on 1 January 2018:

The Group's financial assets currently measured at amortised cost will continue with their classification and measurements upon the adoption of HKFRS 9.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 Financial Instruments: Recognition and Measurement and have not been changed.

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets under HKFRS 15 'Revenue from Contracts with Customers', lease receivables, loan commitments and certain financial guarantee contracts. Based on the assessments undertaken to date, the Group does not expect material changes to the impairment provision for trade receivables.

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

The impacts on the Group's financial results and position upon the adoption of HKFRS 9 are not expected to be material. The Group intends to adopt the standard for the financial year beginning on 1 April 2018.

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) (續)

附註：

- (i) 香港財務報告準則第9號「金融工具」

新準則規定了金融資產和金融負債的分類、計量及終止確認，並引入新的對沖會計規則及新的金融資產減值模式。

本集團已審閱其金融資產及負債並預期於二零一八年一月一日採納新訂準則將產生下列影響：

本集團目前按攤銷成本計量的金融資產將採納香港財務報告準則第9號並繼續其分類及計量。

由於新規定僅影響指定為透過損益按公允值之金融負債，而本集團並不持有任何該等負債，因此，本集團金融負債之會計處理將不會受影響。終止確認之規則乃自香港會計準則第39號金融工具：確認及計量且並無變動。

新減值模型規定以預期信貸虧損來計算，而非按香港會計準則第39號以已產生信貸虧損確認減值撥備計算。該規定適用於按攤銷成本分類之金融資產、按公允值計算之債務工具所產生的其他全面收益、香港財務報告準則第15號「來自客戶合約的收益」項下之合約資產、應收租金、貸款承擔及若干財務擔保合約。根據迄今進行的評估，本集團預期應收賬款之減值撥備不會有大幅變動。

新訂準則亦引入延伸的披露規定及呈列方式變動。該等規定及變動預期將改變本集團有關其金融工具披露之性質及程度，尤其是於採納新訂準則之年度。

預期採納香港財務報告準則第9號對本集團財務業績及狀況並無重大影響。本集團擬於二零一八年四月一日開始之財政年度採納該準則。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) (cont'd)

Notes: (cont'd)

- (ii) HKFRS 15 "Revenue from Contracts with Customers"

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition: (1) Identify the contract(s) with a customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to each performance obligation; and (5) Recognise revenue when each performance obligation is satisfied.

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRSs. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The standard permits either a full retrospective or a modified retrospective approach for the adoption. The Group is currently assessing the impact of adopting HKFRS 15 on the Group's consolidated financial statements, by identifying the separate performance obligations in the contracts with customers and allocating the transactions price. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position. The Group intends to adopt the standard retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application on 1 April 2018.

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) (續)

附註：(續)

- (ii) 香港財務報告準則第15號「來自客戶合約的收益」

新訂準則設立一個確認收益的架構。框架之主要原則為實體應確認收益，以說明實體按反映交換商品及服務預期所得代價之金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號制定確認收益之五個步驟：(1)識別與客戶所訂立之合約；(2)識別合約之履約責任；(3)釐定交易價格；(4)分配交易價格至各履約責任；及(5)於履行各履約責任時確認收益。

香港財務報告準則第15號包括與可能改變目前根據香港財務報告準則採取之方式之特定收益相關事宜之特定指引。有關準則亦顯著加強有關收益之質量及數量披露。

此準則容許全面追溯採納或經修改追溯方式採納。本集團現正透過識別與客戶合約中的履約責任及交易價格的分配評估採納香港財務報告準則第15號對本集團綜合財務報表的影響。本集團尚未能確定採納此準則會否對本集團之經營業績及財務狀況造成重大影響。本集團擬透過追溯採納此準則，首次應用此準則的累計影響於二零一八年四月一日首次應用日期確認。



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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) (cont'd)

Notes: (cont'd)

(iii) HKFRS 16 "Leases"

HKFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to account for certain leases outside the balance sheet. Instead, all long-term leases must be recognised in the balance sheet in the form of assets (for the rights of use) and lease liabilities (for the payment obligations). Short-term leases with a lease term of twelve months or less and leases of low-value assets are exempt from such reporting obligations. The new standard will therefore result in recognition of a right-to-use asset and an increase in lease liabilities in the balance sheet. In the income statement, rental expenses will be replaced with depreciation and interest expense.

The standard will affect primarily the accounting for Group's operating leases. As at 31 March 2018, the Group has non-cancellable operating lease commitments of HK\$165,581,000. Upon adoption of HKFRS 16, the majority of operating lease commitments will be recognised in the consolidated balance sheet as lease liabilities and right-of-use assets. The lease liabilities would subsequently be measured at amortised cost and the right-of-use assets will be depreciated on a straight-line basis during the lease term. The Group intends to adopt the standard for the financial year beginning on 1 April 2019.

The expected impacts of the adoption of the other new standards, interpretation and amendments to standards are still being assessed by the management, and management is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) (續)

附註：(續)

(iii) 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為租賃會計處理提供新條文，並將於日後不再允許承租人的若干租賃於資產負債表之外列賬。相反，所有長期租賃必須以資產（用於使用權）和租賃負債（用於支付義務）的形式在資產負債表中確認。租賃期限為十二個月或以下的短期租賃和低價值資產租賃免除此類報告義務。因此新準則將導致資產負債表中的使用權資產確認及租賃負債增加。在利潤表中，折舊及利息將取代租賃開支。

該準則將初步影響本集團對經營租賃之會計處理。於二零一八年三月三十一日，本集團的不可撤銷經營租賃承擔為165,581,000港元。採納香港財務報告準則第16號後，大部分經營租賃承擔將於綜合資產負債表確認為租賃負債及使用權資產。其後租賃負債將按攤銷成本計量，使用權資產將於租賃期內按直線法折舊。本集團擬於二零一九年四月一日開始之財政年度採納準則。

管理層正評估其他新準則、詮釋及修訂本之影響，惟現階段未能確定採納此等新準則、詮釋及修訂本會否對本集團之經營業績及財務狀況造成重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Subsidiaries

2.2.1 Consolidation

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

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

2.2.2 Separate financial statements

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

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

2 主要會計政策概要(續)

2.2 附屬公司

2.2.1 綜合賬目

附屬公司為本集團對其擁有控制權之實體(包括結構實體)。當本集團透過參與實體之業務而承擔或有權享有可變回報；及有能力透過對實體運用權力而影響該等回報，本集團即可控制實體。附屬公司自控制權轉移至本集團當日綜合入賬，並自終止控制當日不再綜合入賬。

集團內公司間之交易、結餘及集團內公司間交易之未變現收益予以對銷。未變現虧損亦予以對銷。如有需要，附屬公司呈報之金額已作出調整，以與本集團之會計政策一致。

2.2.2 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本亦包括投資之直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

如股息超過宣派股息期內附屬公司之全面收益總額，或如在獨立財務報表之投資賬面值超過綜合財務報表中投資對象資產淨值(包括商譽)之賬面值，則必須於收取來自該等投資之股息時對附屬公司投資作減值測試。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Segment reporting

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

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

All foreign exchange gains and losses are presented within "Other gains, net" in the consolidated statement of comprehensive income.

2 主要會計政策概要(續)

2.3 分部報告

經營分部按照向首席經營決策者提供內部報告貫徹一致之方式報告。首席經營決策者被認為作出策略性決定之執行董事，負責分配資源及評估經營分部之表現。

2.4 外幣換算

(a) 功能及呈列貨幣

本集團每個實體之財務報表所列項目均以該實體經營所在主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以港元呈列，港元為本公司功能貨幣及本集團呈列貨幣。

(b) 交易及結餘

外幣交易採用交易或項目重新計量之估值日期之匯率換算為功能貨幣。結算此等交易產生之匯兌收益及虧損以及將以外幣計值之貨幣資產及負債以年終匯率換算產生之匯兌收益及虧損在損益內確認。

所有匯兌收益及虧損均於綜合全面收益表內「其他收益，淨額」呈列。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Foreign currency translation (cont'd)

(c) Group companies

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

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

2.5 Property, plant and equipment

Leasehold land and buildings are stated at revalued amount. Property, plant and equipment, other than leasehold land and buildings, are stated at cost less accumulated depreciation and accumulated impairment losses.

Leasehold land and buildings are stated in the consolidated statement of financial position at their revalued amount, being the revaluation value at the date of revaluation less any subsequent accumulated depreciation and amortisation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ significantly from that which would be determined using revaluation values at the reporting date.

2 主要會計政策概要(續)

2.4 外幣換算(續)

(c) 集團公司

功能貨幣與呈列貨幣不同之所有集團內實體(當中沒有惡性通貨膨脹經濟之貨幣)之業績及財務狀況按以下方法換算為呈列貨幣:

- (i) 每份呈列之財務狀況表內之資產及負債按該財務狀況表日期之收市匯率換算;
- (ii) 每份綜合全面收益表內之收益及開支按平均匯率換算(除非此匯率並不代表交易日期匯率之累計影響之合理約數;在此情況下,收益及開支則按交易日期之匯率換算);及
- (iii) 所有由此產生之匯兌差額在其他全面收益確認。

2.5 物業、廠房及設備

租賃土地與樓宇以重估價值列賬。除租賃土地與樓宇外,物業、廠房及設備按成本扣除累計折舊及累計減值虧損入賬。

租賃土地與樓宇於綜合財務狀況表以重估價值(即重估當日之重估價值減該重估後之累計折舊、攤銷及累計減值虧損)列賬。租賃土地與樓宇得到定期重估,確保其賬面值與於報告日之重估價值不會產生重大差異。





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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment (cont'd)

Any revaluation increase arising on the revaluation of leasehold land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same assets previously recognised as an expense, in which case the increase is credited to the profit or loss to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset.

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

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives, as follows:

Leasehold land and buildings	Over the shorter of unexpired term of lease or 50 years
Leasehold improvements	Over the shorter of lease terms or 5 years
Furniture, fixtures and equipment	20%
Motor vehicles	20%

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

2 主要會計政策概要(續)

2.5 物業、廠房及設備(續)

重估租賃土地與樓宇產生之重估增加將撥入重估儲備，惟倘撥回同一資產於早前確認為開支之重估減值，則該增加將撥入損益內，惟以早前扣除之減值為限。重估資產產生之賬面淨值減值，倘超過重估儲備內就該資產先前重估之結餘(如有)，則當作開支扣減。

歷史成本包括購買該等項目直接應佔之開支。後續成本僅於可能為本集團帶來與該項目有關之未來經濟利益，而該項目之成本能可靠計量時，方計入資產之賬面值或確認為一項單獨資產(如適用)。已更換零件之賬面值已在賬上移除。所有其他維修費用在產生之財政期間於損益支銷。

物業、廠房及設備之折舊乃按估計可使用年期將其成本或重估價值以直線法分攤計算如下：

租賃土地	未到期之租賃年期或50年(以較短者為準)
租賃物業裝修	租賃年期或5年(以較短者為準)
傢俬、裝置及設備	20%
汽車	20%

資產可使用年期於各報告期末進行檢討及修正(如適用)。

若資產之賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment (cont'd)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the profit or loss. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained earnings as a movement in reserve.

2.6 Investment property

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Changes in fair values are recorded in the profit or loss within "Other gains, net".

2.7 Impairment of non-financial assets

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

2 主要會計政策概要(續)

2.5 物業、廠房及設備(續)

出售之收益及虧損按所得款與賬面值之差額釐定，並在損益內確認。於出售重估資產時，就先前估值變現之資產重估儲備之相關部分作為儲備變動轉入保留溢利。

2.6 投資物業

投資物業主要包括租賃土地及樓宇，持作長期收取租金或資本增值或兩者，且並非由本集團佔用。投資物業初步按成本計量，包括相關交易成本及(倘適用)借貸成本。初步確認後，投資物業按公允值列賬，相當於外部估值師於各報告日期釐定的公開市值。公允值按活躍市價釐定，倘有需要，會就指定資產於性質、地點或狀況三方面之任何差異作出調整。公允值變動於損益內「其他收益，淨額」入賬。

2.7 非金融資產減值

使用壽命無限之資產毋須攤銷，但每年須進行減值測試。須作攤銷之資產，當有事件出現或情況改變顯示賬面值可能無法收回時進行減值檢討。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額以資產之公允值扣除銷售成本及使用價值兩者之間較高者為準。於評估減值時，資產按可分開辨認現金流量(現金產出單位)之最低層次歸類。除商譽外，已出現減值之非金融資產於各報告日均就撥回減值之可能性進行檢討。



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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets as fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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

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

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade, retention and other receivables", "restricted cash" and "cash and cash equivalents" in the consolidated statement of financial position.

2 主要會計政策概要(續)

2.8 金融資產

2.8.1 分類

本集團將其金融資產分為按公允值計入損益和貸款及應收款。上述分類乃按收購金融資產之目的而定。管理層於金融資產首次確認時作出分類。

(a) 按公允值計入損益之金融資產

按公允值計入損益之金融資產乃持作買賣的金融資產。倘金融資產的主要收購目的是作短期出售，則該金融資產被歸入此類別。衍生工具亦分類為持作買賣，除非其指定作對沖用途。如預期於12個月內結算，則此類別的資產分類為流動資產，否則將分類為非流動資產。

(b) 貸款及應收款

貸款及應收款指有固定或可釐定付款金額及並無在活躍市場報價之非衍生金融資產。該等項目均列入流動資產，惟會於或預期將於報告期末起計超過12個月方始償付之款項除外，有關項目將分類為非流動資產。本集團之貸款及應收款由綜合財務狀況表「應收賬款、應收保留款及其他應收款」、「受限制現金」與「現金及現金等價物」組成。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial assets (cont'd)

2.8.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2 主要會計政策概要(續)

2.8 金融資產(續)

2.8.2 確認及計量

一般之金融資產買賣於本集團承諾購買或出售該資產之交易日確認。按公允值計入損益之金融資產初步按公允值確認，而交易成本於損益支銷。投資於收取現金流量之權利已屆滿或已轉讓，及本集團已將擁有權所涉之大部份風險與回報轉移時取消確認。貸款及應收款其後利用實際利率法計算，並以攤銷成本入賬。

2.9 抵銷金融工具

當有法定可執行權力可抵銷已確認金額，並有意按淨額基準結算或同時變現資產及結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。

法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or a group of financial assets that can be reliably estimated.

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

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the profit or loss.

2.11 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The gain or loss relating to the fair value re-measurement is recognised immediately in the profit or loss within "Other gains, net".

2.12 Inventories

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

2 主要會計政策概要(續)

2.10 金融資產減值

本集團於各報告期末評估有否客觀跡象顯示一項金融資產或一組金融資產出現減值。只有當存在客觀證據證明於初步確認資產後發生一宗或多宗事件導致出現減值(「損失事項」)，而該宗(或該等)損失事項對該項或該組金融資產之估計未來現金流量構成之影響可以合理估計，相關金融資產或金融資產組才算出現減值及產生減值虧損。

對於貸款及應收款類別，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生之未來信用損失)之現值兩者之差額計量。資產賬面值予以削減，而虧損金額則在損益確認。

倘在其後期間，減值虧損數額減少，而此減少可客觀聯繫至減值確認後發生之事件，則之前已確認之減值虧損可在損益確認撥回。

2.11 衍生金融工具

衍生工具於訂立衍生工具合約日期按公允值初步確認，其後按其公允值重新計量。重新計量公允值的相關收益或虧損即時於損益「其他收益，淨額」確認。

2.12 存貨

存貨按成本與可變現淨值兩者中之較低者入賬。成本採用先進先出法計算。可變現淨值為在日常業務過程中之估計售價，減適用的變動銷售開支。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Trade, retention and other receivables

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

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

2.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks.

2.15 Share capital

Ordinary shares are classified as equity.

2.16 Trade and other payables

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

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

2 主要會計政策概要(續)

2.13 應收賬款、應收保留款及其他應收款

應收賬款及應收保留款為在日常業務過程中就銷售商品或履行服務而應收客戶之款項。如應收賬款、應收保留款及其他應收款預期在一年或以內(或倘時間更長,則於業務之一般營運週期內)收回,其獲分類為流動資產;否則呈列為非流動資產。

應收賬款、應收保留款及其他應收款初步以公允值確認,其後利用實際利率法按攤銷成本扣除減值撥備計量。

2.14 現金及現金等價物

在綜合現金流量表中,現金及現金等價物包括手頭現金及銀行通知存款。

2.15 股本

普通股被列為權益。

2.16 應付賬款及其他應付款

應付賬款為在日常業務過程中向供應商購買商品或服務而應支付之負債。如應付賬款及其他應付款之支付日期為一年或以內(或倘時間更長,則於業務之一般營運週期內),其獲分類為流動負債;否則呈列為非流動負債。

應付賬款初步以公允值確認,其後利用實際利息法按攤銷成本計量。



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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Borrowings

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

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

2.18 Borrowings costs

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

All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

2.19 Current and deferred income tax

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

(a) Current income tax

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

2 主要會計政策概要(續)

2.17 借款

借款初步按公允值並扣除產生之交易費用確認。借款其後按攤銷成本列賬；所得款(扣除交易成本)與贖回價值之任何差額利用實際利率法於借款期間在損益確認。

除非本集團可無條件將負債之結算遞延至報告期末後最少12個月，否則借款分類為流動負債。

2.18 借款成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售之資產)之一般及特定借款成本將加入該等資產之成本內，直至資產大致上備妥供其預定用途或銷售為止。

所有其他借款成本在產生期間於損益確認。

2.19 本期及遞延所得稅

本期間之稅項支出包括本期及遞延所得稅。稅項在損益確認，惟與其他全面收益或直接在權益確認之項目有關者則除外。在有關情況下，稅項亦分別在其他全面收益或直接在權益中確認。

(a) 本期所得稅

本期所得稅支出根據本公司及本公司附屬公司經營及產生應課稅收入之國家於報告日已頒佈或實質上已頒佈之稅務法例計算。管理層就適用稅務法例受詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款計提撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Current and deferred income tax (cont'd)

(b) *Deferred income tax*

Inside basis differences

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

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

Outside basis differences

Deferred income tax liabilities are not provided on temporary differences arising on investment in subsidiaries because the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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

(c) *Offsetting*

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

2 主要會計政策概要(續)

2.19 本期及遞延所得稅(續)

(b) *遞延所得稅*

內在差異

遞延所得稅利用負債法確認資產及負債之稅基與資產及負債在綜合財務報表之賬面值之差額而產生之暫時性差異。然而，若遞延所得稅負債來自對商譽之初步確認，以及若遞延所得稅來自在交易(不包括業務合併)中對資產或負債之初步確認，而在交易時不影響會計損益或應課稅損益，則不予確認或入賬。遞延所得稅採用在資產負債表日前已頒佈或實質上已頒佈，並在相關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產僅於很可能有未來應課稅溢利可抵銷暫時性差異時確認。

外在差異

由於本集團可以控制暫時性差異之撥回時間，且暫時性差異在可預見將來可能不會撥回，故並不會就於附屬公司之投資而產生之暫時差異計提遞延所得稅負債。

遞延所得稅資產僅於很可能有未來應課稅溢利可抵銷暫時性差異時確認。

(c) *抵銷*

當有法定可執行權力將本期稅項資產與本期稅項負債抵銷，且遞延所得稅資產及負債涉及由同一稅務機關對應課稅實體或不同應課稅實體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Employee benefits

Pension obligations

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

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

2.21 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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

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

2 主要會計政策概要(續)

2.20 員工福利

退休金責任

界定供款計劃是本集團向一個單獨實體支付定額供款之退休計劃。若該基金並無持有足夠資產向所有員工就其在本期及以往期間之服務支付福利，本集團亦無法定或推定義務支付進一步供款。界定受益計劃為非界定供款計劃之退休計劃。

就界定供款計劃而言，本集團以強制性、合同性或自願性方式向公開或私人管理之退休保險計劃供款。本集團作出供款後，即無進一步付款義務。供款在應付時確認為員工福利支出。預付供款按照現金退款或可減少未來付款而確認為資產。

2.21 撥備

當本集團因已發生之事件而產生現有之法律或推定義務；很可能需要資源流出以結算該義務；及金額已獲可靠估計時，本集團將確認撥備。

倘有多項類似義務，則根據義務之類別全面考慮結算時會否需要資源流出。即使在同一義務類別所包含任何一個項目相關之資源流出之可能性極低，仍須確認撥備。

撥備採用稅前利率按預期需結算有關義務之支出現值計量，該利率反映當時市場對金錢時間值及有關義務特定風險之評估。隨時間增加之撥備將確認為財務費用。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts and returns. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods

Revenue from sales of goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

(b) Contract revenue

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as cost of sales by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

2 主要會計政策概要(續)

2.22 收益確認

收益按已收或應收代價之公允值計量，並相當於供應貨品之應收款，扣除折扣及退貨後列賬。當收益之金額能夠可靠計量；當未來經濟利益很可能流入有關實體；及當本集團每項活動均符合具體條件時(如下文所述)，本集團便會確認收益。本集團根據過往記錄估計退貨情況，並考慮客戶類別、交易種類及每項安排之特點。

(a) 銷售貨品

銷售貨品之收益在所有權之重大風險及報酬轉移時確認，一般與貨品送交客戶及所有權轉移之時間相同。

(b) 合同收益

倘工程合同結果能可靠估算，且合同很大可能產生溢利，合同收益將按工程完工階段於合同期確認。合同成本經參考合同活動於報告期末之完工階段確認為銷售成本。倘總合同成本有可能超過總合同收益，預期之虧損即時確認為開支。

倘工程合同結果未能可靠估算，合同收益僅按照有可能收回之已產生合同成本確認。

合同工程、索償及獎勵金之變動，就可能與客戶協定並能可靠計量之數額計入合同收益。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Revenue recognition (cont'd)

(b) Contract revenue (cont'd)

The Group uses the "percentage-of-completion" method to determine the appropriate amount to recognise in a given period. The stage of completion is determined by using a method that measures reliably the work performed. Depending the terms and information available for individual construction contracts, the Group estimates the stage of completion by reference to either surveys of work performed or the completion of a physical proportion of the contract work.

On the consolidated statement of financial position, the Group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents liability where the opposite is the case.

(c) Rental income

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

(d) Finance income

Finance income is recognised using the effective interest method.

2.23 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

2.24 Dividend distribution

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

2 主要會計政策概要(續)

2.22 收益確認(續)

(b) 合同收益(續)

本集團採用「完工百分比法」釐定在既定期間須確認之適當金額。完工階段乃透過使用可靠計量所進行工程的方法予以釐定。視乎個別工程合同的條款及資料，本集團經參考所進行工程之測量或合同工程的實際完工比例估計完工階段。

本集團在綜合財務狀況表報告每份合同之淨狀況為資產或負債。當已產生之成本加上已確認之溢利(減去已確認之虧損)超過階段付款，合同將分類為資產，否則當作負債。

(c) 租金收入

投資物業租金收入於租期內按直線基準在損益確認。

(d) 財務收益

財務收益採用實際利率法確認。

2.23 租賃

凡租賃擁有權之絕大部分風險及回報仍歸出租人所有之租賃，均列作經營租賃。根據經營租賃支付之款項(扣除自出租人收取之任何獎勵後)於租賃期以直線法在損益支銷。

2.24 股息分派

向本公司股東分派之股息在股息獲本公司股東或董事(如適用)批准之期間，於本集團及本公司之財務報表確認為負債。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

(a) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from borrowings and interest-bearing bank deposits. Interest-bearing financial assets/liabilities at variable rates expose the Group to cash flow interest rate risk. Interest-bearing financial assets/liabilities at fixed rates expose the Group to fair value interest rate risk.

As at 31 March 2018, if the interest rate had increased/decreased by 50 basis points with all other variables held constant, the Group's profit for the year and retained earnings would increase/decrease by approximately HK\$119,000 (2017: increase/decrease by HK\$222,000). The 50 basis point increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date.

3 財務風險管理

3.1 財務風險因素

本集團面對不同財務風險：市場風險（包括利率風險及外匯風險）、信貸風險及流動資金風險。本集團整體風險管理集中在難以估計之金融市場，並致力減低對本集團財務表現之潛在不利影響。

(a) 利率風險

本集團絕大部分收入及經營現金流量不受市場利率變動之影響。本集團之利率風險來自借貸及有息銀行存款。按浮動利率計息之金融資產／負債導致本集團面對現金流量利率風險。按固定利率計息之金融資產／負債則導致本集團面對公允值利率風險。

於二零一八年三月三十一日，假若利率上浮／下浮50基點，而所有其他變數維持不變，則本集團之年度溢利及保留溢利將增加／減少約119,000港元（二零一七年：增加／減少222,000港元）。50基點之上浮／下浮區間代表管理層評估截至下一年度報告日止之合理可能利率變動。

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3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(b) Foreign currency risk

The Group mainly operates in Hong Kong with most of the sales transactions settled in Hong Kong dollars. However, foreign currencies are required to settle the Group's purchases from overseas suppliers.

To manage their foreign exchange risk arising from certain future commercial transactions and recognised liabilities, entities in the Group use forward contracts, transacted with external financial institutions. Foreign exchange risk arises when future commercial transactions or recognised liabilities are denominated in a currency that is not the entity's functional currency.

At 31 March 2018, if the EURO had weakened/strengthened by 5% against the HKD with all other variables held constant, profit for the year would have been approximately HK\$2,333,000 higher/lower (2017: HK\$1,020,000 higher/lower), respectively, mainly as a result of the foreign exchange gains/losses on translation of EURO denominated cash and bank deposits, trade payables and borrowings.

(c) Credit risk

The Group's credit risk is primarily attributable to bank balances and trade, retention and other receivables. Bank balances are deposited with banks with sound credit rating and the Group considers the credit risk to be insignificant.

The Group trades with recognised and creditworthy third parties only. 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 with the result that the Group's exposure to bad debts is not significant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 外匯風險

本集團主要於香港營運，故大部分銷售交易均以港元結算，但向各海外供應商購貨付款時則使用外幣。

為管理若干未來商業交易及確認負債所產生的外匯風險，本集團旗下實體與外部財務機構交易時使用遠期合約。當未來商業交易或已確認負債以非實體功能貨幣計值時會產生外匯風險。

在二零一八年三月三十一日，假若歐羅兌港元貶值／升值5%，而所有其他變數維持不變，則年度溢利將增加／減少約2,333,000港元（二零一七年：增加／減少1,020,000港元），主要由於換算以歐羅為單位之現金及銀行存款、應付賬款及借款產生匯兌收益／虧損所致。

(c) 信貸風險

本集團之信貸風險主要由銀行結餘及應收賬款、應收保留款及其他應收款組成。銀行結餘存放於具有良好信貸評級之銀行，故本集團認為信貸風險不大。

本集團只會與知名及信譽良好之第三方交易。在本集團政策內，所有要求信貸額之客戶均需進行信貸評估。再者，本集團會持續監視應收款結餘，故本集團壞賬風險並不重大。



3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Credit risk (cont'd)

The general credit terms allowed range from 30 to 90 days. As at 31 March 2018, the Group does not hold any collateral from customers. 14% (2017: 16%) of the total trade, retention and other receivables was due from the Group's largest customer and 31% (2017: 27%) was due from the five largest customers of the Group as at 31 March 2018.

The maximum exposure to credit risk is represented by the carrying amounts of bank balances, trade, retention and other receivables and derivative financial assets in the consolidated statement of financial position. The Group has no other financial assets carrying significant exposure to credit risk.

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the shorter and longer term.

As at 31 March 2018, the Group held cash and cash equivalents of HK\$62,357,000 (2017: HK\$79,706,000) that are expected to be readily realised to generate cash inflows for managing liquidity risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 信貸風險(續)

本集團准予之信貸期一般介乎30至90日。於二零一八年三月三十一日，本集團並無持有客戶任何抵押。於二零一八年三月三十一日之應收賬款、應收保留款及其他應收款中，14%（二零一七年：16%）來自本集團最大客戶及31%（二零一七年：27%）來自本集團五大客戶。

於綜合財務狀況表中，最高信貸風險為銀行結餘、應收賬款、應收保留款及其他應收款及衍生金融資產之賬面值。本集團並無其他金融資產附帶重大信貸風險。

(d) 流動資金風險

本集團定期監察現有及預期之流動資金需求，以確保本集團維持足夠現金儲備以滿足短期及長期流動資金需求。

於二零一八年三月三十一日，本集團持有現金及現金等價物62,357,000港元（二零一七年：79,706,000港元），預期可隨時變現產生現金流入以管理流動資金風險。





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3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(d) Liquidity risk (cont'd)

As at 31 March 2018 and 2017, the remaining contractual maturities of the Group's and the Company's financial liabilities, based on undiscounted cash flows, are summarised below:

		Total contractual undiscounted cash flows 總合約未貼現金流量 HK\$'000 千港元	Less than 3 months 少於三個月 HK\$'000 千港元	Between 3 months and 1 year 三個月至一年內 HK\$'000 千港元	Between 1 and 2 years 一至兩年內 HK\$'000 千港元	Between 2 and 5 years 兩至五年內 HK\$'000 千港元	Between 5 years and Over 5 years 超過五年 HK\$'000 千港元
As at 31 March 2018	於二零一八年三月三十一日						
Trade and other payables	應付賬款及其他應付款	51,300	51,300	-	-	-	-
Borrowings (note)	借款(附註)						
— unsecured	— 無抵押	37,089	25,873	11,216	-	-	-
— secured	— 有抵押	4,463	353	1,057	1,409	1,644	-
As at 31 March 2017	於二零一七年三月三十一日						
Trade and other payables	應付賬款及其他應付款	43,041	43,041	-	-	-	-
Borrowings (note)	借款(附註)						
— unsecured	— 無抵押	29,359	15,223	14,136	-	-	-
— secured	— 有抵押	9,041	1,420	3,196	1,393	3,032	-

Note: According to Hong Kong Interpretation 5, "Presentation of Financial Statements — Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause", if a term loan agreement includes an overriding repayment on demand clause ("callable feature"), which gives the lender a clear and unambiguous unconditional right to demand repayment at any time at its sole discretion, a borrower shall classify the term loan as a current liability in its balance sheet, as the borrower does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Accordingly the long-term portion of the Group's bank borrowings of HK\$3,007,000 (2017: HK\$4,362,000) were classified as current liabilities in the consolidated statement of financial position as at 31 March 2018.

3 財務風險管理(續)

3.1 財務風險因素(續)

(d) 流動資金風險(續)

於二零一八年及二零一七年三月三十一日，本集團及本公司按照未貼現現金流量之金融負債之餘下合同到期日概要如下：

附註：根據香港詮釋第5號「財務報表之呈列——借款人對載有應要求償還條款之有期貸款之分類」，有期貸款協議倘包含凌駕一切之應要求償還條款（「催繳權」），給予貸款人清晰明確之無條件權利可隨時全權酌情要求還款，則借款人應於資產負債表將有期貸款分類為流動負債，原因為借款人並沒有無條件權利可將償還負債之期限遞延至報告期間後最少十二個月。因此，於二零一八年三月三十一日，本集團銀行借款長期部分為3,007,000港元（二零一七年：4,362,000港元），已於綜合財務狀況表分類為流動負債。

3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Capital management

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

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

Consistent with others in the industry, the Group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt.

As at 31 March 2018 and 2017, the Group had a net cash position. Gearing ratio is not applicable.

3.3 Fair value estimation

The fair values of the Group's financial assets (current portion), including trade, retention and other receivables, restricted cash and cash and cash equivalents; and the Group's financial liabilities, including trade and other payables and borrowings, approximate their carrying amounts due to their short-term maturities.

The Group's leasehold land and buildings classified under property, plant and equipment and investment properties are carried at fair value. Details of the fair value measurement of these leasehold land and buildings are disclosed in note 16 and note 17.

As at 31 March 2018, the Group had no financial instruments carried at fair value.

3 財務風險管理(續)

3.2 資本管理

本集團管理資本之目標為保障本集團能夠持續經營，從而繼續為股東提供回報、惠及其他持份者以及維持理想之資本架構以減低資本成本。

為維持或調整資本結構，本集團或會調整支付予股東的股息金額、向股東退回資本、發行新股份，或出售資產以減少債務。

本集團根據資產負債比率監控其資本，而此亦符合行業一般政策。此比率按債項淨額除以資本總額計算。債項淨額則以總借貸減現金及現金等價物計算。資本總額按綜合財務狀況表所載之「權益」加上債項淨額計算。

於二零一八年及二零一七年三月三十一日，本集團呈淨現金狀況。資產負債比率並不適用。

3.3 公允值估計

由於本集團金融資產(即期部分)(包括應收賬款、應收保留款及其他應收款、受限制現金以及現金及現金等價物)；及本集團金融負債(包括應付賬款及其他應付款及借款)於短期內到期，其公允值與其賬面值相若。

本集團分類為物業、廠房及設備及投資物業之租賃土地及樓宇按公允值列賬。該等租賃土地及樓宇公允值計量之詳情於附註16及17披露。

於二零一八年三月三十一日，本集團並無按公允值列賬之金融工具。

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4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

4.1 Provision for inventory obsolescence

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group evaluates the ageing of inventories, their historical sales pattern, their subsequent utilisation and other factors and compare the carrying value of inventories to their estimated net realisable values. The identification of inventory obsolescence and estimated selling price in the ordinary course of business requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventory and impairment provision in the year in which such estimate has been changed.

4.2 Provision for impairment of trade and retention receivables

The Group's management determines the provision for impairment of trade and retention receivables based on the credit history of its customers and the current market condition. Management reassesses the provision for impairment of trade and retention receivables periodically. Provisions are applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and retention receivables and provision for impairment of trade and retention receivables in the year in which such estimate has been changed.

4 重大會計估計及判斷

本集團根據過往經驗及其他因素不斷評估估計及判斷，包括在相信屬合理之情況下對未來事件之期望。

本集團對未來作出估算及假設。所得的會計估算顧名思義極少與其實際結果相同。對資產及負債於下一個財政年度之賬面值造成重大調整風險之估計及假設如下。

4.1 過時存貨撥備

於決定過時及滯銷存貨所需撥備金額時，本集團會參考存貨賬齡、出售貨物記錄、後續運用情況及其他因素，並比較存貨之賬面值與其估計變現淨值。過時存貨及在日常業務過程中之預計售價需要作出判斷及估計。倘預期與原本估計有差異，此差異將影響估計數值出現變動年內之存貨之賬面值及減值撥備。

4.2 應收賬款及應收保留賬款減值撥備

本集團管理層乃基於其客戶之信貸記錄及現時市況釐定應收賬款及應收保留賬款減值撥備。管理層定期重新評估應收賬款及應收保留賬款減值撥備。一旦事件發生或情況改變顯示結餘可能無法收回時，則會就應收款作出撥備。倘預期與原本估計有差異，此差異將影響估計數值出現變動年內之應收賬款及應收保留賬款之賬面值及應收賬款及應收保留賬款減值撥備。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.3 Revenue recognition for construction contracts

The Group uses the percentage-of-completion method in accounting for its construction contracts for sales and installation of kitchen collections, and other construction and decoration works. The stage of completion is determined by reference to independent surveys of work performed or completion of a physical proportion of the contract work. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The Group reviews and revises the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. Budgeted construction income is determined in accordance with the terms set out in the relevant contracts. Budgeted construction costs which mainly comprise subcontracting charges and costs of materials are prepared by the management on the basis of quotations from time to time provided by major contractors, suppliers or vendors involved and the experience of the management. In order to keep the budget accurate and up-to-date, the Group's management conducts periodic review on the management budgets by comparing the budgeted amounts to the actual amounts incurred.

A considerable amount of judgement is required in estimating the total contract revenue, contract costs, variation orders and contract claims which may have an impact in terms of percentage of completion.

4.4 Valuation of leasehold land and buildings

The best evidence of fair value is the current prices in an active market for similar properties. In making its estimates, the Group considers the information from the valuations of leasehold land and buildings performed by external professional valuers by using the open market value approach. If the Group used different valuation techniques, the fair value of the leasehold land and buildings may be different and thus may have an impact to the consolidated statement of comprehensive income.

4 重大會計估計及判斷(續)

4.3 工程合同收益確認

本集團於確認其銷售及安裝廚房設備以及其他建築及裝修工程之工程合同時採用完工百分比法。完工階段乃依據已進行工程之獨立調查及佔合約工程的實際完工比例而釐定。倘總合同成本有可能超過總合同收益，預期之虧損即時確認為開支。本集團於合同進行期間檢討及修訂各工程合同之合同收益、合同成本、變更項目及合同索償估計。預算工程收入乃根據相關合同所載條款而定。預算工程成本主要包括分包費用及材料成本，由管理層按所涉及主要承包商、供應商或賣方不時提供之報價以及管理層之經驗而釐定。為維持準確及最新之預算，本集團管理層透過比較預算金額與實際款項定期檢討管理預算。

由於估計總合同收益、合同成本、變更項目及合同索償時需作出相當程度之判斷，故可能影響完工百分比。

4.4 租賃土地及樓宇估值

公允值之最佳證據為類似物業於活躍市場之當前價格。在作出估計時，本集團考慮由外聘專業估值師以公開市值法就租賃土地及樓宇進行估值之資料。倘本集團採用不同評估方式，則租賃土地及樓宇之公允值或會不一樣，而綜合全面收益表或會受影響。

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4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.5 Income tax

Deferred income tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised. Significant management judgement is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Management's assessment is regularly reviewed and additional deferred income tax assets are recognised if it becomes probable that future taxable profits will allow the deferred income tax assets to be recovered.

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

5 REVENUE

Sale of goods	貨品銷售
Contract revenue	合同收益

4 重大會計估計及判斷(續)

4.5 所得稅

倘很可能有未來應課稅溢利以抵銷稅項虧損，則遞延所得稅資產將按尚未動用稅項虧損確認。釐定可予確認之遞延所得稅資產數額需要管理層作出重要判斷，主要根據時間性、未來應課稅溢利及未來稅務安排策略釐定。本集團定期審閱管理層之評估，且倘很有可能未來應課稅溢利，致使可收回遞延所得稅資產，則將確認額外遞延所得稅資產。

本集團須在香港及中國繳納所得稅。於釐定稅項撥備時須作出重大判斷。大量交易及計算均無法確定最終所得稅。倘該等事項之最終稅務結果有別於最初記錄之金額，則有關差額將影響作出有關決定之期間之所得稅及遞延所得稅撥備。

5 收益

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
512,660	431,552
72,060	74,429
584,720	505,981

6 OTHER INCOME

Rental income
Others

租金收入
其他

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
840	827
154	169
994	996

7 OTHER GAINS, NET

Net foreign exchange (loss)/gain
— Forward contracts
— Other exchange (loss)/gain, net
Fair value gain on investment properties
(note 17)
Loss on disposal of fixed assets

匯兌(虧損)/收益, 淨額
— 遠期合約
— 其他匯兌(虧損)/收益, 淨額
投資物業的公允值收益(附註17)
出售固定資產虧損

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
—	(1,517)
(1,631)	2,637
3,400	4,300
(1,652)	(296)
117	5,124

8 SEGMENT INFORMATION

The executive directors of the Company (the “Executive Directors”) are the Group’s chief operating decision-makers. Management has determined the operating segments based on the information reviewed by the Executive Directors for the purposes of allocating resources and assessing performance.

The Group’s reportable operating segments are as follows:

- Architectural builders’ hardware, bathroom collections and others segment — importing, wholesale and retail of architectural builders’ hardware and bathroom collections and others
- Kitchen collection and furniture segment — designing, importing, wholesale, retail and installation of kitchen collections and furniture

The measurement policies the Group used for reporting segment results under HKFRS 8 are the same as those used in its consolidated financial statements prepared under HKFRSs.

8 分部資料

本公司執行董事(「執行董事」)為本集團之主要營運決策者。管理層已根據執行董事就分配資源及評估業績表現所審閱之資料確定經營分部。

本集團之可匯報經營分部如下：

- 建築五金、衛浴設備及其他分部 — 進口、批發及零售建築五金、衛浴設備及其他
- 廚房設備及傢俬分部 — 設計、進口、批發、零售及安裝廚房設備及傢俬

本集團用於按香港財務報告準則第8號報告分部業績之計量政策，與根據香港財務報告準則編製其綜合財務報表時所採用之政策一致。



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8 SEGMENT INFORMATION (CONT'D)

The Executive Directors assess the performance of the operating segments based on the measure of gross profit. Other operating income and expenses are not allocated to the operating segments as the information is not regularly reviewed by the Executive Directors.

Segment assets include all assets but exclude current income tax recoverable, deferred income tax assets, investment properties, restricted cash, cash and cash equivalents, property, plant and equipment related to the office premises of the Group and other corporate assets which are managed on central basis and are not directly attributable to the business activities of any operating segment.

Segment liabilities include all liabilities but exclude current and deferred income tax liabilities, borrowings (excluding trust receipt loans) and other corporate liabilities which are managed on central basis and are not directly attributable to the business activities of any operating segment.

8 分部資料(續)

執行董事根據毛利的計量評估經營分部的業績。由於執行董事並無定期審閱其他經營收益及開支資料，故其他經營收益及開支不獲分配至經營分部。

分部資產包括所有資產，但不包括可收回本期所得稅、遞延所得稅資產、投資物業、受限制現金、現金及現金等價物、與本集團的寫字樓物業有關的物業、廠房及設備以及其他企業資產，該等資產被集中管理，且並非直接歸屬於任何營運分部之商業活動。

分部負債包括所有負債，但不包括本期及遞延所得稅負債、借款(不包括信託收據貸款)及其他企業負債，該等負債被集中管理，且並非直接歸屬於任何營運分部之商業活動。

		2018 二零一八年		
		Architectural builders' hardware, bathroom collections and others 建築五金、 衛浴設備 及其他 HK\$'000 千港元	Kitchen collection and furniture 廚房設備 及傢俬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment revenue from external customers	可匯報之對外客戶分部收益	434,565	150,155	584,720
Reportable segment cost of sales	可匯報之分部銷售成本	(263,365)	(82,054)	(345,419)
Reportable segment gross profit	可匯報之分部毛利	<u>171,200</u>	<u>68,101</u>	<u>239,301</u>
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(3,511)	(1,627)	(5,138)
Provision for inventory obsolescence	過時存貨撥備	(380)	(666)	(1,046)
Write-back of provision for impaired receivables	已減值應收款撥備撥回	233	—	233
Reportable segment assets	可匯報之分部資產	344,428	95,448	439,876
Additions to non-current segment assets during the year	年度內非流動分部資產之添置	1,717	8,642	10,359
Reportable segment liabilities	可匯報之分部負債	<u>67,926</u>	<u>68,626</u>	<u>136,552</u>

8 SEGMENT INFORMATION (CONT'D)

8 分部資料(續)

		2017 二零一七年		
		Architectural builders' hardware, bathroom collections and others 建築五金、 衛浴設備 及其他 HK\$'000 千港元	Kitchen collection and furniture 廚房設備 及傢俬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment revenue from external customers	可匯報之對外客戶分部收益	359,071	146,910	505,981
Reportable segment cost of sales	可匯報之分部銷售成本	(225,902)	(68,640)	(294,542)
Reportable segment gross profit	可匯報之分部毛利	<u>133,169</u>	<u>78,270</u>	<u>211,439</u>
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(4,186)	(1,932)	(6,118)
Reversal of provision/(provision) for inventory obsolescence	過時存貨撥備撥回/(撥備)	2,312	(787)	1,525
Write-back of provision/(provision) for impaired receivables	已減值應收款撥備撥回/(撥備)	4,578	(48)	4,530
Reportable segment assets	可匯報之分部資產	278,631	81,460	360,091
Additions to non-current segment assets during the year	年度內非流動分部資產之添置	5,315	1,765	7,080
Reportable segment liabilities	可匯報之分部負債	<u>67,524</u>	<u>41,288</u>	<u>108,812</u>

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8 SEGMENT INFORMATION (CONT'D)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

8 分部資料(續)

本集團可匯報之經營分部合計資料與本集團綜合財務報表之主要財務數值對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Reportable segment gross profit	可匯報之分部毛利	239,301	211,439
Group gross profit	集團毛利	239,301	211,439
Reportable segment assets	可匯報之分部資產	439,876	360,091
Property, plant and equipment	物業、廠房及設備	107,935	98,366
Investment properties	投資物業	36,100	32,700
Deferred income tax assets	遞延所得稅資產	4,491	2,618
Current income tax recoverable	可收回本期所得稅	1,973	6,131
Restricted cash	受限制現金	3,008	2,981
Cash and cash equivalents	現金及現金等價物	62,357	79,706
Other corporate assets	其他企業資產	271	272
Group assets	集團資產	656,011	582,865
Reportable segment liabilities	可匯報之分部負債	136,552	108,812
Borrowings	借款	9,461	19,023
Current income tax liabilities	本期所得稅負債	7,392	3,252
Deferred income tax liabilities	遞延所得稅負債	22,898	19,418
Other corporate liabilities	其他企業負債	497	496
Group liabilities	集團負債	176,800	151,001



8 SEGMENT INFORMATION (CONT'D)

Geographical information

		Revenue from external customers		Non-current assets (excluding financial assets and deferred income tax assets)	
		對外客戶收益		非流動資產(不包括金融資產及遞延所得稅資產)	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong (domicile)	香港(主要營業地點)	555,626	469,061	223,905	197,667
PRC	中國	29,094	36,920	1,930	699
Total	總計	584,720	505,981	225,835	198,366

The geographical location of customers is determined based on the location at which the goods were delivered. The geographical location of the non-current assets is determined based on the physical location of the assets.

客戶地區位置根據交付貨品所在位置而定，非流動資產之地區位置則根據該資產之實際位置而定。

During the year ended 31 March 2018, no single customer contributed over 10% of the Group's revenue (2017: same).

截至二零一八年三月三十一日止年度，並無單一客戶佔本集團收益超過10%(二零一七年：相同)。

9 EXPENSES BY NATURE

9 開支分類

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Employee benefit expenses (note 11)	員工福利支出(附註11)	79,203	71,645
Auditors' remuneration	核數師酬金		
— Audit services	— 核數服務	2,368	2,797
— Non-audit services	— 非核數服務	120	120
Cost of inventories (note 19)	存貨成本(附註19)	317,693	274,721
Depreciation (note 16)	折舊(附註16)	10,305	10,665
Operating lease charges in respect of land and buildings	土地及樓宇之經營租賃支出	55,310	47,864
Direct operating expenses arising from investment properties that generated rental income	產生租金收入之投資物業直接經營開支	109	106
Provision/(reversal of provision) for inventory obsolescence (note 19)	過時存貨撥備/(撥備撥回)(附註19)	1,046	(1,525)
Write-back of provision for impaired receivables (note 20)	已減值應收款撥備撥回(附註20)	(233)	(4,530)

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10 FINANCE COSTS, NET

10 財務費用，淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance costs	財務成本		
Bank borrowings	銀行借款	897	1,005
Finance income	財務收入		
Interest income	利息收入	(99)	(619)
Finance costs, net	財務成本，淨額	798	386

11 EMPLOYEE BENEFIT EXPENSES

11 員工福利支出

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and allowances, including directors' emoluments (note 12)	薪金及津貼，包括董事酬金(附註12)	73,724	68,950
Pension costs — defined contribution plans	界定退休供款計劃	2,979	2,695
Other long-term employee benefits	其他長期僱員福利	2,500	—
		79,203	71,645

12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' remuneration

The aggregate amount of emoluments paid or payable to the directors of the Company are as follows:

12 董事之福利及權益及五名最高薪酬人士

(a) 董事之薪酬

已付或應付本公司董事之酬金總額如下：

		2018 二零一八年			Total 合計
		Directors' fees	Salaries and bonus	Employer's contribution to retirement benefit scheme 界定退休供款計劃	
		董事袍金 HK\$'000 千港元	薪金及花紅 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors	執行董事				
TSE Sun Fat, Henry (Chairman)	謝新法(主席)	100	3,300	18	3,418
TSE Sun Wai, Albert	謝新偉	100	4,922	–	5,022
TSE Sun Po, Tony (Managing Director)	謝新寶(董事總經理)	100	4,160	18	4,278
TSE Hon Kit, Kevin	謝漢傑	100	3,092	18	3,210
LAU Shiu Sun	劉紹新	100	1,754	18	1,872
Independent non-executive directors	獨立非執行董事				
LEUNG Kwong Kin, J.P.	梁光建 太平紳士	108	–	–	108
WONG Wah, Dominic	黃華	108	–	–	108
WAN Sze Chung	溫思聰	108	–	–	108
		824	17,228	72	18,124



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12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(a) Directors' remuneration (cont'd)

		2017 二零一七年			Total 合計
		Salaries and bonus	Employer's contribution to retirement benefit scheme 界定退休供款計劃		
Directors' fees		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors	執行董事				
TSE Sun Fat, Henry (Chairman)	謝新法(主席)	100	3,860	18	3,978
TSE Sun Wai, Albert	謝新偉	100	5,737	–	5,837
TSE Sun Po, Tony (Managing Director)	謝新寶(董事總經理)	100	5,050	18	5,168
TSE Hon Kit, Kevin	謝漢傑	100	3,674	18	3,792
LAU Shiu Sun	劉紹新	100	1,971	18	2,089
Independent non-executive directors	獨立非執行董事				
LEUNG Kwong Kin, J.P.	梁光建 太平紳士	108	–	–	108
WONG Wah, Dominic	黃華	108	–	–	108
WAN Sze Chung	溫思聰	108	–	–	108
		<u>824</u>	<u>20,292</u>	<u>72</u>	<u>21,188</u>

No directors have waived or agreed to waive their emoluments in respect of the year ended 31 March 2018 (2017: Nil).

截至二零一八年三月三十一日止年度，並無董事放棄或同意放棄彼等之酬金(二零一七年：無)。

(b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the year (2017: Nil).

(b) 董事之退休福利及離職福利

年內，概無董事已收取或將收取任何退休福利或離職福利(二零一七年：無)。

(c) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2018, the Group does not pay consideration to any third parties for making available directors' services (2017: Nil).

(c) 就獲提供董事服務而給予第三方代價

截至二零一八年三月三十一日止年度，本集團並無就任何第三方提供董事服務而向其支付代價(二零一七年：無)。

12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and controlled entities with such directors

As at 31 March 2018, there are no loans, quasi-loans or other dealings in favour of the directors, controlled bodies corporate by and controlled entities with such directors (2017: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

Saved as disclosed in note 32, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(f) Key management personnel

The Group regards the executive directors as the key management personnel. Details of the remuneration paid to them are set out in (a).

(g) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2017: four) directors whose emoluments are reflected in the analysis presented above. The emoluments paid or payable to the five highest paid individuals during the year are as follows:

12 董事之福利及權益及五名最高薪酬人士(續)

(d) 向董事、受該等董事控制的法人團體及該董事的關連主體提供任何貸款、準貸款或其他交易

於二零一八年三月三十一日，並無向董事、受該等董事控制的法人團體及該董事的關連主體提供任何貸款、準貸款或其他交易(二零一七年：無)。

(e) 董事在交易、安排或合同的重大權益

除於附註32披露者外，本年度內或年結時，本公司並無簽訂任何與本集團業務相關而本公司董事直接或間接在其中擁有重大權益之重要交易、安排和合同。

(f) 關鍵管理人員

本集團認為執行董事乃關鍵管理人員。支付予彼等的酬金詳情載於第(a)項。

(g) 五名最高薪酬人士

年內本集團之五名最高薪酬人士包括四位(二零一七年：四位)董事，彼等酬金已列載於上文列示之分析內。年內已支付或應支付予五名最高薪酬人士之薪酬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	18,434	22,456
Pension costs — defined contribution plans	界定退休供款計劃	72	72
		<u>18,506</u>	<u>22,528</u>

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12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(g) Five highest paid individuals (cont'd)

The emoluments fell within the following bands:

Emolument bands (in HK\$)	薪酬組別(港元)
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至 6,000,000 港元

12 董事之福利及權益及五名最高薪酬人士(續)

(g) 五名最高薪酬人士(續)

該五名人士之酬金介乎以下範圍：

Number of individuals 人數	
2018 二零一八年	2017 二零一七年

1

—

2

—

—

3

1

—

—

—

1

1

—

1

13 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the subsidiaries operate.

13 所得稅開支

香港利得稅乃以年內估計應課稅溢利按稅率 16.5% (二零一七年：16.5%) 計提撥備。海外利得稅根據年內估計應課稅溢利按附屬公司經營所在國家之現行稅率計算。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax	即期稅項		
Hong Kong profits tax	香港利得稅	11,263	8,126
Overseas income tax	海外所得稅	12	550
Under/(over) provision in prior years	往年撥備不足／(超額撥備)	551	(401)
Total current tax	即期稅項總額	11,826	8,275
Deferred taxation (note 25)	遞延稅項(附註25)	(2,438)	(179)
Income tax expense	所得稅開支	9,388	8,096



13 INCOME TAX EXPENSE (CONT'D)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the domestic tax rates in the countries in which the Group operates as follows:

13 所得稅開支(續)

本集團有關除稅項前溢利之稅項與假若採用本集團營運所在的國家之稅率而計算之理論稅額之差額如下：

		Group 本集團	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	53,582	50,403
Tax calculated at domestic tax rates applicable to profits in the respective countries	按相關國家溢利適用的國內稅率計算的稅項	8,763	8,563
Effect of tax reduction in current year	本年度稅項減少的影响	(327)	—
Under/(over) provision in prior years	往年撥備不足／(超額撥備)	551	(401)
Income not subject to tax	毋須課稅收入	(560)	(1,070)
Expenses not deductible for tax purposes	不可扣稅開支	734	662
Utilisation of previously unrecognised tax losses	動用過往未確認稅項虧損	(869)	—
Unrecognised tax losses	未確認稅項虧損	1,096	342
Tax expense for the year	本年度稅項開支	9,388	8,096

The weighted average applicable tax rate was 16.4% (2017: 17.0%).

適用加權平均稅率為16.4%(二零一七年：17.0%)。

14 DIVIDENDS

(a) Dividends declared and paid during the year

14 股息

(a) 於本年度宣佈及派發之股息

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Final dividend in respect of 2017 of HK2.5 cents (2017: in respect of 2016 of HK2 cents) per share	二零一七年之末期股息每股2.5港仙 (二零一七年：二零一六年之末期股息每股2港仙)	15,015	12,012
Special dividend in respect of 2016 of HK5 cents per share	二零一六年之特別股息每股5港仙	—	30,030
Interim dividend in respect of 2018 of HK1 cent (2017: in respect of 2017 of HK1.5 cents) per share	二零一八年中中期股息每股1港仙 (二零一七年：二零一七年中中期股息每股1.5港仙)	6,006	9,009
		21,021	51,051

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14 DIVIDENDS (CONT'D)

(b) Dividends for the year

Interim dividend of HK1 cent
(2017: HK1.5 cents) per share

Proposed final dividend of
HK2.5 cents (2017: HK2.5 cents)
per share (note)

中期股息每股1港仙(二零一七年：
每股1.5港仙)

建議末期股息每股2.5港仙(二零一七年：
每股2.5港仙)(附註)

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
6,006	9,009
15,015	15,015
21,021	24,024

Note:

Final dividends have been proposed by the directors after the reporting date. The proposed dividends, subject to the shareholders' approval at the forthcoming annual general meeting, are not reflected as dividend payable as at 31 March 2018.

附註：

末期股息由董事於報告日期後建議派付。該擬派股息(有待股東於應屆股東週年大會上批准)並無反映為於二零一八年三月三十一日之應付股息。

15 EARNINGS PER SHARE

(a) Basic

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

15 每股溢利

(a) 基本

每股基本溢利乃根據本公司所有者應佔溢利除以年度內已發行普通股股數計算。

Profit attributable to equity
owners of the Company

本公司所有者應佔溢利

Number of ordinary shares in issue (thousands) 已發行普通股股數(千股)

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
44,194	42,307
600,600	600,600

(b) Diluted

Diluted earnings per share for the year ended 31 March 2018 is the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued (2017: same).

(b) 攤薄

由於並無發行潛在攤薄普通股，故截至二零一八年三月三十一日止年度之每股攤薄溢利與每股基本溢利一致(二零一七年：一致)。



16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Leasehold land and buildings (note) 租賃土地 及樓宇(附註) HK\$'000 千港元	Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Net book value	賬面淨值					
At 1 April 2016	於二零一六年四月一日	136,300	10,415	1,356	513	148,584
Additions	添置	–	7,079	112	–	7,191
Disposal	出售	–	(296)	–	–	(296)
Depreciation (note 9)	折舊(附註9)	(4,266)	(5,813)	(444)	(142)	(10,665)
Revaluation	重估	20,966	–	–	–	20,966
Exchange difference	匯兌差異	–	(89)	(25)	–	(114)
At 31 March 2017	於二零一七年三月三十一日	153,000	11,296	999	371	165,666
Additions	添置	–	10,359	38	–	10,397
Disposal	出售	–	(1,652)	–	–	(1,652)
Depreciation (note 9)	折舊(附註9)	(4,897)	(4,896)	(344)	(168)	(10,305)
Revaluation	重估	25,497	–	–	–	25,497
Exchange difference	匯兌差異	–	106	17	9	132
At 31 March 2018	於二零一八年三月三十一日	<u>173,600</u>	<u>15,213</u>	<u>710</u>	<u>212</u>	<u>189,735</u>
At 31 March 2017	於二零一七年三月三十一日					
Valuation	重估	153,000	–	–	–	153,000
Cost	成本	–	79,266	19,526	967	99,759
Accumulated depreciation	累計折舊	–	(67,970)	(18,527)	(596)	(87,093)
Net book amount	賬面淨值	<u>153,000</u>	<u>11,296</u>	<u>999</u>	<u>371</u>	<u>165,666</u>
At 31 March 2018	於二零一八年三月三十一日					
Valuation	重估	<u>173,600</u>	–	–	–	<u>173,600</u>
Cost	成本	–	<u>77,808</u>	<u>19,665</u>	<u>982</u>	<u>98,455</u>
Accumulated depreciation	累計折舊	–	<u>(62,595)</u>	<u>(18,955)</u>	<u>(770)</u>	<u>(82,320)</u>
Net book amount	賬面淨值	<u>173,600</u>	<u>15,213</u>	<u>710</u>	<u>212</u>	<u>189,735</u>





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16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note:

If leasehold land and buildings were stated on the historical cost basis, the amounts would be as follows:

Cost	成本
Accumulated depreciation	累計折舊
Net book amount	賬面淨值

Bank borrowings are secured by the leasehold land and buildings in Hong Kong with a total carrying amount of HK\$107,500,000 (2017: HK\$97,700,000) (note 24).

The following table analyses the leasehold land and buildings carried at fair value, by valuation method.

16 物業、廠房及設備(續)

附註：

倘租賃土地及樓宇乃按歷史成本基準呈列，有關金額如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
34,804	34,804
(6,389)	(5,693)
28,415	29,111

銀行借款以總賬面值為107,500,000港元(二零一七年：97,700,000港元)之香港租賃土地及樓宇作抵押(附註24)。

下表以估值法分析按公允值列賬之租賃土地及樓宇。

		Fair value measurements using 採用下列各項之公允值計量		
Description 概況		Quoted prices in active markets for identical assets (Level 1) 相同資產之活躍 市場報價(第一層) HK\$'000 千港元	Significant other observable inputs (Level 2) 重大其他可觀察 輸入數據(第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) (Note) 重大不可觀察輸入 數據(第三層)(附註) HK\$'000 千港元
As at 31 March 2018	於二零一八年三月三十一日			
Recurring fair value measurements — Leasehold land and buildings	經常性公允值計量 — 租賃土地及樓宇	—	—	173,600
As at 31 March 2017	於二零一七年三月三十一日			
Recurring fair value measurements — Leasehold land and buildings	經常性公允值計量 — 租賃土地及樓宇	—	—	153,000

Note: For fair value measurement under Level 3, inputs for the asset or liability are not based on observable market data (that is, unobservable inputs).

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the year.

附註：就第三層項下之公允值計量而言，資產或負債之輸入數據並非以可觀察市場數據(即不可觀察輸入數據)為基礎。

本集團之政策為於出現導致公允值層級之間轉移之事件或情況變動當日，確認有關公允值層級之轉入及轉出。年內，第一層、第二層及第三層之間並無轉移。

16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Fair value measurements using significant unobservable inputs (Level 3)

Opening balance	年初結餘
Depreciation	折舊
Surplus on revaluation recognised in other comprehensive income	於其他全面收益確認之重估盈餘
Closing balance	年終結餘

Valuation processes of the Group

The Group's leasehold land and buildings were valued at 31 March 2018 by an independent professionally qualified valuer, Memfus Wong Surveyors Limited, who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the leasehold land and buildings valued.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the board of directors. Discussions of valuation processes and results are held between the review team and the valuer annually.

Level 3 fair values of leasehold land and buildings have been derived using the direct comparison approach, which basically uses the comparable sales transactions as available in the relevant market to derive the fair value of the properties. Sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as time of transactions, property size and location. The most significant input into this valuation approach is the market unit rate.

16 物業、廠房及設備(續)

利用重大不可觀察輸入數據(第三層)之公允值計量

Leasehold land and buildings

租賃土地及樓宇	
2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元
153,000	136,300
(4,897)	(4,266)
25,497	20,966
173,600	153,000

本集團之估值流程

本集團之租賃土地及樓宇由獨立專業合資格估值師黃開基測計師行有限公司於二零一八年三月三十一日估值，此估值師持有相關認可專業資格，且最近曾於租賃土地及樓宇所在地區及分部進行估值。

本集團財務部包括一支就財務報告目的審閱獨立估值師所進行估值之團隊。該團隊直接向董事會匯報。估值團隊每年與估值師討論估值流程及結果。

租賃土地及樓宇之第三層公允值乃使用直接比較法得出。直接比較法一般利用相關市場上可查閱之可資比較銷售交易達致物業公允值。鄰近地區可資比較物業之售價已就交易時間、物業面積及地點等主要特點之差異作出調整。此估值法之最重大輸入數據為市場單價率。



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16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Information about fair value measurements using significant unobservable inputs (Level 3)

Unobservable inputs 不可觀察輸入數據

Range of unobservable inputs 不可觀察輸入數據範圍

Relationship of unobservable inputs of fair value 公允值所涉及不可觀察輸入數據之關係

Market unit rate
市場單價率

Office: HK\$21,800 to HK\$21,900
(2017: HK\$19,800 to HK\$19,900)
per square feet of saleable area
辦公室：實用面積每平方呎 21,800 港元
至 21,900 港元 (二零一七年：19,800 港元
至 19,900 港元)

The higher the market unit rate,
the higher the fair value

市場單價率越高，公允值越高

Shop: HK\$86,000 (2017: HK\$72,000)
per square feet of saleable area
店舖：實用面積每平方呎 86,000 港元
(二零一七年：72,000 港元)

There were no changes to the valuation techniques during the year.

年內估值方法概無變動。

17 INVESTMENT PROPERTIES

17 投資物業

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April Fair value gain recognised in the profit or loss	於四月一日 在損益確認公允值收益	32,700 3,400	28,400 4,300
At 31 March	於三月三十一日	<u>36,100</u>	<u>32,700</u>

The fair value gain on investment properties is included in "Other gains, net" in the consolidated statement of comprehensive income (note 7).

投資物業的公允值收益乃計入綜合全面收益表內的「其他收益，淨額」(附註7)。

17 INVESTMENT PROPERTIES (CONT'D)

Information about fair value measurements using significant unobservable inputs:

17 投資物業(續)

有關使用重大不可觀察輸入數據的公允值計量的資料：

Description 概況	Fair value measurements using 採用下列各項之公允值計量		
	Quoted prices in active markets for identical assets (Level 1) 相同資產之 活躍市場報價 (第一層) HK\$'000 千港元	Significant other observable inputs (Level 2) 重大其他可 觀察輸入數據 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀 察輸入數據 (第三層) HK\$'000 千港元
As at 31 March 2018	於二零一八年三月三十一日		
Recurring fair value measurements — Investment properties	經常性公允值計量 — 投資物業	—	36,100
As at 31 March 2017	於二零一七年三月三十一日		
Recurring fair value measurements — Investment properties	經常性公允值計量 — 投資物業	—	32,700

As at 31 March 2018, valuations were undertaken by an independent professionally qualified valuer, Memfus Wong Surveyors Limited. The valuation processes are the same as the revaluation of leasehold land and buildings held for own use (note 16).

於二零一八年三月三十一日，估值工作乃由獨立專業合資格估值師行黃開基測計師行有限公司進行。估值過程與就持作自用的租賃土地及樓宇之重估相同(附註16)。

Information about fair value measurements using significant unobservable inputs (Level 3)

有關利用重大不可觀察輸入數據(第三層)之公允值計量之資料

Unobservable inputs 不可觀察輸入數據	Range of unobservable inputs 不可觀察輸入數據範圍	Relationship of unobservable inputs of fair value 公允值所涉及不可觀察輸入數據之關係
Market unit rate 市場單價率	HK\$21,900 (2017:HK\$19,900) per square feet of saleable area 實用面積每平方呎21,900港元 (二零一七年：19,900港元)	The higher the market unit rate, the higher the fair value 市場單價率越高，公允值越高

There were no changes to the valuation techniques used during the year.

年內估值方法概無變動。

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For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

18 INTEREST IN SUBSIDIARIES

The following is a list of principal subsidiaries at 31 March 2018:

18 附屬公司權益

以下為於二零一八年三月三十一日之主要附屬公司名單：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊／成立地點	Particulars of issued share capital 已發行股本詳情	Legal structure 法定結構	Equity interest held 所持股本權益 2018 二零一八年	2017 二零一七年	Principal activities and place of operation 主要業務及營業地點
Asia Bon Company Limited 富邦(亞洲)資產管理有限公司	Hong Kong 香港	100 ordinary shares 100 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Property holding in Hong Kong 於香港作物業持有
Asia Richly Limited 亞洲富實有限公司	Hong Kong 香港	1 ordinary share 1 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Property holding in Hong Kong 於香港作物業持有
Bonco Ironmongery Limited 保固五金建材有限公司	Hong Kong 香港	10,000 ordinary shares 10,000 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Importing and sale of architectural builders' hardware in Hong Kong 於香港進口及銷售建築五金
D.I.Y. Limited	Hong Kong 香港	2 ordinary shares 2 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Handling of human resources planning and development activities of the Group 處理本集團人力資源規劃及發展事宜
E. Bon Building Materials Company Limited 怡邦行建築材料有限公司	Hong Kong 香港	6,000 ordinary shares 6,000 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Importing and sale of architectural builders' hardware and bathroom collections in Hong Kong 於香港進口及銷售建築五金及衛浴設備
H2O (Pro) Limited 水之健有限公司	Hong Kong 香港	2 ordinary shares 2 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Importing and sale of bathroom collections in Hong Kong 於香港進口及銷售衛浴設備
Kitchen (Pro) Limited 廚之健有限公司	Hong Kong 香港	1,000 ordinary shares 1,000 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Importing, sale and installation of kitchen collections in Hong Kong 於香港進口、銷售及安裝廚房設備
Massford (Hong Kong) Limited 美富(香港)有限公司	Hong Kong 香港	10,000 ordinary shares 10,000 股普通股	Company with limited liabilities 有限責任公司	100%	100%	Supply of architectural builders' hardware and bathroom collections for property development in Hong Kong 於香港供應建築五金及衛浴設備予物業發展項目



18 INTEREST IN SUBSIDIARIES (CONT'D)

18 附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊／成立地點	Particulars of issued share capital 已發行股本詳情	Legal structure 法定結構	Equity interest held 所持股本權益		Principal activities and place of operation 主要業務及營業地點
				2018 二零一八年	2017 二零一七年	
Massford (Shanghai) Limited* 美富(上海)五金有限公司	PRC 中國	US\$250,000 250,000美元	Wholly foreign owned enterprise 全外資企業	100%	100%	Supplying architectural builders' hardware and bathroom collections for property development in Shanghai 於上海供應建築五金及衛浴設備予物業發展項目
Right Century Limited 港仲有限公司	Hong Kong 香港	1,000 ordinary shares 1,000股普通股	Company with limited liabilities 有限責任公司	100%	100%	Retail sales of bathroom accessories and decoration materials through retail shops in Hong Kong 透過零售店於香港零售銷售衛浴設備及裝飾材料
Shanghai Tech Pro International Trading Company Limited* 上海得保國際貿易有限公司	PRC 中國	US\$300,000 300,000美元	Wholly foreign owned enterprise 全外資企業	100%	100%	Importing and sale of architectural builders' hardware and bathroom collections in the PRC 於中國進口及銷售建築五金及衛浴設備
Shanghai Techpro Interior Decoration Company Limited* 上海得保室內裝飾有限公司	PRC 中國	RMB5,000,000 人民幣 5,000,000 元	Wholly foreign owned enterprise 全外資企業	100%	100%	Undertaking interior decoration and project management for property development in the PRC 於中國提供室內設計及項目管理服務予物業發展項目
Sunny Building and Decoration Materials Company Limited 新新裝飾材料五金工具有限公司	Hong Kong 香港	6,000 ordinary shares 6,000股普通股	Company with limited liabilities 有限責任公司	100%	100%	Retail sales of architectural builders' hardware and bathroom collections through retail shops in Hong Kong 透過零售店於香港零售銷售建築五金及衛浴設備
Techpro Trading Limited 德保建材貿易有限公司	Hong Kong 香港	1,000 ordinary shares 1,000股普通股	Company with limited liabilities 有限責任公司	100%	100%	Importing and sale of architectural builders' hardware 進口及銷售建築五金
VIA (Shanghai) Limited* 譽品(上海)家具櫥櫃有限公司	PRC 中國	US\$250,000 250,000美元	Wholly foreign owned enterprise 全外資企業	100%	100%	Importing and sale of bathroom, furniture and kitchen collections in Shanghai 於上海進口及銷售衛浴、傢俬及廚房設備

* The English names of certain subsidiaries referred herein represent management's best effort in translating the Chinese names of these subsidiaries as no English names have been registered.

* 由於上述若干附屬公司並無登記英文名稱，故該等英文名稱由管理層根據中文名稱盡力翻譯。



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19 INVENTORIES

19 存貨

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finished goods	製成品	168,497	146,058

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK\$317,693,000 (2017: HK\$274,721,000).

確認為開支並計入「銷售成本」之存貨成本為317,693,000港元(二零一七年：274,721,000港元)。

As at 31 March 2018, finished goods with cost of HK\$35,813,000 (2017: HK\$34,163,000) were considered as obsolete.

於二零一八年三月三十一日，過時製成品之成本為35,813,000港元(二零一七年：34,163,000港元)。

The movement in the provision for inventory obsolescence is as follows:

過時存貨撥備變動如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	34,163	36,187
Provision for/(reversal of provision) inventory obsolescence	過時存貨撥備／(撥備撥回)	1,046	(1,525)
Exchange difference	匯兌差異	604	(499)
Balance at end of the year	年終結餘	35,813	34,163



20 TRADE, RETENTION AND OTHER RECEIVABLES

Details of the trade, retention and other receivables as at 31 March 2018 are listed below:

20 應收賬款、應收保留款及其他應收款

於二零一八年三月三十一日，應收賬款、應收保留款及其他應收款資料如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	應收賬款	137,081	115,226
Less: provision for impairment of trade receivables	減：應收保留款減值撥備	(636)	(855)
		<u>136,445</u>	<u>114,371</u>
Retention receivables	應收保留款	5,368	6,308
Less: provision for impairment of retention receivables	減：應收保留款減值撥備	(287)	(260)
		<u>141,526</u>	<u>120,419</u>
Amounts due from customers for contract work (note 29)	應收客戶之合約工程賬款(附註29)	15,277	2,596
Other receivables, deposits and prepayments	其他應收款、按金及預付款	33,047	23,990
		<u>189,850</u>	<u>147,005</u>
Less: non-current portion	減：非即期部分	(4,085)	(5,672)
Retention receivables	應收保留款	(13,985)	(4,746)
Deposits and prepayments	按金及預付款		
Current portion	即期部分	<u>171,780</u>	<u>136,587</u>

All non-current receivables are due within five years from the end of the respective reporting dates.

所有非即期部分之應收款將於其報告日起計五年內到期。





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20 TRADE, RETENTION AND OTHER RECEIVABLES (CONT'D)

The ageing analysis of trade receivables at the reporting date by invoice date is as follows:

1-90 days	1至90天
91-365 days	91至365天
Over 365 days	超過365天

The majority of the Group's sales are with credit terms of 30 to 90 days, while some customers are granted an extended credit period of up to 120 days.

The ageing analysis of trade receivables that are not impaired is as follows:

Not yet past due	尚未逾期
1-90 days past due	逾期1至90天
91-365 days past due	逾期91至365天
Over 365 days past due	逾期超過365天

Receivables that were past due but not impaired relate to a wide range of customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are expected to be fully recoverable. The Group does not hold any collateral over these balances.

20 應收賬款、應收保留款及其他應收款(續)

應收賬款於報告日之賬齡(以發票日計算)分析如下:

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
107,702	85,789
16,778	21,886
12,601	7,551
137,081	115,226

本集團之銷售信貸期大部分為30至90日，而部份客戶的信貸期可獲延長至最多120日。

未作減值撥備之應收賬款之賬齡分析如下:

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
65,264	57,348
45,351	35,442
14,464	14,885
11,366	6,696
136,445	114,371

已逾期但未作出減值撥備之應收款來自若干與本集團有良好還款記錄之客戶。根據過往經驗，由於信貸質素並無重大變動，且相信可全數收回有關應收款，故管理層認為毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

20 TRADE, RETENTION AND OTHER RECEIVABLES (CONT'D)

The movement in the provision for impairment of trade and retention receivables is as follows:

Balance at beginning of the year	年初結餘
Write-back of provision for impaired receivables	已減值應收款撥備撥回
Exchange difference	匯兌差異
Balance at end of the year	年終結餘

At each reporting date, the Group reviews receivables for evidence of impairment on both an individual and collective basis. As at 31 March 2018, the Group determined trade and retention receivables of HK\$923,000 (2017: HK\$1,115,000) as individually impaired. The impaired trade and retention receivables are due from customers that were in default or delinquency of payments.

As at 31 March 2018, the carrying values of trade and other receivables approximate their fair values (2017: same).

21 RESTRICTED CASH

Restricted cash	受限制現金
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Restricted bank deposits of HK\$3,008,000 (2017: HK\$2,981,000) represented fixed term deposits placed with commercial banks and were pledged against performance bonds granted to the Group (note 31).

The effective interest rate on restricted bank deposits was 0.5% (2017: 0.5%) per annum as at 31 March 2018.

20 應收賬款、應收保留款及其他應收款(續)

應收賬款及應收保留款減值撥備變動如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,115	5,688
(233)	(4,530)
41	(43)
923	1,115

於各報告日，本集團按個別及整體基準檢討應收款的減值證據。於二零一八年三月三十一日，本集團確認應收賬款及應收保留款其中923,000港元(二零一七年：1,115,000港元)需要作個別減值。已減值應收賬款及應收保留款乃應收未能或拖欠還款的客戶的款項。

於二零一八年三月三十一日，應收賬款及其他應收款之賬面值與其公允值相若(二零一七年：相同)。

21 受限制現金

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
3,008	2,981

受限制銀行存款3,008,000港元(二零一七年：2,981,000港元)指存放於商業銀行之定期存款，已抵押作為本集團獲授履約保證之抵押品(附註31)。

於二零一八年三月三十一日，受限制銀行存款之實際年利率為0.5%(二零一七年：0.5%)。

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22 CASH AND CASH EQUIVALENTS

22 現金及現金等價物

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash at bank and on hand	銀行存款及手頭現金	62,357	79,706

As at 31 March 2018, the Group's cash and bank balances of approximately HK\$10,017,000 (2017: HK\$15,089,000) are deposited with banks in the PRC, where the remittance of funds is subject to foreign exchange control.

於二零一八年三月三十一日，本集團之現金及銀行結餘約10,017,000港元(二零一七年：15,089,000港元)已存入中國之銀行，匯款受外匯條例管制。

The effective interest rate on short-term bank deposits was 0.09% (2017: 0.05%) per annum as at 31 March 2018.

於二零一八年三月三十一日，短期銀行存款之實際年利率為0.09%(二零一七年：0.05%)。

23 TRADE AND OTHER PAYABLES

23 應付賬款及其他應付款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables	應付賬款	36,063	24,293
Accrued charges and other payables	應計費用及其他應付款	12,949	7,006
Amounts due to customers for contract work (note 29)	應付客戶之合約工程賬款(附註29)	2,288	11,742
		51,300	43,041

The ageing analysis of the trade payables at the reporting date by invoice date is as follows:

應付賬款於報告日之賬齡(以發票日計算)分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0-90 days	0至90天	36,003	23,242
91-365 days	91至365天	53	124
Over 365 days	超過365天	7	927
		36,063	24,293

As at 31 March 2018, the carrying values of trade and other payables approximate their fair values (2017: same).

於二零一八年三月三十一日，應付賬款及其他應付款之賬面值與其公允值相若(二零一七年：相同)。

24 BORROWINGS

24 借款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	即期		
Secured	有抵押		
— Bank loans	— 銀行貸款	4,367	8,897
Unsecured	無抵押		
— Trust receipt loans	— 信託收據貸款	31,921	19,092
— Bank loans	— 銀行貸款	5,094	10,126
		41,382	38,115

Trust receipt loans are mainly denominated in HK\$ or Euro. All bank loans are denominated in HK\$.

信託收據貸款之結算貨幣為港元或歐羅。所有銀行貸款之結算貨幣為港元。

At 31 March 2018, the Group's borrowings were repayable as follows:

於二零一八年三月三十一日，本集團須償還之借款如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	38,375	33,753
In the second year	第二年內	1,377	1,361
In the third to fifth year	第三年至第五年內	1,630	3,001
		41,382	38,115

Bank borrowings of HK\$4,367,000 (2017: HK\$8,897,000) are secured by leasehold land and buildings of the Group of HK\$107,500,000 (2017: HK\$97,700,000) (note 16).

銀行借款4,367,000港元(二零一七年：8,897,000港元)是以本集團為數107,500,000港元(二零一七年：97,700,000港元)之租賃土地及樓宇作抵押(附註16)。

The fair value of borrowings, which carry interest at floating rates, equals their carrying amounts.

附有浮動利率之借款之公允值等同其賬面值。



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For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

24 BORROWINGS (CONT'D)

The Group had the following undrawn borrowing facilities:

Floating rate:

— Expiring within one year

浮動利率：

— 一年內到期

The effective interest rate is 2.3% (2017: 2.1%) for the year ended 31 March 2018.

25 DEFERRED TAXATION

Deferred income tax assets

Deferred income tax liabilities

Deferred income tax assets

At 1 April
Credited/(charged) to
profit or loss
Exchange difference

At 31 March

24 借款(續)

本集團有以下未動用之授信金額：

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

215,324 221,422

截至二零一八年三月三十一日止年度之實際利率為2.3%(二零一七年：2.1%)。

25 遞延所得稅

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

4,491 2,618
(22,898) (19,418)
(18,407) (16,800)

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

未經考慮在相同稅務司法權區內抵銷結餘前，本年度之遞延所得稅資產及負債總額變動如下：

遞延所得稅資產

		Tax losses 稅項虧損		Decelerated tax depreciation 減速稅項折舊		Provision 撥備		Total 合計	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April	於四月一日	382	159	3,484	2,825	1,717	2,399	5,583	5,383
Credited/(charged) to profit or loss	計入/(扣自)損益	1,155	223	1,122	659	14	(546)	2,291	336
Exchange difference	匯兌差異	—	—	—	—	162	(136)	162	(136)
At 31 March	於三月三十一日	1,537	382	4,606	3,484	1,893	1,717	8,036	5,583

25 DEFERRED TAXATION (CONT'D)

Deferred income tax liabilities

		Revaluation of properties 物業重估		Accelerated tax depreciation 加速稅項折舊		Total 合計	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April	於四月一日	22,000	18,541	383	226	22,383	18,767
Charged to other comprehensive income (Credited)/charged to profit or loss	扣自其他全面收益 (計入)/扣自損益	4,207	3,459	-	-	4,207	3,459
		-	-	(147)	157	(147)	157
At 31 March	於三月三十一日	26,207	22,000	236	383	26,443	22,383

As at 31 March 2018, the Group has not recognised deferred income tax assets in respect of cumulative tax losses of HK\$10,569,000 (2017: HK\$9,385,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions and entities. These tax losses utilisation will expire as follows:

於二零一八年三月三十一日，本集團仍未確認有關累計稅項虧損10,569,000港元(二零一七年：9,385,000港元)之遞延所得稅資產，此乃由於在相關稅務司法權區及就有關實體而言，未來不大可能取得應課溢利用以抵銷稅項虧損。該等稅項虧損之到期日如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
In the first to fifth year inclusive	10,569	9,385

Deferred income tax liabilities of HK\$930,000 as at 31 March 2018 (2017: HK\$937,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of subsidiaries. Unremitted earnings totalled HK\$18,591,000 at 31 March 2018 (2017: HK\$18,734,000), and the Group does not intend to remit these unremitted earnings from the relevant subsidiaries to the Company in the foreseeable future.

於二零一八年三月三十一日，並無就附屬公司未匯盈利應付之預扣稅及其他稅項確認遞延所得稅負債930,000港元(二零一七年：937,000港元)。於二零一八年三月三十一日，未匯盈利合共為18,591,000港元(二零一七年：18,734,000港元)。本集團並無打算於可見將來匯入本公司相關附屬公司之未匯盈利。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

26 SHARE CAPITAL

26 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares at HK\$0.1 each	每股面值0.1港元之普通股				
At 1 April and 31 March	於四月一日及三月三十一日	<u>1,000,000,000</u>	<u>100,000</u>	<u>1,000,000,000</u>	<u>100,000</u>
Issued and fully paid:	已發行及全數支付：				
Ordinary shares at HK\$0.1 each	每股面值0.1港元之普通股				
At 1 April	於四月一日	<u>600,600,000</u>	<u>60,060</u>	<u>300,300,000</u>	<u>30,030</u>
Issue of bonus shares	紅股發行	<u>-</u>	<u>-</u>	<u>300,300,000</u>	<u>30,030</u>
At 31 March	於三月三十一日	<u>600,600,000</u>	<u>60,060</u>	<u>600,600,000</u>	<u>60,060</u>

27 RESERVES

27 儲備

Details of the movements in the Group's reserves are set out in the consolidated statement of changes in equity on pages 92 and 93.

本集團之儲備變動詳情載於第92及93頁之綜合權益變動表。

Statutory reserve

In accordance with the relevant PRC rules and regulations, certain subsidiaries of the Company are required to appropriate certain percentage of their profits after tax to the respective statutory reserves. Subject to certain restrictions as set out in the relevant PRC regulations, this statutory reserve may be used to reduce any losses incurred or for capitalisation as paid-up capital of the PRC subsidiary.

法定儲備

按中國有關規則及規例，本公司若干附屬公司須向各自之法定儲備供款，金額為除稅項後溢利之適用若干百分比。根據相關中國規例之若干限制，該法定儲備可填補中國附屬公司產生之任何虧損或用作將繳足股本資本化。

Merger reserve

Merger reserve of the Group represents the difference between the nominal value of the ordinary shares and share premium account of the group companies acquired pursuant to the group reorganisation (the "Reorganisation") on 22 March 2000, over the nominal value of the Company's shares issued in exchange thereof.

合併儲備

本集團之合併儲備為普通股之面值與根據於二零零零年三月二十二日之集團重組（「重組」）收購集團成員公司產生之股份溢價賬之差額，此差額超過用作交換之本公司已發行股份之面值。

Capital reserve

The capital reserve represented contribution surplus made by the then shareholders to certain subsidiaries of the Company before the group reorganisation on 22 March 2000.

資本儲備

資本儲備指於二零零零年三月二十二日集團重組前當時股東對本公司若干附屬公司之出資盈餘。

28 CASH FLOW INFORMATION

(a) Cash flows from operations

Profit before income tax	除所得稅前溢利
Adjustments for:	經下列各項調整：
Finance costs	財務成本
Finance income	財務收入
Fair value gain on investment properties	投資物業公允值收益
Provision/(reversal of provision) for inventory obsolescence	過時存貨撥備／(撥備撥回)
Write-back of provision for impaired receivables	已減值應收款撥備撥回
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損
Loss on forward contracts	遠期合約虧損
Depreciation	折舊
Operating profit before working capital changes	營運資金變動前之經營溢利
Inventories	存貨
Trade, retention and other receivables	應收賬款、應收保留款及其他應收款
Trade and other payables, provision and receipts in advance	應付賬款及其他應付款、撥備及預收款項
Cash generated from operations	經營產生之現金

28 現金流量資料

(a) 經營產生之現金流量

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
53,582	50,403
897	1,005
(99)	(619)
(3,400)	(4,300)
1,046	(1,525)
(233)	(4,530)
1,652	296
—	1,517
10,305	10,665
63,750	52,912
(23,124)	(14,012)
(39,970)	23,824
11,085	(18,118)
11,741	44,606

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

28 CASH FLOW INFORMATION (CONT'D)

- (b) **Proceeds from disposal of property, plant and equipment**
In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

28 現金流量資料(續)

- (b) 出售物業、廠房及設備之所得款項
於綜合現金流量表內，出售物業、廠房及設備之所得款項包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net book amount (note 16)	賬面淨值(附註16)	1,652	296
Loss on disposal of property, plant and equipment (note 7)	出售物業、廠房及設備之虧損(附註7)	(1,652)	(296)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	—	—

- (c) **Reconciliation of liabilities arising from financial activities**

- (c) 金融活動產生的負債對賬

		Borrowings 借款 HK\$'000 千港元
As at 1 April 2016	於二零一六年四月一日	58,851
Cash flows	現金流量	(20,736)
As at 31 March 2017	於二零一七年三月三十一日	38,115
Cash flows	現金流量	3,267
As at 31 March 2018	於二零一八年三月三十一日	41,382



29 CONSTRUCTION CONTRACTS IN PROGRESS

29 在建工程合約

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The aggregate cost incurred and recognised profits (less recognised losses) to date	迄今已產生總成本及已確認溢利 (減已確認虧損)	233,306	149,316
Less: progress billings	減：進度付款	(220,317)	(158,462)
Net financial position for ongoing contracts	現行合約之淨財務狀況	<u>12,989</u>	<u>(9,146)</u>
Included in current assets/(liabilities) are the following:	計入流動資產／(負債)之各項如下：		
Amounts due from customers for contract work	應收客戶之合約工程賬款	15,277	2,596
Amounts due to customers for contract work	應付客戶之合約工程賬款	(2,288)	(11,742)
Net financial position for ongoing contracts	現行合約之淨財務狀況	<u>12,989</u>	<u>(9,146)</u>

30 OPERATING LEASE COMMITMENTS

30 經營租賃承擔

(a) Operating lease commitments — group company as lessee

As at 31 March 2018, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

(a) 經營租賃承擔 — 集團公司作為承租人

於二零一八年三月三十一日，本集團根據不可撤銷之土地及樓宇經營租賃而於未來支付之最低租賃付款總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	46,686	35,193
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)	101,696	14,061
More than five years	多於五年	17,199	—
		<u>165,581</u>	<u>49,254</u>





Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

30 OPERATING LEASE COMMITMENTS (CONT'D)

(b) Operating lease commitments — group company as lessor

As at 31 March 2018, the Group had future aggregate minimum lease receivable under non-cancellable operating leases in respect of investment properties as follows:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)

30 經營租賃承擔(續)

(b) 經營租賃承擔 — 集團公司作為出租人

於二零一八年三月三十一日，本集團根據不可撤銷之投資物業經營租賃而於未來應收最低租賃付款總額如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
350	840
—	350
350	1,190

31 CONTINGENT LIABILITIES

As at 31 March 2018, performance bonds of approximately HK\$20,748,000 (2017: HK\$23,031,000) have been issued by the Group to customers as security of contracts. Restricted cash of HK\$3,008,000 (2017: HK\$2,981,000) was held as security for the performance bonds.

31 或然負債

於二零一八年三月三十一日，本集團已向客戶發出履約保證約20,748,000港元(二零一七年：23,031,000港元)作為合約擔保，其中受限制現金3,008,000港元(二零一七年：2,981,000港元)持作履約保證之擔保。

32 RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in these consolidated financial statements, during the year, the Group had the following transactions with related parties:

(a) Related party relationship 關連人士關係

Nature of transaction 交易性質

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

A company under common control of certain directors of the Company (note) 一間受本公司若干董事共同控制之公司 (附註)
Rental expenses paid to Negotiator Consultants Limited ("NCL") 支付予 Negotiator Consultants Limited ("NCL") 之租金開支

2,820

2,820

Note: NCL is a company in which Mr. TSE Sun Fat, Henry, Mr. TSE Sun Wai, Albert, Mr. TSE Sun Po, Tony and Mr. TSE Hon Kit, Kevin, directors of the Company, have beneficial interests. The rental expenses were paid in the normal course of business at terms mutually agreed between the Group and NCL.

附註：NCL 為本公司董事謝新法先生、謝新偉先生、謝新寶先生及謝漢傑先生擁有實益權益之公司。租金開支在日常業務過程中按本集團與 NCL 互相議定之條款支付。

(b) Balances with related parties

(b) 關連人士之結餘

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

Other receivables from — NCL 其他應收款由 — NCL

255

255

Balances are unsecured, interest-free and repayable on demand. The carrying amounts approximate their fair values (2017: same).

結餘為無抵押、免息及須應要求還款。賬面值與其公允值相若(二零一七年：一致)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

AS AT 31 MARCH 2018

33 本公司財務狀況表及儲備變動

於二零一八年三月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
ASSETS	資產			
Non-current asset	非流動資產			
Interest in subsidiaries	附屬公司權益		90,918	90,918
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項		118,314	116,621
Other receivables	其他應收款		25	25
Current income tax recoverable	可收回本期所得稅		—	351
Cash and cash equivalents	現金及現金等價物		581	481
			118,920	117,478
Total assets	總資產		209,838	208,396
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司所有者應佔權益			
Share capital	股本		60,060	60,060
Reserves	儲備	(a)	65,189	85,127
Total equity	權益總額		125,249	145,187
LIABILITIES	負債			
Current liabilities	流動負債			
Other payables	其他應付款		2,489	2,825
Current income tax liabilities	本期所得稅負債		116	—
Amounts due to subsidiaries	應付附屬公司款項		81,984	60,384
			84,589	63,209
Total equity and liabilities	權益及負債總額		209,838	208,396

The statement of financial position of the Company was approved by the Board of Directors on 27 June 2018 and were signed on its behalf.

本公司財務狀況表已經董事會於二零一八年六月二十七日批准，並由下列董事代表簽署。

TSE Sun Fat, Henry
謝新法
Director
董事

TSE Sun Po, Tony
謝新寶
Director
董事

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONT'D)

Note:

(a) Reserve movement of the Company

At 1 April 2016	於二零一六年四月一日
Profit for the year	年度溢利
Issue of bonus shares (note 26)	紅股發行(附註26)
Dividends (note 14(a))	股息(附註14(a))
At 31 March 2017	於二零一七年三月三十一日
At 1 April 2017	於二零一七年四月一日
Profit for the year	年度溢利
Dividends (note 14(a))	股息(附註14(a))
At 31 March 2018	於二零一八年三月三十一日

33 本公司財務狀況表及儲備變動(續)

附註：

(a) 本公司儲備變動

Share premium 股份溢價 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
29,427	75,182	104,609
—	61,599	61,599
(29,427)	(603)	(30,030)
—	(51,051)	(51,051)
—	85,127	85,127
—	85,127	85,127
—	1,083	1,083
—	(21,021)	(21,021)
—	65,189	65,189

Five-Year Financial Summary 五年財務摘要

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Results	業績					
Profit attributable to equity holders of the Company	本公司所有者應佔溢利	<u>44,194</u>	<u>42,307</u>	<u>78,377</u>	<u>65,910</u>	<u>9,019</u>
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	總資產	656,011	582,865	613,998	600,890	506,904
Total liabilities	總負債	(176,800)	(151,001)	(189,163)	(212,011)	(183,259)
Shareholders' equity	股東權益	<u>479,211</u>	<u>431,864</u>	<u>424,835</u>	<u>388,879</u>	<u>323,645</u>

The results, assets and liabilities of the Group for each of the five years ended 31 March 2018 have been prepared on a consolidated basis.

本集團截至二零一八年三月三十一日止五個年度各年之業績、資產及負債乃按綜合基準編製。





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