



Allan International Holdings Limited

(亞倫國際集團有限公司)

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 684)

ANNUAL REPORT 2018/2019 年報

Contents

目錄

| | | PAGE(S) 頁次 |
|--|--------------|---------------|
| CORPORATE INFORMATION | 公司資料 | 2-3 |
| FINANCIAL HIGHLIGHTS | 財務摘要 | 4 |
| LETTER TO SHAREHOLDERS | 致股東函件 | 5-10 |
| DIRECTORS AND SENIOR MANAGEMENT | 董事及高級管理人員 | 11-16 |
| DIRECTORS' REPORT | 董事會報告 | 17-31 |
| CORPORATE GOVERNANCE REPORT | 企業管治報告 | 32-43 |
| INDEPENDENT AUDITOR'S REPORT | 獨立核數師報告 | 44-49 |
| CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | 綜合損益及其他全面收益表 | 50 |
| CONSOLIDATED STATEMENT OF FINANCIAL POSITION | 綜合財務狀況表 | 51-52 |
| CONSOLIDATED STATEMENT OF CHANGES IN EQUITY | 綜合權益變動表 | 53 |
| CONSOLIDATED STATEMENT OF CASH FLOWS | 綜合現金流量表 | 54-55 |
| NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS | 綜合財務報告書附註 | 56-155 |
| FINANCIAL SUMMARY | 財務概要 | 156 |

Corporate Information

公司資料

Board of Directors

Executive Directors

Ms. Cheung Lai Chun, Maggie (*Chairman*)
Mr. Cheung Shu Wan (*Managing Director*)
Ms. Cheung Lai See, Sophie
Mr. Cheung Pui (*passed away on 4 February 2019*)
Dr. Cheung Shu Sang, William

Non-Executive Director

Mr. Cheung Lun (*Honorary Chairman*)

Independent Non-Executive Directors

Dr. Chan How Chun, Rita
Mr. Lai Ah Ming, Leon
Professor Lo Chung Mau

Company Secretary

Ms. Wong Lai Yung

Qualified Accountant

Ms. Wong Lai Yung

Audit Committee

Dr. Chan How Chun, Rita*
Mr. Lai Ah Ming, Leon
Professor Lo Chung Mau

Remuneration Committee

Mr. Lai Ah Ming, Leon*
Dr. Chan How Chun, Rita
Ms. Cheung Lai See, Sophie

Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor
One Pacific Place
88 Queensway
Hong Kong

Legal Advisers on Bermuda Law

Conyers, Dill and Pearman
2901 One Exchange Square
8 Connaught Place
Central
Hong Kong

* *Chairman of the relevant Board Committees*

董事會

執行董事

張麗珍女士(*主席*)
張樹穩先生(*董事總經理*)
張麗斯女士
張培先生(*於2019年2月4日逝世*)
張樹生博士

非執行董事

張倫先生(*榮譽主席*)

獨立非執行董事

陳孝春博士
黎雅明先生
盧寵茂教授

公司秘書

黃麗蓉女士

合資格會計師

黃麗蓉女士

審核委員會

陳孝春博士*
黎雅明先生
盧寵茂教授

薪酬委員會

黎雅明先生*
陳孝春博士
張麗斯女士

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座
35樓

百慕達法律之法律顧問

Conyers, Dill and Pearman
香港
中環
康樂廣場8號
交易廣場第一座2901室

* *有關委員會的主席*

Corporate Information

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited

Share Registrars and Transfer Office

Estera Management (Bermuda) Limited
Canon's Court, 22 Victoria Street
Hamilton HM 22
Bermuda

Hong Kong Branch Registrars and Transfer Office

Tricor Standard Limited
Level 54
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business

Flat B, 23/F., Chaiwan Industrial Centre
20 Lee Chung Street, Chai Wan
Hong Kong
Tel: (852) 2103 7288
Fax: (852) 2214 9357
Website: www.allan.com.hk

Stock Code

684

公司資料

主要往來銀行

香港上海滙豐銀行有限公司

股份過戶登記處

Estera Management (Bermuda) Limited
Canon's Court, 22 Victoria Street
Hamilton HM 22
Bermuda

股份過戶登記處香港分處

卓佳標準有限公司
香港
灣仔
皇后大道東183號
合和中心54樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及主要營業地點

香港
柴灣利眾街20號
柴灣中心工業大廈23樓B室
電話：(852) 2103 7288
傳真：(852) 2214 9357
網址：www.allan.com.hk

股份代號

684

Financial Highlights

財務摘要

| | | For the year ended 31 March 截至三月三十一日止年度 | | |
|------------------------------|-----------|--|----------------------------------|-------------------|
| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | Change 變更 % |
| Revenue | 營業額 | 1,209,200 | 1,305,166 | -7.4% |
| Gross Profit | 毛利 | 95,082 | 128,862 | -26.2% |
| Gross Profit% | 毛利率 | 7.9% | 9.9% | |
| Net Profit | 純利 | 28,119 | 46,780 | -39.9% |
| Net Profit% | 純利率 | 2.3% | 3.6% | |
| | | HK cents 港仙 | HK cents 港仙 | % |
| Earnings per share | 每股盈利 | 8.4 | 13.9 | -39.6% |
| Dividend Per Share — Interim | 每股股息 — 中期 | 1 | 2 | |
| Dividend Per Share — Final | 每股股息 — 末期 | 3 | 6 | |
| Dividend Per Share — Total | 每股股息 — 總額 | 4 | 8 | -50.0% |

| | | As at the year ended 31 March 於三月三十一日 | | | |
|---------------------------------|------------|--|----------------------------|--------------|------|
| | | 2019 二零一九年 Days 天 | 2018 二零一八年 Days 天 | Change 變更 | |
| Inventory Turnover Days | 存貨周轉天數 | *1 | 29 | 29 | 0 |
| Trade Receivables Turnover Days | 應收貿易賬款周轉天數 | *2 | 76 | 81 | -5 |
| Trade Payables Turnover Days | 應付貿易賬款周轉天數 | *3 | 46 | 60 | -14 |
| Gearing Ratio | 資產負債比率 | *4 | 3.2% | 3.6% | -0.4 |
| Return on Equity | 股東權益回報率 | *5 | 2.5% | 4.1% | -1.6 |

*1. Inventory turnover days is equal to the average of the opening and closing inventory divided by the cost of sales and multiplied by the number of days for the year

*2. Trade receivables turnover days is equal to trade receivables and bills receivable divided by the revenue and multiplied by the number of days for the year

*3. Trade Payable turnover days is equal to trade payables divided by the cost of sales and multiplied by the number of days for the year

*4. Gearing ratio is equal to the total borrowings divided by the equity

*5. Return on Equity is equal to the net profit after tax for the year divided by the average of opening and closing equity.

*1. 存貨周轉天數相等於期初及期末存貨平均數除以銷售成本再乘以全年天數

*2. 應收貿易賬款周轉天數相等於貿易應收賬款及應收票據除以營業額再乘以全年天數

*3. 應付貿易賬款周轉天數相等於應付貿易賬款除以銷售成本再乘以全年天數

*4. 資產負債比率乃根據借貸總額除以股東權益

*5. 股東權益回報率相等於本年度純利除以期初及期末股東權益平均數

Letter to Shareholders

致股東函件

Management Discussion and Analysis

管理層討論與分析

Business Review

業務回顧

The Group is engaged in design and manufacturing of a wide range of household electrical appliances.

本集團從事設計、製造及銷售多種家庭電器。

Business environment for the year ended 31 March 2019 continued to be difficult and competitive. Political and economic uncertainties due to Sino-US trade war and BREXIT has resulted in weakened customer demands and deteriorated business environment. In general all customers had been extremely cautious in their order placements resulting in small lot orders and frequent shipment deferrals and changes.

截至二零一九年三月三十一日止年度的一年，營商環境仍然艱難及競爭激烈。因中美貿易戰和英國脫離歐盟導致的政治和經濟不確定性，令客戶需求減弱和商業環境惡化。一般而言，所有客戶在訂單處置時都非常謹慎，導致小批量訂單，貨物延期和變更頻繁。

During the year under review, sales turnover decreased by 7% to HK\$1,209.2 million. Sales turnover to Europe decreased by 14% to HK\$557.4 million representing 46% of the Group's sales turnover. Sales turnover to Asia decreased by 15% to HK\$277.8 million representing 23% of the Group's sales turnover. Sales turnover to America increased by 12% to HK\$328.3 million representing 27% of the Group's sales turnover. Sales turnover to other markets increased by 21% to HK\$45.8 million representing 4% of the Group's sales turnover.

於回顧年度，銷售營業額下跌7%至12億920萬港元。歐洲銷售營業額下跌14%至5億5,740萬港元，佔本集團銷售營業額46%。亞洲銷售營業額下跌15%至2億7,780萬港元，佔本集團銷售營業額23%。美洲銷售營業額上升12%至3億2,830萬港元，佔本集團銷售營業額27%。其他市場銷售營業額上升21%至4,580萬港元，佔本集團銷售營業額4%。

Gross profit for the year ended 31 March 2019 decreased by 26% to HK\$95.1 million. Gross profit margin decreased from 10% to 8%. The deterioration in gross profit margin was mainly due to increase in raw material costs, shortage of skilled labour and increase in manufacturing costs in the PRC. In July 2018, the statutory minimum wages in Huizhou, PRC, where our factories are located, was raised by 15%, thereby further affecting the Group's margins adversely. Customers had been extremely sensitive to product pricing thus it was difficult for us to pass on the increase in cost impacts.

截至二零一九年三月三十一日止年度之毛利下跌26%至9,510萬港元。毛利率由10%下跌至8%。毛利率轉差主要是由於原材料成本上升、中國熟練工人短缺及生產成本上漲所致。於二零一八年七月，我們工廠所在的中國惠州的法定最低工資上調15%，從而進一步影響本集團的利潤率。客戶對產品定價極為敏感，因此我們很難將成本影響的增加轉嫁予客戶。

Letter to Shareholders

The Group continued to apply stringent control on all costs and expenses. Selling and distribution expenses decreased by 2.9% to HK\$23.9 million. As a percentage to sales turnover, selling and distribution expenses increased from 1.9% to 2.0% compared to last year. Administration expenses decreased by 5.6% to HK\$102.6 million. As a percentage to sales turnover, administration expenses increased from 8.3% to 8.5% compared to last year.

During the year the Group decided to optimise and consolidate the existing manufacturing facilities. Our factories are located in two separate locations in Huizhou, at Lilin and Hui Nan Hi-Tech Industrial Park. It was decided that the operation of 2 factories located in Hui Nan Hi-Tech Industrial Park would be relocated to Lilin. The reason for the move is to better utilize resources and cut down cost. The relocation procedures commenced in early April 2019. As such a one-time provision of HK\$18.6 million was made as at 31 March 2019. The provision was mainly for severance payment to employees not willing to follow the relocation.

The sale and leaseback arrangement of the Group's main office at 12/F, Zung Fu Industrial Building, 1067 King's Road, Hong Kong resulted in an amortization of deferred income HK\$17.6 million (2018: HK\$19.3 million) for the year ended 31 March 2019. The lease was early terminated at end of September 2018. In September 2018, the Group moved into a new office in Chai Wan at a rental of HK\$123,800 per month.

The investment property located in Wanchai, Hong Kong was revaluated at HK\$327.4 million at 31 March 2019 (2018: HK\$281 million) giving rise to an increase in fair value of HK\$46.4 million in the income statement.

Net Profit for the year decreased by 40% to HK\$28.1 million (2018: HK\$46.8 million). Net profit margin decreased from 3.6% to 2.3% compared to last year.

致股東函件

本集團繼續對所有成本及開支實施嚴格的控制。銷售及分銷開支減少2.9%至2,390萬港元。銷售及分銷開支佔銷售營業額之百分比由去年1.9%增加至2.0%。行政開支減少5.6%至1億260萬港元。行政開支佔銷售營業額之百分比由去年之8.3%增加至8.5%。

年內，本集團決定優化及整合現有製造設施。我們的工廠位於惠州的兩個不同地點，瀝林和惠南高新技術產業園區。我們決定將位於惠南高新技術產業園區的兩家工廠搬遷至瀝林。此舉的原因是為了更好地利用資源並降低成本。搬遷程序於二零一九年四月初開始。因此，截至二零一九年三月三十一日，作出一項撥備1,860萬港元，主要用於支付不願意搬遷的僱員的遣散費。

本集團於香港英皇道1067號仁孚工業大廈12樓的主要辦事處就售後回租的安排，為本集團於二零一九年三月三十一日帶來遞延收入攤銷1,760萬港元(二零一八年：1,930萬港元)。租約於二零一八年九月底提早終止。於二零一八年九月，本集團以每月12萬3,800港元的租金遷入柴灣新辦事處。

位於香港灣仔的投資物業已於二零一九年三月三十一日重估為3億2,740萬港元(二零一八年：2億8,100萬港元)，導致收益表內的公平值增加4,640萬港元。

本年度純利減少40%至2,810萬港元(二零一八年：4,680萬港元)。純利率由去年之3.6%下降至2.3%。

Letter to Shareholders

致股東函件

Prospects

Going forward, business environment is expected to be highly difficult and volatile. The BREXIT situation remains uncertain. The Sino-US trade war is intensifying and the outcome is unclear. During the year under review, only approximately 5% of our sales turnover is affected by the Sino-US trade war and subject to tariffs going into the US. Negotiations are currently underway regarding the trade arrangements between the two countries. However if it cannot be resolved, the remaining US\$300 billion of Chinese goods could be affected. In the event of this happening, it would definitely impact the Group adversely as approximately 22% of the Group's sales turnover is from the US market during the year under review. We would closely monitor the situation and take necessary actions in a timely manner.

We expect the adverse conditions of rising raw material costs, shortage in skilled labour, rising manufacturing costs and currency fluctuations would continue. To fulfil customer orders, we have resolved to utilize contract labour to alleviate the ongoing labour shortage. However contract labour is at a higher cost and thus would be less cost effective with lower production efficiency.

All in all, we will stay vigilant and versatile in our manufacturing capacity and resources planning in response to fluctuations in market demands. We would strive to stay slim and efficient through automation, manpower streamlining and process improvements. We would invest in our engineering and R&D capabilities to offer total project management with unique and innovative product platforms to our customers. Stringent cost and expense control, productivity efficiency improvements, persistence in quality products and engineering and R&D capabilities would continue to be our focus and top priorities. We continue to seek growth opportunities through new customers and new product categories. We will also look for business opportunities to create higher value to our shareholders.

展望

展望未來，預計商業環境將變得非常困難和不穩定。英國脫離歐盟情況仍然不確定。中美貿易戰愈演愈烈，結果不明朗。於回顧年度內，我們只有約5%的銷售營業額受到中美貿易戰的影響，並受到關稅進入美國的影響。目前正在就兩國之間的貿易安排進行談判。但如果不能解決，剩餘的3,000億美元的中國商品可能會受到影響。如果發生這種情況，肯定會對本集團產生不利影響，因為本集團約22%的銷售額於回顧年度內來自美國市場。我們會密切監察情況，並及時採取必要行動。

我們預計原材料成本上漲，熟練勞動力短缺，製造成本上升和貨幣波動的不利條件將繼續存在。為了履行客戶訂單，我們決定利用勞務工來緩解持續的勞動力短缺。然而，勞務工成本較高，生產效率較低，導致成本效益較低。

總而言之，我們將在製造能力和資源規劃方面保持警惕和多樣化，以應對市場需求的波動。我們將通過自動化，人力資源精簡和流程改進來努力保持節約和高效率。我們將投資於我們的工程和研發能力，為我們的客戶提供具有獨特和創新產品平台的全面項目管理。嚴格成本監控及控制支出、改善生產效率、堅持高質量的產品，維持工程和研發技術的水準，仍是本集團的重點及首要處理的工作。本集團將致力擴充我們的客戶群及產品種類，我們亦會致力尋找商業機會，為股東創造更高價值。

Letter to Shareholders

The factory relocation commenced smoothly in early April 2019. Production lines have been set up in Lilin, Huizhou and are already in operation. All relocation procedures of the two factory blocks is expected to be completed by September 2019. The third factory block which is vacant had been leased out for a term of 5 years to an independent third party in early April 2019. The lease is fixed at approximately RMB558,000 per month for the first three years with an option to increase 8% for the remaining two years. We would closely monitor the market condition and development policy in Huizhou so as to realise the value of the land and building situated in Hui Nan Hi-Tech Industrial Park.

With our prudent and pragmatic business approach, financial strength and commitment to excel, we will strive on and tread cautiously to ride through the current and coming difficulties and challenges.

Liquidity and Financial Resources

As at 31 March 2019, the Group had total assets of HK\$1,496.8 million (2018: HK\$1,587.4 million) which was financed by current liabilities of HK\$324.5 million (2018: HK\$405.4 million), long-term liabilities and deferred income and taxation of HK\$38.4 million (2018: HK\$44.0 million) and shareholders' equity of HK\$1,133.9 million (2018: HK\$1,138.0 million).

The Group continued to maintain a strong balance sheet and a healthy liquidity position. As at 31 March 2019, the Group held HK\$558.6 million (2018: HK\$597.0 million) in cash and bank deposits. They were mainly placed in Renminbi and US dollar short term deposits, except for temporary balances held in other currencies as required pending specific payments. For the year ended 31 March 2019, the Group generated net cash outflow from operating activities of HK\$0.6 million (2018: HK\$32.4 million). As at the same date, total borrowings were HK\$36.3 million (2018: HK\$41.4 million) and the gearing ratio (ratio of total borrowings to shareholders' equity) was 3.2% (2018: 3.6%).

致股東函件

工廠搬遷已於二零一九年四月初順利開始。於惠州瀝林的生產線已設立，並已投入生產。於惠南高新技術產業園區的2棟廠房的所有搬遷安排及手續預計將於二零一九年九月完成。第三棟空置的廠房已於二零一九年四月初租予獨立第三方，為期五年。相關租金定於首3年每月約55萬8千元人民幣，餘下兩年，租金可上浮8%。我們將密切關注市場狀況及惠州的發展政策，以可變現惠南高新技術產業園區土地和建築物的價值。

憑藉本集團審慎務實的商業策略、強健的資金以及對卓越的執著追求，本集團將努力及謹慎而行，跨越當前的難關及面對未來的困難及挑戰。

流動資金及財務資源

於二零一九年三月三十一日，本集團之總資產為14億9,680萬港元(二零一八年：15億8,740萬港元)，資金來源包括流動負債3億2,450萬港元(二零一八年：4億540萬港元)、長期負債、遞延收入及稅項為3,840萬港元(二零一八年：4,400萬港元)及股東權益11億3,390萬港元(二零一八年：11億3,800萬港元)。

本集團持續保持雄厚財務狀況，流動資金狀況亦相當穩健。於二零一九年三月三十一日，本集團持有現金及銀行存款5億5,860萬港元(二零一八年：5億9,700萬港元)。除為支付特定付款而須持有之臨時其他貨幣外，大部分存入人民幣及美元短期存款戶口。截至二零一九年三月三十一日止年度，本集團來自經營業務之現金流出淨額為60萬港元(二零一八年：流出3,240萬港元)。同日，借貸總額為3,630萬港元(二零一八年：4,140萬港元)，而資產負債比率(即借貸總額除以股東權益)為3.2%(二零一八年：3.6%)。

Letter to Shareholders

We continue to apply stringent control over the working capital cycle. The inventory balance as at 31 March 2019 decreased from HK\$98.9 million to HK\$76.2 million. Inventory turnover maintained at 29 days for both years. The trade receivables balance as at 31 March 2019 decreased from HK\$289.0 million to HK\$250.5 million. Trade receivables turnover decreased from 81 days to 76 days compared to last year. The trade payables balance as at 31 March 2019 decreased from HK\$193.2 million to HK\$140.8 million. Trade payables turnover decreased from 60 days to 46 days.

Funding for day-to-day operational working capital and capital expenditures are to be serviced by internal cash flow and available banking facilities. For the year ended 31 March 2019, the group invested HK\$24.0 million (2018: HK\$32.0 million) in plant and machinery, moulds and tools, equipment, computer systems and other tangible assets for expansion and upgrade to our manufacturing facilities. The Group's capital expenditures were funded by internal resources and bank loans. With a healthy financial position and available banking facilities, the Group is able to provide sufficient financial resources for our current commitments, working capital requirements, further expansions of the Group's business operations and future investment opportunities, as and when required.

The majority of the Group's assets and liabilities and business transactions were denominated in Hong Kong dollars, US dollars, Renminbi. Currently the Group does not implement hedging activity to hedge against foreign currency exposure. However, we will closely monitor foreign currency exposure and consider hedging significant foreign currency exposure should the need arise.

Contingent Liabilities

As at 31 March 2019, the Group did not have any significant contingent liabilities.

致股東函件

本集團繼續對營運資金周期實施嚴格監控。於二零一九年三月三十一日，存貨結餘由9,890萬港元減少至7,620萬港元。與去年相比，存貨周轉率這兩年維持在29天水平。於二零一九年三月三十一日，應收貿易賬款結餘由2億8,900萬港元減少至2億5,050萬港元。與去年相比，應收貿易賬款周轉率由81天減少至76天。於二零一九年三月三十一日，應付貿易賬款結餘由1億9,320萬港元減少至1億4,080萬港元。應付貿易賬款周轉率從60天減少至46天。

就日常營運所需之營運資金及資本開支而言，資金來源為內部流動現金及備用銀行信貸。截至二零一九年三月三十一日止年度，本集團投資約2,400萬港元(二零一八年：3,200萬港元)於廠房及機器、模具及工具、設備、電腦系統及其他有形資產，用於擴大及提升現有製造設施。本集團資本開支之資金來源為內部資源及銀行貸款。本集團之財政狀況穩健，連同備用銀行信貸，定能提供充裕財務資源，應付現有承擔、營運資金需要，並於有需要時，供本集團進一步擴展業務及掌握未來投資商機。

本集團之大部分資產及負債以及業務交易均以港元、美元及人民幣計價。現時，本集團並無使用對沖業務以對沖外幣風險。然而，本集團會嚴密監察外幣風險，及於需要時考慮對沖重大外幣風險。

或然負債

於二零一九年三月三十一日，本集團並無任何重大或然負債。

Letter to Shareholders

致股東函件

Employee and Remuneration Policies

As at 31 March 2019, the Group employed approximately 3,200 employees (2018: 3,440). During the factory relocation in early April 2019, 591 employees decided not to follow to the new location. Currently the Group is employing 2,730 employees. The majority of our employees work in the PRC. The Group remunerated our employees based on their performances, experiences and prevailing market rates while performance bonuses are granted on a discretionary basis. Share options may also be granted to employees based on individual performance and attainment of certain set targets.

僱員及薪酬政策

於二零一九年三月三十一日，本集團聘用約3,200名僱員(二零一八年：3,440名)。於二零一九年四月初的工廠搬遷期間，有591名員工決定不跟隨往新地點。目前，集團僱用了2,730名員工。大部分僱員於中國工作。本集團按照僱員之表現、經驗及當前市場水平釐定僱員薪酬，績效花紅則由本集團酌情授出。本集團亦會於達致若干指定目標而視乎個人表現向僱員授予購股權。

Tribute

Mr. Cheung Pui, an executive director of the Company, passed away during the year under review. The Board deeply regrets his passing and sincerely appreciates and treasures his invaluable contributions to the Group over the past 55 years.

悼念

本公司執行董事張培先生於回顧年度內去世。董事會對他的逝世深表遺憾，並真誠地感謝並珍惜他在過去55年中為本集團所作的寶貴貢獻。

Appreciation

On behalf of the Board, I would like to take this opportunity to express our sincere appreciation to our employees, shareholders and business associates for their continual contribution and support throughout the year.

致謝

本人謹藉此機會代表董事會衷心感謝各員工、股東及業務夥伴年內之持續貢獻及支持。

Cheung Lai Chun, Maggie
Chairman

Hong Kong
27 June 2019

張麗珍
主席

香港
二零一九年六月二十七日

Directors and Senior Management

董事及高級管理人員

Executive Directors

Cheung Lai Chun, Maggie, aged 61, was appointed as Chairman of the Group on 17 March 2017 and joined the Group in 1984. She obtained a degree in Bachelor of Science from Kingston University London, England. She is responsible for formulating the Group's overall strategic planning and development.

Ms. Cheung Lai Chun, Maggie is the daughter of Mr. Cheung Lun, the Honorary Chairman of the Group; sister of Mr. Cheung Shu Wan, the Managing Director, Ms. Cheung Lai See, Sophie, an Executive Director, Dr. Cheung Shu Sang, William, an Executive Director and Mr. Cheung Shu Chun, Simon, the Director of Cost Innovation.

Ms. Cheung is a Director of all subsidiaries of the Company. She is also a Director of Unison Associates Limited and Allan Investment Company Limited, controlling shareholders of the Company. As at 31 March 2019, according to the register maintained by the Company pursuant to section 352 of the Securities and Futures Ordinance ("SFO"), Ms. Cheung had personal interest in 600,000 shares and The Cheung Lun Family Trust (the beneficiaries of which include Ms. Cheung and other family members other than spouse) directly and indirectly had interest in 156,349,960 shares. Details of her interests are set out in the "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" of this report.

Cheung Shu Wan, aged 58, is the Managing Director of the Group and joined the Group in 1983. He obtained a degree in Bachelor of Science from the University of London, England. He is responsible for the sales & marketing functions and the overall manufacturing operations of the Group. He also assists the Chairman in corporate strategic planning and development.

Mr. Cheung Shu Wan is the son of Mr. Cheung Lun, the Honorary Chairman of the Group; brother of Ms. Cheung Lai Chun, Maggie, the Chairman, Ms. Cheung Lai See, Sophie, an Executive Director, Dr. Cheung Shu Sang, William, an Executive Director and Mr. Cheung Shu Chun, Simon, the Director of Cost Innovation.

執行董事

張麗珍，現年六十一歲，於二零一七年三月十七日獲委任為集團主席。彼於一九八四年加入本集團，持有英國金斯顿大學理學士學位。彼專責制定本集團之整體策略規劃及發展路向。

張麗珍女士為集團榮譽主席張倫先生之千金，董事總經理張樹穩先生、執行董事張麗斯女士、執行董事張樹生博士及成本創新總監張樹春先生之姊姊。

張女士為本公司所有附屬公司之董事，彼亦為本公司之控股公司，Unison Associates Limited及亞倫投資有限公司之董事。於二零一九年三月三十一日，根據證券及期貨條例第352條須記入該條例所述登記冊，張女士個人及The Cheung Lun Family Trust (其受益人包括張女士及家族其他成員(配偶除外))直接和間接分別持有本公司600,000股股份及156,349,960股股份。其權益已詳載於本年報「董事及主要行政人員於股份、相關股份、債權證之權益及淡倉」一節內。

張樹穩，現年五十八歲，為本集團董事總經理。彼於一九八三年加入本集團，持有英國倫敦大學理學士學位。彼負責本集團之營業及市場推廣業務及整體生產業務，亦協助主席制定本集團策略規劃及發展路向。

張樹穩先生為集團榮譽主席張倫先生之公子；主席張麗珍女士、執行董事張麗斯女士、執行董事張樹生博士及成本創新總監張樹春先生的兄弟。

Directors and Senior Management

董事及高級管理人員

Executive Directors *(Continued)*

Mr. Cheung is a Director of all subsidiaries of the Company. He is also a Director of Unison Associates Limited and Allan Investment Company Limited, controlling shareholders of the Company. As at 31 March 2019, according to the register maintained by the Company pursuant to section 352 of the SFO, Mr. Cheung had personal interest in 49,695,335 shares and The Cheung Lun Family Trust (the beneficiaries of which include Mr. Cheung and other family members other than spouse) directly and indirectly had interest in 156,349,960 shares. Details of his interests are set out in the "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" of this report.

Cheung Lai See, Sophie, aged 56, is an Executive Director of the Group and joined the Group in 1995. She obtained a degree in Bachelor of Science from the University of London, England and a master degree in Business Management from the City University, England. She is responsible for the financial and administration functions of the Group.

Ms. Cheung Lai See, Sophie is the daughter of Mr. Cheung Lun, the Honorary Chairman of the Group; sister of Ms. Cheung Lai Chun, Maggie, the Chairman, Mr. Cheung Shu Wan, the Managing Director, Dr. Cheung Shu Sang, William, an Executive Director and Mr. Cheung Shu Chun, Simon, the Director of Cost Innovation.

Ms. Cheung is a Director of all subsidiaries of the Company. She is also a Director of Unison Associates Limited and Allan Investment Company Limited, controlling shareholders of the Company. As at 31 March 2019, according to the register maintained by the Company pursuant to section 352 of the SFO, Ms. Cheung had personal interest in 1,258,000 shares and The Cheung Lun Family Trust (the beneficiaries of which include Ms. Cheung and other family members other than spouse) directly and indirectly had interest in 156,349,960 shares of the Company. Details of her interests are set out in the "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" of this report.

執行董事 *(續)*

張先生為本公司所有附屬公司之董事，彼亦為本公司之控股公司，Unison Associates Limited及亞倫投資有限公司之董事。於二零一九年三月三十一日，根據證券及期貨條例第352條須記入該條例所述登記冊，張先生個人及The Cheung Lun Family Trust (其受益人包括張先生及家族其他成員(配偶除外))直接和間接分別持有本公司49,695,335股股份及156,349,960股股份。其權益已詳載於本年報「董事及主要行政人員於股份、相關股份、債權證之權益及淡倉」一節內。

張麗斯，現年五十六歲，為本集團執行董事。彼於一九九五年加入本集團，持有英國倫敦大學理學士學位及英國城市大學工商管理碩士學位。彼負責本集團之財務及行政事宜。

張麗斯女士為集團榮譽主席張倫先生之千金，主席張麗珍女士、董事總經理張樹穩先生、執行董事張樹生博士及成本創新總監張樹春先生之姊妹。

張女士為本公司所有附屬公司之董事，彼亦為本公司之控股公司，Unison Associates Limited及亞倫投資有限公司之董事。於二零一九年三月三十一日，根據證券及期貨條例第352條須記入該條例所述登記冊，張女士個人及The Cheung Lun Family Trust (其受益人包括張女士及家族其他成員(配偶除外))直接和間接分別持有本公司1,258,000股股份及156,349,960股股份。其權益已詳載於本年報「董事及主要行政人員於股份、相關股份、債權證之權益及淡倉」一節內。

Directors and Senior Management

董事及高級管理人員

Executive Directors *(Continued)*

Cheung Shu Sang, William, aged 54, is an Executive Director and joined the Group in 1994. He holds a BSc degree in Computing Science and a MSc degree in Management Science, both at Imperial College London. He also holds a PhD degree in Automation from the University of Bristol, and is a member of The Hong Kong Institution of Engineers. He is in charge of engineering, research and development functions, and also management of intellectual property/patent application.

Dr. Cheung Shu Sang, William is the son of Mr. Cheung Lun, the Honorary Chairman of the Group; brother of Ms. Cheung Lai Chun, Maggie, the Chairman, Mr. Cheung Shu Wan, the Managing Director, Ms. Cheung Lai See, Sophie, an Executive Director and Mr. Cheung Shu Chun, Simon, the Director of Cost Innovation.

Dr. Cheung is a Director of Allan Toys Manufacturing Limited and Total Profits Limited, all being subsidiaries of the Company. He is also a director of Allan Investment Co. Ltd., a controlling shareholder of the Company (as defined in the Listing Rules). As at 31 March 2019, according to the register maintained by the Company pursuant to section 352 of the SFO, Dr. Cheung has personal interest in 900,000 shares and The Cheung Lun Family Trust (the beneficiaries of which include Dr. Cheung and other family members other than spouse) directly and indirectly has interest in 156,349,960 shares. Details of his interests are set out in the "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" of this report.

執行董事 *(續)*

張樹生，現年五十四歲，為本集團執行董事，於一九九四年加入本集團。彼持有英國倫敦帝國學院理學士學位及管理科學碩士學位，以及布里斯托大學自動機械博士學位及為香港工程師學會會員。彼主管本集團之工程、研究及開發業務，以及管理有關申請知識產權及專利註冊的事務。

張樹生博士為集團榮譽主席張倫先生之公子，主席張麗珍女士、董事總經理張樹穩先生、執行董事張麗斯女士及成本創新總監張樹春先生之弟弟。

張博士為亞倫玩具製品有限公司及Total Profits Limited (全屬本公司附屬公司)之董事。彼亦為本公司控股股東亞倫投資有限公司之董事(定義見上市規則)。於二零一九年三月三十一日，根據證券及期貨條例第352條須記入該條例所述登記冊，張博士個人及The Cheung Lun Family Trust (其受益人包括張博士及家族其他成員(配偶除外))直接和間接分別持有本公司900,000股股份及156,349,960股股份。其權益已詳載於本年報「董事及主要行政人員於股份、相關股份、債權證之權益及淡倉」一節內。

Directors and Senior Management

董事及高級管理人員

Non-Executive Director

Cheung Lun, aged 91, is the founder of the Group. He had been the Chairman since the listing of the Company in 1992 until he is appointed as Honorary Chairman on 17 March 2017. He has more than 60 years of management and technical experience in the industry.

Mr. Cheung Lun is the father of Ms. Cheung Lai Chun, Maggie, the Chairman of the Group, Mr. Cheung Shu Wan, the Managing Director, Ms. Cheung Lai See, Sophie, an Executive Director, Dr. Cheung Shu Sang, William, an Executive Director and Mr. Cheung Shu Chun, Simon, the Director of Cost Innovation.

Mr. Cheung is a Director of Unison Associates Limited and Allan Investment Company Limited, controlling shareholders of the Company. As at 31 March 2019, according to the register maintained by the Company pursuant to section 352 of the SFO, Mr. Cheung is the settlor of The Cheung Lun Family Trust (the beneficiaries of which include other family members other than spouse) which directly and indirectly had interest in 156,349,960 shares. Details of his interests are set out in the “Directors’ and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures” of this report.

Independent Non-Executive Directors

Chan How Chun, Rita, aged 64, was appointed as an Independent Non-Executive Director in September 2004. She has extensive experience in accounting, finance and administration. She holds a Bachelor degree in Commerce and a master degree in Business Administration from the University of Windsor in Canada and a PhD degree in Management from the Hong Kong Baptist University.

Lai Ah Ming, Leon, aged 62, was appointed as an Independent Non-Executive Director in December 1995. He is a solicitor majoring in commercial and property works.

Lo Chung Mau, aged 58, was appointed as an Independent Non-Executive Director in November 1997. Professor Lo is a surgeon and is currently Hospital Chief Executive of the University of Hong Kong-Shenzhen Hospital, and the Chin Lan Hong Professor and Chair of Hepatobiliary and Pancreatic Surgery of the University of Hong Kong.

非執行董事

張倫，現年九十一歲，本集團之創辦人。自本公司於1992年上市以來，彼一直擔任董事會主席，直至二零一七年三月十七日被委任為榮譽主席。張倫先生在業內已積累逾六十年之管理及技術經驗。

張倫先生為集團主席張麗珍女士、董事總經理張樹穩先生、執行董事張麗斯女士、執行董事張樹生博士及成本創新總監張樹春先生之父親。

張先生亦為本公司之控股公司，Unison Associates Limited及亞倫投資有限公司之董事。於二零一九年三月三十一日，根據證券及期貨條例第條須記入該條例所述登記冊，張先生是The Cheung Lun Family Trust之財產授予人(其受益人包括家族其他成員(配偶除外))直接和間接持有本公司156,349,960股股份。其權益已詳載於本年報「董事及主要行政人員於股份、相關股份、債權證之權益及淡倉」一節內。

獨立非執行董事

陳孝春，現年六十四歲，於二零零四年九月獲委任為獨立非執行董事。彼於會計、財務及管理方面經驗豐富。彼持有加拿大University of Windsor的商業學士學位及工商管理碩士學位，以及香港浸會大學管理學博士學位。

黎雅明，現年六十二歲，於一九九五年十二月獲委任為獨立非執行董事。彼為專注商業及物業事務之律師。

盧寵茂，現年五十八歲，於一九九七年十一月獲委任為獨立非執行董事。盧教授為外科醫生，現為香港大學深圳醫院院長及香港大學秦蘭鳳基金教授(肝膽胰外科)講座教授。

Directors and Senior Management

董事及高級管理人員

Senior Management

Cheung Shu Chun, Simon, aged 59, is the Director of Cost Innovation and joined the Group in 1983. He obtained a degree in Bachelor of Science from the University of Wales, England. He is responsible for the purchasing and sourcing functions of the Group.

Mr. Cheung Shu Chun, Simon is the son of Mr. Cheung Lun, the Honorary Chairman of the Group; brother of Ms. Cheung Lai Chun, Maggie, the Chairman, Mr. Cheung Shu Wan, the Managing Director, Ms. Cheung Lai See, Sophie, an Executive Director and Dr. Cheung Shu Sang, William, an Executive Director.

Mr. Cheung is a director of Allan Electric Mfg. Limited, Allan International Limited, Allan Plastic Mfg. Limited, Allan Toys Manufacturing Limited, Artreal Manufactory Limited, Ever Sources Investment Limited, Ngai Shing (Far East) Plastic & Metalwares Factory Ltd., Warran Electric Manufacturing Limited, all being subsidiaries of the Company. He is also a director of Allan Investment Co. Ltd., a controlling shareholder of the Company (as defined in the Listing Rules). Mr. Cheung is one of the beneficiaries of The Cheung Lun Family Trust (the beneficiaries of which include Mr. Cheung and other family members other than spouse) which indirectly has interest in 156,349,960 shares of the Company.

Chung Chi Yin, aged 56, is the Director of Engineering and joined the Group in 1990. He obtained a degree in Bachelor of Science in Product Design and Technology from The Open University of Hong Kong. He is responsible for the product development of the Group.

Kwok Ka Lee, Carrie, aged 51, is the Director of Manufacturing and joined the Group in 1990. She obtained a degree in Bachelor of Business (Transport and Logistics Management) from Royal Melbourne Institute of Technology. She is responsible for the manufacturing management and control function of the Group.

Li Wai Ho, aged 55, is the Director of Sales and Marketing and joined the Group in 2012. He obtained a master degree in management from Hong Kong Polytechnic University and a bachelor degree in engineering from Manchester University in United Kingdom. He has over 17 years of experience in various functions in multinational corporation. He is responsible for sales and marketing function of the Group.

高級管理人員

張樹春，現年五十九歲，為成本創新總監，於一九八三年加入本集團。彼持有英國威爾斯大學理學士學位。彼主要負責本集團之採購及開發供應商業務。

張樹春先生為集團榮譽主席張倫先生之公子，主席張麗珍女士、董事總經理張樹穩先生、執行董事張麗斯女士、執行董事張樹生博士之兄弟。

張先生為亞倫電業製造有限公司、Allan International Limited、亞倫塑膠廠有限公司、亞倫玩具製品有限公司、雅美工業有限公司、卓茂投資有限公司、藝成(遠東)塑膠五金廠有限公司、華倫電業製造有限公司(全屬本公司附屬公司)之董事。彼亦為本公司控股股東亞倫投資有限公司之董事(定義見上市規則)。張先生是The Cheung Lun Family Trust其中一位受益人(其受益人包括張先生及家族其他成員(配偶除外))，間接持有本公司156,349,960股股份。

鍾子賢，現年五十六歲，為工程總監，於一九九零年加入本集團。鍾先生持有香港公開大學的產品設計及科技理學士學位。彼負責本集團之產品發展。

郭嘉莉，現年五十一歲，為製造總監，於一九九零年加入本集團。彼持有皇家墨爾本理工大學(運輸及物流管理)工商學位。彼主要負責管理及監控製造業務。

李偉浩，現年五十五歲，為銷售及市場總監，於二零一二年加入本集團。彼持有香港理工大學管理碩士學位及英國曼徹斯特大學工程學士學位。彼於跨國企業內多種職能具逾十七年多的經驗。彼主管本集團之營業及市場推廣業務。

Directors and Senior Management

董事及高級管理人員

Senior Management *(Continued)*

Li Wing Kong, aged 59, is the Director of Quality Assurance and joined the Group in 2013. He obtained a Higher Diploma of Electrical Engineering from Hong Kong Polytechnic. He is responsible for the Quality Assurance function of the Group.

Tsang Wing Tong, Michelle, aged 52, is the Director of Manufacturing and joined the Group in 1987. She is responsible for the manufacturing management and control function of the Group.

Wong Lai Yung, aged 57, is the Company Secretary and Finance and Account Manager of the Group and joined the Group in 2006. She holds a master degree in Business Administration and a master degree in Corporate Governance from The Open University of Hong Kong. She also obtained her master degree in Economics from Jinan University, PRC. Ms. Wong is currently a fellow member of The Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants and the Certified Tax Adviser of The Taxation Institute of Hong Kong. She is responsible for the Company's secretarial duties and financial and accounting aspects of the Group.

Wong Mei Lin, aged 56, is the Director of Administration and Personnel and joined the Group in 2000. She obtained a Higher Certificate in Company Secretaryship and Administration from Hong Kong Polytechnic University. She is responsible for the human resources and administration management of the Group.

高級管理人員 *(續)*

李永江，現年五十九歲，為質量保證總監，於二零一三年加入本集團。彼持有香港理工學院電機工程高級文憑。彼主管本集團之質量保證部。

曾詠棠，現年五十二歲，為製造總監，於一九八七年加入本集團。彼主要負責管理及監控製造業務。

黃麗蓉，現年五十七歲，為本公司之公司秘書及本集團之財務及會計經理，於二零零六年加入本集團。彼持有香港公開大學的工商管理碩士學位及企業管治碩士學位，以及中國暨南大學經濟學碩士學位。黃女士現時為英國特許公認會計師公會資深會員、香港會計師公會資深會員及香港稅務學會註冊稅務師資深會員。彼主管本公司之公司秘書職務及本集團所有財務及會計事宜。

黃美蓮，現年五十六歲，為行政及人事總監，於二零零零年加入本集團。彼持有香港理工大學公司秘書及行政學高級證書。彼主管本集團人力資源及行政管理。

Directors' Report

The directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2019.

Principal Activities

The Company acts as an investment holding company and provides corporate management services. The activities of its subsidiaries are set out in Note 37 to the consolidated financial statements.

Business Review

A review of the Group's business during the year, including an analysis using financial key performance indicators, the principal risks and uncertainties faced by the Group, important events affecting the Group and an indication of likely future development of the Group's business can be found in "Financial Highlights" set out on page 4, "Letter to Shareholders" set out on Pages 5 to 10 and "Financial Risk Management objectives and policies" (Note 30b) set out on pages 133 to 141 of this annual report.

Relationship with Stakeholders

The success of the Group depends on the support from key stakeholders which comprise customers, suppliers, employees and shareholders.

Customers

The Group's major customers are companies selling household electrical appliances under well-known brand names. The Group maintains long-term and good relationship with its customers. The Group strives to provide excellent service and quality products to our customers.

董事會報告

董事會提呈本公司截至二零一九年三月三十一日止年度之年報及經審核綜合財務報告書。

主要業務

本公司乃一間投資控股公司，並提供公司管理服務。其附屬公司之業務詳見綜合財務報告書附註37。

業務回顧

本集團於年內的業務回顧包括財務關鍵表現指標分析、本集團所面對的主要風險及不明朗因素、發生對本集團造成影響的重大事件以及本集團業務很可能出現的未來發展的預示，已列示於本年報第4頁的「財務摘要」，第5至10頁的「致股東函件」及第133至第141頁的「財務風險管理目標及政策」(附註30b)。

與利益相關者的關係

本集團的成功有賴於與主要的利益相關者包括客戶、供應商、員工和股東的支持。

顧客

本集團的主要客戶為家庭電器知名品牌客戶。本集團長期與客戶保持良好的關係。本集團致力提供優良的服務和優質的產品給我們的客戶。

Directors' Report

董事會報告

Relationship with Stakeholders *(Continued)*

Suppliers

Supply chain is a critical aspect of our operations. The Group maintains long-term and good relationship with its suppliers. The Group selects its suppliers based on assessment criteria including, among others, cost, quality, experience, capability, capacity, sustainability and ethical behavior. The Group requires all suppliers to comply with relevant manufacturing and safety standards. The Group has communicated to all the suppliers of the Group's strict compliance to anti-bribery which is also required to be observed by all suppliers.

Employees

Employees are one of the most valuable assets of the Group. The Group provides competitive remuneration package together with safe and harmonious workplace. In-house and external trainings and seminars are provided to employee for their business and personal development. Recreational activities are organized periodically and employees are encouraged to participate in volunteer work. The Group has been nominated and awarded Caring Company since 2007.

Shareholders

The Group endeavors to maximize the return to its shareholders. The Group strives to achieve profit growth and stable dividend payouts taking into account the business development needs and financial health of the Group.

Environmental Policies

The Group recognizes the importance of achieving environmental sustainability. The Group is committed to comply with the relevant environmental standards and policies related to its business operations in the PRC and Hong Kong. The manufacturing sites in the PRC and our head office in Hong Kong are certified with the ISO 14001:2004 standard for environmental management system. The Group incorporates the Reduce, Reuse and Recycle principle and implements environmental-friendly measures in operations and workplaces to achieve efficient use of resources, waste reduction and energy saving.

與利益相關者的關係 *(續)*

供應商

供應鏈是我們運作的一個重要環節。本集團長期保持與供應商的良好合作關係。本集團揀選供應商基於一套評估標準，當中包括成本、質量、經驗、能力、產能、可持續發展和道德行為。集團要求所有供應商遵守相關的製造和安全標準。本集團已傳達給所有供應商有關本集團嚴格遵守反賄賂條例，及要求所有供應商留意遵守。

僱員

員工是集團最寶貴的資產之一。本集團提供具競爭性的薪酬、安全及和諧的工作環境。我們提供企業內部和外部的培訓和研討會，讓員工在業務和個人得以發展。亦會定期舉辦休閒活動，並鼓勵員工參與義工工作。自2007年以來，本集團一直被提名並榮獲商界展關懷。

股東

本集團致力為股東帶來最大的回報。集團基於業務發展需要及財務狀況考慮下，努力實現利潤增長和支付穩定的股息。

環境政策

本集團確認實現環境可持續性的重要性。集團承諾遵守有關在中國和香港的業務營運相關的環境標準和政策。位於中國的生產基地和香港的總公司已取得ISO 14001:2004標準環境管理體系認證。本集團以減低、再用和再循環的原則，實現業務和工作場所的環保措施，以達到資源的有效利用，減少廢物和節約能源。

Directors' Report

董事會報告

Environmental Policies *(Continued)*

In accordance with Rule 13.91 and the Environmental, Social and Governance Reporting Guide contained in Appendix 27 of the Listing Rules, the Company's Environmental, Social and Governance Report will be available on our website within three months from the publication of this annual report.

Compliance with laws and regulations

For the year ended 31 March 2019, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

Directors' Interests in Competing Business

During the year, none of the Directors was interested in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group.

Results and Dividends

The results of the Group for the year ended 31 March 2019 and the Group's financial position at that date are set out in the Group's consolidated financial statements on pages 50 to 52.

An interim dividend of HK1.0 cent per ordinary share amounting to HK\$3,354,000 in aggregate was paid to the ordinary shareholders during the year. The directors now recommend the payment of a final dividend of HK3.0 cents per ordinary share in respect of the current year to the ordinary shareholders on the register of members on 6 September 2019, amounting to HK\$10,063,000 in aggregate.

環境政策 *(續)*

根據上市規則第13.91條及附27錄所載之環境、社會及管治報告指引，本公司之環境、社會及管治報告將於刊發本年報後三個月內於本公司網站公佈。

遵守法例及規例

於二零一九年三月三十一日止年度，就適用的法律和法規，本集團並無重大違反或不遵守而對本集團的業務及操作有重大影響。

董事於競爭業務的利益

於年內，董事概無與本集團業務直接或間接構成競爭業務或有可能競爭之任何業務中持有利益。

業績及股息

本集團截至二零一九年三月三十一日止年度之業績及集團於當日之財務狀況見第50至52頁集團之綜合財務報告書。

年內，普通股股東獲派付中期股息每股普通股1.0港仙，用於派息之款額合共335萬4千港元。董事會謹此建議派付末期股息每股普通股3.0港仙予二零一九年九月六日名列股東名冊上之股東，即合共1,006萬3千港元。

Directors' Report

董事會報告

Major Customers and Suppliers

The percentage of purchases and sales attributable to the Group's largest suppliers and customers are as follows:

| | | |
|-----------------------------------|-----------|-----|
| Purchases | 購貨額 | |
| - the largest supplier | - 最大供應商 | 10% |
| - five largest suppliers combined | - 五大供應商合計 | 24% |
| Sales | 銷售額 | |
| - the largest customer | - 最大顧客 | 33% |
| - five largest customers combined | - 五大顧客合計 | 92% |

At no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) has an interest in any of the Group's five largest suppliers or customers.

本集團最大供應商及客戶之購貨額及銷售額所佔百分比如下：

各董事、彼等之聯繫人士或股東(指就董事會所知持有本公司逾5%股本之股東)於年內任何時間概無擁有以上供應商或客戶之任何權益。

Five Year Financial Summary

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 156 of the annual report.

五年財務概要

有關本集團最近的五個財政年度之業績、資產及負債概要載於本年報的第156頁。

Share Capital

Details of movements in the share capital of the Company during the year are set out in Note 28 to the consolidated financial statements.

股本

有關本公司本年度之股本變動詳情載於綜合財務報告書附註28。

Purchase, Redemption or Sale of Listed Securities of the Company

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

購買、贖回及出售本公司上市證券

於年內，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

Directors' Report

董事會報告

Distributable Reserves of the Company

In addition to the retained profits, under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

In the opinion of the directors, the Company's reserves available for distribution to shareholders as at 31 March 2019 comprised the retained profit of HK\$263,176,000 (2018: HK\$230,284,000).

Investment Properties

As at 31 March 2019, principal properties held for investment purposes are as follows:

Address:

- 9th Floor, Capital Centre, No. 151 Gloucester Road, Hong Kong
- Car Parking Space No. 303 on 3rd Floor, Capital Centre, No. 151 Gloucester Road, Hong Kong
- Car Parking Space No. 304 on 3rd Floor, Capital Centre, No. 151 Gloucester Road, Hong Kong

Lot No.:

- The Remaining Portion of Section A of the Inland Lot No. 2755
- The Remaining Portion of Inland Lot No. 2755

Existing Use: Office rental

Lease Term: Long term

Details of the movement in investment properties of the Group during the year are set out in Note 15 to the consolidated financial statements.

本公司可供分派儲備

除保留溢利外，根據百慕達一九八一年公司法（修訂本），繳入盈餘亦可供分派。惟本公司不可宣派或派付股息或分派自繳入盈餘，倘：

- (a) 於作出分派後無法償還其到期負債；或
- (b) 其可變現資產價值將因此少於其負債以及其已發行股本及股份溢價賬之總和。

董事認為本公司於二零一九年三月三十一日可供分派予股東之儲備含保留溢利為2億6,317萬6千港元（二零一八年：2億3,028萬4千港元）。

投資物業

於二零一九年三月三十一日，持作投資之主要物業如下：

地址：

- 香港告士打道151號資本中心9樓
- 香港告士打道151號資本中心3樓泊車位303號
- 香港告士打道151號資本中心3樓泊車位304號

地段編號：

- 內地段第2755號A節餘段
- 內地段第2755號餘段

現有用途：寫字樓出租

租約年期：長期

本集團本年度之投資物業變動詳情載於綜合財務報告書附註15。

Directors' Report

董事會報告

Property, Plant and Equipment

During the year, the Group spent approximately HK\$24 million on the acquisition of property, plant and equipment principally to expand and upgrade its manufacturing facilities. Details of these and other movements during the year in the property, plant and equipment of the Group are set out in Note 16 to the consolidated financial statements.

物業、廠房及設備

年內，本集團動用約2,400萬港元添置物業、廠房及設備以擴充及提高其生產設施。本集團及本公司之物業、廠房及設備之此等變動及其他變動之情況載於綜合財務報告書附註16。

Directors and Directors' Service Contracts

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

Executive Directors

Ms. Cheung Lai Chun, Maggie (*Chairman*)
Mr. Cheung Shu Wan (*Managing Director*)
Ms. Cheung Lai See, Sophie
Mr. Cheung Pui (*passed away on 4 February 2019*)
Dr. Cheung Shu Sang, William

Non-Executive Director

Mr. Cheung Lun (*Honorary Chairman*)

Independent Non-Executive Directors

Dr. Chan How Chun, Rita
Mr. Lai Ah Ming, Leon
Professor Lo Chung Mau

According to bye-law 87 of the Company's Bye-laws, Dr. Cheung Shu Sang, William and Mr. Lai Ah Ming, Leon shall retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

董事及董事服務合約

於年內至本報告發表當日本公司之董事如下：

執行董事

張麗珍女士(*主席*)
張樹穩先生(*董事總經理*)
張麗斯女士
張培先生(*於2019年2月4日逝世*)
張樹生博士

非執行董事

張倫先生(*榮譽主席*)

獨立非執行董事

陳孝春博士
黎雅明先生
盧寵茂教授

根據本公司公司細則第87條，張樹生博士及黎雅明先生於即將舉行之周年大會上依章告退，惟彼等均願膺選連任。

Directors' Report

董事會報告

Directors and Directors' Service Contracts *(Continued)*

The term of office of each director (except for the Chairman of the Board and/or the Managing Director) is the period up to his/her retirement by rotation in accordance with the Company's Bye-laws.

None of the directors of the Company proposed for re-election at the forthcoming Annual General Meeting has any service contract with the Company or any of its subsidiaries not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

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

At 31 March 2019, the interests and short positions of the directors and the chief executives and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

董事及董事服務合約 *(續)*

根據本公司之公司細則，各董事(除董事會主席及／或董事總經理)之任期直至須輪值告退為止。

應屆股東周年大會候選連任之本公司董事概無與本公司或其任何附屬公司訂立不可於一年內終止而毋須作出補償(法定賠償除外)之服務合約。

董事及主要行政人員於股份、相關股份、債權證之權益及淡倉

於二零一九年三月三十一日，本公司董事及主要行政人員及其聯繫人士於本公司及其聯營公司的股份、相關股份及債權證中擁有權益或淡倉記載於本公司按證券及期貨條例第352條須置存之登記冊內的權益或淡倉，或根據上市發行人董事進行證券交易標準守則之規定須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益或淡倉如下：

Directors' Report

董事會報告

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

董事及主要行政人員於股份、相關股份、債權證之權益及淡倉(續)

(Continued)

Ordinary shares of HK\$0.10 each of the Company

本公司每股面值0.10港元之普通股

| Name | Capacity | Number of ordinary shares held 所持普通股數目 | | | Approximate% of the issued share capital of the Company 佔公司已發行 股份之概約 百分比 |
|---------------------------------------|--|---|-------------------------------|-------------|--|
| | | Personal interest | Other interest | Total | |
| 姓名 | 身份 | 個人權益 | 其他權益 | 總數 | |
| Mr. Cheung Lun 張倫先生 | Founder of discretionary trust 全權信託之成立人 | - | 156,349,960 (Note) (附註) | 156,349,960 | 46.61% |
| Mr. Cheung Shu Wan 張樹穩先生 | Beneficial Owner 實益擁有人 Beneficiary of trust 信託受益人 | 49,695,335 | 156,349,960 (Note) (附註) | 206,045,295 | 61.43% |
| Ms. Cheung Lai Chun, Maggie 張麗珍女士 | Beneficial Owner 實益擁有人 Beneficiary of trust 信託受益人 | 600,000 | 156,349,960 (Note) (附註) | 156,949,960 | 46.79% |
| Ms. Cheung Lai See, Sophie 張麗斯女士 | Beneficial Owner 實益擁有人 Beneficiary of trust 信託受益人 | 1,258,000 | 156,349,960 (Note) (附註) | 157,607,960 | 46.99% |
| Dr. Cheung Shu Sang, William 張樹生博士 | Beneficial Owner 實益擁有人 Beneficiary of trust 信託受益人 | 900,000 | 156,349,960 (Note) (附註) | 157,249,960 | 46.88% |

Directors' Report

董事會報告

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

董事及主要行政人員於股份、相關股份、債權證之權益及淡倉(續)

(Continued)

本公司每股面值0.10港元之普通股(續)

Ordinary shares of HK\$0.10 each of the Company (Continued)

Note:

附註:

The references to 156,349,960 shares relate to the same block of shares in the Company, of which 134,821,960 shares are held by Allan Investment Co. Limited ("AICL"), 14,958,000 shares are held by Commence Investment Limited ("CIL") and 6,570,000 shares are held by Unison Associates Limited ("UAL"). AICL and CIL are owned as to 89% and 100% respectively by UAL. Mr. Cheung Lun is the settlor of The Cheung Lun Family Trust ("Trust"). Credit Suisse Trust Limited as trustee of the Trust holds 100% of the shareholding of UAL and the discretionary beneficiaries of the Trust are, among others, Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie, Ms. Cheung Lai See, Sophie and Dr. Cheung Shu Sang, William.

上述所提及之156,349,960股本公司股份，實指同一股份權益。其中134,821,960股股份由亞倫投資有限公司(「亞倫投資」)持有，14,958,000股股份由啟卓投資有限公司(「啟卓投資」)持有及6,570,000股股份由Unison Associates Limited(「UAL」)持有。亞倫投資之89%權益及啟卓投資之100%權益由UAL擁有。張倫先生是The Cheung Lun Family Trust(「Trust」)之財產授予人。Credit Suisse Trust Limited以Trust之信託人身份持有100%之UAL股權，Trust之可能受益人(為其他人中)有張樹穩先生、張麗珍女士、張麗斯女士及張樹生博士。

Save as disclosed above, none of the directors or chief executives, nor their associates, of the Company had, as at 31 March 2019, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be 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 were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

除以上所披露外，本公司之董事及主要行政人員或其聯繫人士，於二零一九年三月三十一日，沒有於本公司或其聯營公司(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及第8分部須通知本公司及聯交所，或根據證券及期貨條例第352條須記入該條例所述登記冊，或根據標準守則之規定須通知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之該等條文被假設或視為擁有之權益或淡倉)。

Directors' Report

董事會報告

Share Option Scheme

Particulars of the Company's share option scheme are set out in Note 31 to the consolidated financial statements.

No options have been granted since the adoption of the scheme.

Arrangement to Purchase Shares or Debentures

Other than the share option scheme set out in Note 31 to the consolidated financial statements, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Update on Directors' Information Pursuant to Rule 13.51B(1) of the Listing Rules

There is no changes in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Appointment of Independent Non-Executive Directors

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange. The Company considers all of the independent non-executive directors are independent.

購股權計劃

本公司之購股權計劃詳情載於綜合財務報告書附註31。

自該計劃採納以來概無任何購股權授出。

購買股份或債券之安排

除載於綜合財務報告書附註31之購股權計劃外，本公司或其任何附屬公司於年內概無參與任何安排，使本公司董事可藉購入本公司或其他公司之股份或債券而獲益。

根據上市規則第13.51B(1)條更新董事資料

概無董事資料變動須根據上市規則第13.51B(1)條予以披露。

獨立非執行董事之委任

本公司已接獲各獨立非執行董事各自發出之確認書，表示其符合聯交所證券上市規則（「上市規則」）第3.13條規定之獨立性。本公司認為，全體獨立非執行董事均為獨立人士。

Directors' Report

董事會報告

Directors' Interests in Transactions, Arrangement and Contracts of Significance

Allan International Holdings Limited ("AIHL"), entered into a tenancy agreement with Ardent Investment Limited, a subsidiary of a substantial shareholder of the Company, pursuant to which Ardent Investment Limited granted to AIHL a tenancy in respect of certain premises on Unit B, 23rd Floor, Chaiwan Industrial Centre, 20 Lee Chung Street, Chaiwan, Hong Kong at a monthly rent of HK\$123,800. The tenancy agreement was for a term of one year commenced from 1 September 2018. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$866,600.

AIHL, entered into a tenancy agreement with Ardent Investment Limited, a subsidiary of a substantial shareholder of the Company, pursuant to which Ardent Investment Limited granted to AIHL a tenancy in respect of a car park No. 35, Chaiwan Industrial Centre, 20 Lee Chung Street, Chaiwan, Hong Kong at a monthly rent of HK\$3,500. The tenancy agreement was a term of one year commenced from 1 November 2018. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$17,500.

Conan Electric Manufacturing Limited ("Conan"), a wholly owned subsidiary of the Company, entered into a tenancy agreement with Fair Pacific Limited, a wholly-owned subsidiary of AICL, a substantial shareholder of the Company, pursuant to which Fair Pacific Limited granted to Conan a tenancy in respect of certain land in Lilin, Zhongkai Hi-Tech Industrial Development Zone, Huizhou City, Guangdong, the PRC at a monthly rent of HK\$82,000. The tenancy agreement was for a term of one year commenced from 1 April 2018. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$984,000.

Allan Plastics Mfg., Limited ("APML"), a wholly-owned subsidiary of the Company, entered into a tenancy agreement with Income Village Limited, a wholly-owned subsidiary of AICL, pursuant to which Income Village Limited granted to APML a tenancy in respect of certain premises in Lilin, Zhongkai Hi-Tech Industrial Development Zone, Huizhou City, Guangdong, the PRC at a monthly rent of HK\$17,000. The tenancy agreement was for a term of three years commenced from 1 April 2017. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$204,000.

董事於重大交易、安排及合約之權益

亞倫國際集團有限公司(「亞倫」)與本公司主要股東的附屬公司雅隆投資有限公司(「雅隆」)訂立一項租約，根據該租約，雅隆將位於香港柴灣利眾街20號柴灣中心工業大廈23樓B單位的物業租予亞倫，月租123,800港元。該租約由二零一八年九月一日開始，為期一年。本集團就該租約於本年內所付之租金總額為866,600港元。

亞倫與本公司主要股東的附屬公司雅隆訂立一項租約，根據該租約，雅隆將位於香港柴灣利眾街20號柴灣中心工業大廈的35號車位租予亞倫，每月租金3,500港元。該租約由二零一八年十一月一日開始，為期一年。本集團就該租約於本年內所付之租金總額為17,500港元。

康倫電業製造有限公司(「康倫」)，本公司之全資擁有附屬公司，與海暉有限公司訂立一項租約。海暉有限公司為亞倫投資(本公司之主要股東)全資擁有附屬公司，根據該租約，海暉有限公司將位於中國廣東省惠州市仲愷高新技術產業開發區瀝林鎮之部份土地租予康倫，月租82,000港元。該租約由二零一八年四月一日開始，為期一年。本集團就該租約於本年內所付之租金總額為984,000港元。

亞倫塑膠製造有限公司(「亞倫塑膠」)，本公司之全資擁有附屬公司，與儲鎮有限公司訂立一項租約。儲鎮有限公司為亞倫投資全資擁有附屬公司，根據該租約，儲鎮有限公司將位於中國廣東省惠州市仲愷高新技術產業開發區瀝林鎮之部份物業租予亞倫塑膠，月租17,000港元。該租約由二零一七年四月一日開始，為期三年。本集團就該租約於本年度內所付之租金總額為204,000港元。

Directors' Report

董事會報告

Directors' Interests in Transactions, Arrangement and Contracts of Significance *(Continued)*

Karan Electric Manufacturing Limited ("Karan"), a wholly owned subsidiary of the Company, entered into a tenancy agreement with AICL, pursuant to which AICL granted to Karan a tenancy in respect of certain premises in Lilin, Zhongkai Hi-Tech Industrial Development Zone, Huizhou City, Guangdong, the PRC at a monthly rent of HK\$75,000. The tenancy agreement was a term of three years commenced from 1 April 2017. The total amount of rent paid for the year by the Group in respect of this agreement was HK\$900,000.

The above transactions were approved by the independent non-executive directors and were conducted on normal commercial terms in the ordinary course of business of the Group and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Other than disclosed above, no transactions, arrangement and contracts of significance, to which the Company, its holding company, fellow subsidiaries or subsidiaries was a party and in which a director or a connected entity of 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.

Emolument Policy

Salary package for employees are structured by reference to market conditions, staff's experience and individual performance. Other benefits offered by the Group included medical insurance, mandatory provident fund scheme, training subsidies, share option scheme and discretionary bonus.

The emoluments of the directors and senior management are recommended by the remuneration committee of the Company and decided by the Board, with reference to the market rates, commitment, contribution and their duties, and responsibilities with the Group. Details of directors' remuneration are set out in details in Note 7 to the financial statements.

The Company has adopted a share option scheme as an incentive to the directors and eligible employees. Details of the scheme are set out in Note 31 to the financial statements.

董事於重大交易、安排及合約之權益 *(續)*

嘉倫電業製造有限公司(「嘉倫」)，本公司之全資擁有附屬公司，與亞倫投資訂立一項租約。根據該租約，亞倫投資將位於中國廣東省惠州市仲愷高新技術產業開發區瀝林鎮之部份物業租予嘉倫，月租75,000港元。該租約由二零一七年四月一日開始，為期三年。本集團就該租約於本年內所付之租金總額為900,000港元。

本公司之獨立非執行董事已批准以上交易，並認為該些關連交易乃於本公司日常及一般業務過程中按一般商業條款訂立，及以規管交易之有關協議為根據，其條款屬公平合理並符合本公司股東之整體利益。

除上文所披露者外，於年終或年內任何時間概無其他由本公司、其控股公司、同系附屬公司或其任何附屬公司訂立與本公司董事及有關聯人士直接或間接擁有重大權益之重要交易、安排及合約。

薪酬政策

僱員之薪酬福利乃參考市場情況、僱員經驗及個人表現而釐定。本集團提供之其他福利包括醫療保險、強制性公積金計劃、培訓補貼、購股權計劃及酌情花紅。

董事及高級管理層酬金乃由本公司薪酬委員會建議並由董事會參考市場價格、承擔、貢獻及彼等於本集團之職務及責任而釐定。董事酬金之詳情載於財務報告書附註7。

本公司已採納一項購股權計劃作為給予董事及合資格僱員之獎勵。計劃之詳情載於財務報告書附註31。

Directors' Report

董事會報告

Substantial Shareholders

As at 31 March 2019, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executive, the following shareholders had notified the Company of relevant interests and long/short positions in the issued share capital of the Company.

Long positions of substantial shareholders in the shares of the Company

主要股東

於二零一九年三月三十一日，除上文披露若干董事的權益外，遵照證券及期貨條例第336條存置本公司主要股東的登記冊所示，以下股東及主要行政人員已知會本公司彼等在本公司已發行股份中擁有的相關權益及好倉／淡倉。

主要股東於本公司股份之好倉

| Name of shareholder | Capacity | Number of ordinary shares | Approximate % of shareholding |
|-------------------------------------|--|------------------------------|-------------------------------|
| 股東名稱 | 身份 | 普通股股份 | 佔股權之概約百分比 |
| Credit Suisse Trust Limited | Trustee 信託人 | 156,349,960 | 46.61% |
| UAL | Held by controlled corporation 所控制之公司持有 | 149,779,960 | 44.65% |
| | Beneficial Owner 實益擁有人 | 6,570,000 | 1.96% |
| AICL 亞倫投資 | Beneficial Owner 實益擁有人 | 134,821,960 | 40.19% |
| Webb, David Michael | Beneficial Owner 實益擁有人 | 10,777,000 | 3.21% |
| | Held by controlled corporation 所控制之公司持有 | 26,007,000 (Note) (附註) | 7.75% |
| Preferable Situation Assets Limited | Beneficial Owner 實益擁有人 | 26,007,000 (Note) (附註) | 7.75% |

Note:

The reference to 26,007,000 shares above are held by Preferable Situation Assets Limited, a company 100% controlled by Mr. Webb, David Michael.

附註：

上述所提及的26,007,000股股份由Webb, David Michael先生全權控制之Preferable Situation Assets Limited持有。

Directors' Report

董事會報告

Substantial Shareholders *(Continued)*

Long positions of substantial shareholders in the shares of the Company *(Continued)*

Save as disclosed above, as at 31 March 2019, the Company has not been notified by any persons (other than directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Donations

During the year, the Group made charitable and other donations amounting to approximately HK\$106,000.

Corporate Governance

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices of the Company is set out in the "Corporate Governance Report" on pages 32 to 43.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's bye-laws/articles of association, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Sufficiency of Public Float

The Company has maintained a sufficient public float throughout the year ended 31 March 2019.

主要股東 *(續)*

主要股東於本公司股份之好倉 *(續)*

除上文所披露者外，於二零一九年三月三十一日，概無任何人士(本公司董事或主要行政人員除外)曾知會本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司按證券及期貨條例第336條置存之登記冊內的本公司股份或相關股份之權益或淡倉。

捐款

年內，本集團給予慈善及其他機構之捐款約為10萬6仟港元。

企業管治

本公司致力維持高水平之企業管治常規，有關本公司之企業管治常規之資料，載於第32至43頁之「企業管治報告」內。

優先購買權

本公司之公司細則／公司章程，及百慕達法例概無載列有關優先購買權之規定，本公司無須按此規定而按現有股東之持股比例發行新股。

足夠公眾持股量

本公司於截至二零一九年三月三十一日止年內一直維持上市規則所規定之公眾持股量。

Directors' Report

董事會報告

Auditor

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Cheung Lai Chun, Maggie
Chairman

Hong Kong
27 June 2019

核數師

於應屆股東周年大會上，將會提出一項決議案，繼續委任德勤•關黃陳方會計師行為本公司核數師。

承董事會命

張麗珍
主席

香港
二零一九年六月二十七日

Corporate Governance Report

企業管治報告

The Company recognizes that good corporate governance is vital to the success of the Group and the sustained development of the Group. The Company aims at complying with, where appropriate, all code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Company’s corporate governance practices are based on the principles and the code provisions as set out in the CG Code. The Company has, throughout the year ended 31 March 2019, applied and complied with most of the code provisions save for certain deviations from the code provisions in respect of code provisions A.4.1, A.4.2, A.5.1, A.6.7 and E.1.2, details of which are explained below.

Directors’ Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiry to all directors regarding any non-compliance with the Model Code during the year under review and they have all confirmed that they had fully complied with the required standard set out in the Model Code.

Board of Directors

The Board comprises of four Executive Directors, being Ms. Cheung Lai Chun, Maggie (Chairman), Mr. Cheung Shu Wan (Managing Director), Ms. Cheung Lai See, Sophie and Dr. Cheung Shu Sang, William; one Non-Executive Director, being Mr. Cheung Lun (Honorary Chairman); three Independent Non-Executive Directors, being Dr. Chan How Chun, Rita, Mr. Lai Ah Ming, Leon and Professor Lo Chung Mau. Biographical details, which include relationships among members of the Board, are provided in the “Directors and Senior Management” section of this Annual Report.

本公司深明良好企業管治對本集團之成功及持續發展十分重要。本公司致力遵守(在適當情況下)香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之「企業管治守則」(「企管守則」)中所有守則條文。

本公司之企業管治常規乃根據企管守則所載附的原則和守則條文而釐訂。於截至二零一八年三月三十一日止年度內，本公司已遵守大部份守則條文，除了下文所述有關守則條文第A.4.1、A.4.2、A.5.1、A.6.7及E.1.2條本公司有若干偏離守則條文之外。

董事進行證券交易

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)。本公司已特地就董事於回顧年內有否任何未有遵守標準守則之行為作出查詢，全體董事均確認彼等已完全遵從標準守則所規定之標準。

董事會

董事會成員包括四名執行董事，張麗珍女士(主席)、張樹穩先生(董事總經理)、張麗斯女士及張樹生博士；一位非執行董事，張倫先生(榮譽主席)；及三名獨立非執行董事，陳孝春博士、黎雅明先生及盧寵茂教授。履歷詳情(包括董事會成員間之關係)載於本年報「董事及高級管理人員」一節內。

Board of Directors (Continued)

There is a clear division of responsibilities between the Board and the management. The Board is responsible for providing high-level guidance and effective oversight of the management while day-to-day management of the Group is delegated to the management team of each respective subsidiary. Generally speaking, the Board is responsible for:

- Formulating the Group's long term strategy and monitoring the implementation thereof
- Approval of interim and year end dividend
- Reviewing and approving the annual and interim reports
- Ensuring good corporate governance and compliance
- Monitoring the performance of the management
- Reviewing and approving any material acquisition and assets disposal

The Board authorises the management to carry out the strategies that have been approved.

The Board meets regularly at least four times a year and additional meetings or telephone conferences are convened as and when the Board considers necessary. During the year, four board meetings were held. Details of the Directors' attendance record in the year are as follows:

| Executive Directors | Attendance/ No. of meeting | 執行董事 | 出席/ 會議次數 |
|--|-------------------------------|------------------------|-------------|
| Ms. Cheung Lai Chun, Maggie | 4/4 | 張麗珍女士 | 4/4 |
| Mr. Cheung Shu Wan | 4/4 | 張樹穩先生 | 4/4 |
| Ms. Cheung Lai See, Sophie | 4/4 | 張麗斯女士 | 4/4 |
| Mr. Cheung Pui (passed away on 4 February 2019) | 2/4 | 張培先生 (於2019年2月4日逝世) | 2/4 |
| Dr. Cheung Shu Sang, William | 4/4 | 張樹生博士 | 4/4 |
| Non-Executive Director | | 非執行董事 | |
| Mr. Cheung Lun | 4/4 | 張倫先生 | 4/4 |

董事會(續)

董事會與管理層之間有清晰分工。董事會負責為管理層提供高層次之領導與有效之監察，而集團業務之日常管理則委派予各附屬公司之管理層負責。一般而言，董事會之職責包括：

- 制訂本集團長遠之策略及對策略執行作監控
- 通過中期及年末股息
- 檢討及批准全年及中期業績報告
- 確保良好企業管治及遵守有關守則
- 監控管理層的表现
- 檢討及批准任何重大之收購及資產出售

董事會已授權管理層執行已獲批准的策略。

董事會定期舉行會議，並一年最少舉行四次董事會議，在董事會認為有需要情況下會舉行額外的董事會議或電話會議。於年內，已舉行了四次董事會，下述為董事於年內之出席記錄：

Board of Directors (Continued)

| Independent Non-Executive Directors | Attendance/ No. of meeting |
|-------------------------------------|-------------------------------|
| Dr. Chan How Chun, Rita | 4/4 |
| Mr. Lai Ah Ming, Leon | 4/4 |
| Professor Lo Chung Mau | 4/4 |

The Company has complied with the Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three Independent Non-Executive Directors and one of the Independent Non-Executive Directors has appropriate professional qualifications or accounting or related financial management expertise. Each of the Independent Non-Executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-Executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

Permitted Indemnity Provision

The Company has arranged for directors and officers liability insurance to indemnify its directors against liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

Chairman and Chief Executive

The Board considered that the duties of the Managing Director, Mr. Cheung Shu Wan ("MD") were no different from that required of a chief executive stipulated under the code provision A.2.1 of the CG Code. The management would regard that the term MD will have the same meaning as the chief executive of the Company.

董事會(續)

| 獨立非執行董事 | 出席/ 會議次數 |
|---------|-------------|
| 陳孝春博士 | 4/4 |
| 黎雅明先生 | 4/4 |
| 盧寵茂教授 | 4/4 |

本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條有關最少委任三位獨立非執行董事，及其中一位獨立非執行董事須具備適當之專業資格或會計或相關財務管理專長之規定。每位獨立非執行董事已根據上市規則第3.13條之規定，就其獨立性作出年度確認。本公司認為所有獨立非執行董事均符合上市規則第3.13條所載之獨立性指引。

獲准許的彌償條文

本公司已為董事會成員購買董事及高級職員責任保險，為董事依法履職過程中可能產生的賠償責任提供保障。該責任保險會按年檢討。

主席及行政總裁

董事會認為，董事總經理張樹穩先生之職責與企業守則之守則條文第A.2.1條內訂明要求行政總裁之職責並無差別，管理層視「董事總經理」一詞之涵義等同本公司行政總裁。

Chairman and Chief Executive *(Continued)*

Ms. Cheung Lai Chun, Maggie, the Chairman of the Board, is an Executive Director who is responsible for the leadership and effective running of the Board, and ensuring that all significant and key issues are discussed and where required, resolved by the Board timely and constructively.

The MD of the Board is delegated with the authority and responsibility to run the Group's business and day-to-day operation, and implement the Group's strategy with respect to the achievement of its business objectives with the assistance of the executive directors and senior management.

Appointment and Re-election of Directors

Code provision A.4.1 stipulates that Non-Executive Directors should be appointed for a specific term, subject to re-election.

Currently, neither the Non-Executive Director nor three Independent Non-Executive Directors of the Company is appointed for a specific term. This constitutes a deviation from the CG Code. In accordance with the provisions of the Bye-laws of the Company, any director appointed by the Board during the year shall retire and submit themselves for re-election at the first general meeting immediately following his/her appointment. Further, at each annual general meeting, one-third of the directors for the time being, or if their number is not three or multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. The directors to retire by rotation shall be those who have been longest in office since their last re-election or appointment. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are similar to those in the CG Code.

主席及行政總裁 *(續)*

董事會主席張麗珍女士為執行董事，彼負責領導董事會並確保其有效運作，以及確保董事會能及時積極地討論並在需要時解決所有重大及關鍵事項。

董事會董事總經理獲授予權限及責任，管理本集團業務之營運及日常運作，並在執行董事和高級管理層協助下，執行本集團為達致其業務目標所訂之策略。

董事之委任及重選

守則條文第A.4.1條規定非執行董事的委任應有指定任期，並需接受重新選舉。

現時，非執行董事及三名獨立非執行董事並無指定任期，構成與企管守則有所偏差。根據本公司細則之條文，董事會年內獲委任之任何董事須於緊隨其獲委任後首次股東大會上輪值告退及膺選連任。此外，於每屆股東周年大會上，當時三分之一董事(或倘人數並非三或三之倍數時，則為最接近者，但不得多於三分之一的人數)應輪值告退。輪值告退之董事須為自上次獲重選或委任以來任期最長之董事。因此，本公司認為已採取足夠措施，確認本公司之企業管治常規與企管守則內所載者相若。

Appointment and Re-election of Directors *(Continued)*

Code provision A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to the Bye-laws of the Company, the chairman and/or the managing director is not subject to retirement by rotation or taken into account in determining the number of directors to retire. This constitutes a deviation from the CG Code. As continuation is a key factor to the successful implementation of any long term business plans, the Board believes that, the present arrangement is most beneficial to the Company and the shareholders as a whole.

Directors' Training

All Directors participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. All directors participate in appropriate continuous professional development activities by ways of attending training or reading material relevant to the Company's business or to the directors' duties and responsibilities. During the year ended 31 March 2019, the Company has provided an update on the latest development and changes of the Listing Rules, applicable laws, rules and regulations relating to directors' duties and responsibilities to each of Ms. Cheung Lai Chun, Maggie, Mr. Cheung Shu Wan, Ms. Cheung Lai See, Sophie, Mr. Cheung Pui (passed away on 4 February 2019), Dr. Cheung Shu Sang, William, Mr. Cheung Lun, Dr. Chan How Chun, Rita, Mr. Lai Ah Ming, Leon and Professor Lo Chung Mau to keep themselves update on the roles, functions and duties of a listed company director. The Company has received the records of training from all directors.

董事之委任及重選 *(續)*

守則條文第A.4.2條規定所有因填補臨時空缺而獲委任之董事應於獲委任後之首次股東大會接受股東選舉，每名董事(包括指定任期獲委任之董事)應輪值告退，至少每三年一次。

根據本公司之公司細則，本公司之主席及／或董事總經理均無須輪值告退，於釐定董事退任人數時亦無須計算在內，構成與企管守則有所偏差。由於持續性是成功執行任何長遠業務計劃的主要因素，董事會相信，現有的安排對於本公司以至股東的整體利益最為有利。

董事培訓

所有董事均參加持續專業培訓，以增進及重溫彼等的知識及技能。此舉乃為確保彼等具備充份認識而對董事會作出相關貢獻。全體董事透過參加培訓或閱讀與本公司業務或董事職務及責任相關資料，致力作出持續專業發展。截至二零一九年三月三十一日止年度，本公司分別向張麗珍女士、張樹穩先生、張麗斯女士、張培先生(於2019年2月4日逝世)、張樹生博士、張倫先生、陳孝春博士、黎雅明先生及盧寵茂教授每一位提供有關上市規則最新發展及變動、有關董事職務及職責的適用法律、規則及法規的最新資料，以確保彼等掌握有關上市公司董事的角色、職能及責任的最新資訊。本公司已收到所有董事的培訓紀錄。

Audit Committee

The Audit Committee was established in 1999 and comprises three Board members, all of whom are independent non-executive directors. The Audit Committee has adopted the same terms of reference, which describe the authority and duties of the Committee, as quoted under code provision C.3.3 of the CG Code.

The Audit Committee will meet at least twice each year. During the year, the Audit Committee met twice considering the annual results of the Group for the financial year ended 31 March 2019 and the interim results of the Group for the 6 months ended 30 September 2018, assessing any changes in accounting policies and practices, major judgmental areas and compliance with applicable legal and accounting requirements and standards, discussing with the auditor of the Company on the risk management and internal control systems.

Details of Committee members and their attendance records are listed as below:

| Committee member | Attendance/ No. of meeting |
|---|-------------------------------|
| Dr. Chan How Chun, Rita (<i>Chairman</i>) | 2/2 |
| Mr. Lai Ah Ming, Leon | 2/2 |
| Professor Lo Chung Mau | 2/2 |

Remuneration Committee

The Remuneration Committee was established in 2012 with written terms of reference as stated in Code B.1.2 of the CG Code. The Remuneration Committee consists of three members, majority of which are Independent Non-Executive Directors. Mr. Lai Ah Ming, Leon, being an Independent Non-Executive Director, acts as the chairman. Dr. Chan How Chun, Rita, an Independent Non-Executive Director and Ms. Cheung Lai See, Sophie, an Executive Director, are the Committee Members.

審核委員會

審核委員會於一九九九年成立，由三名董事會成員組成，全部均為獨立非執行董事。審核委員會已採納企管守則之守則條文第C.3.3條引用的審核委員會之職責與權力為委員會相同職權範圍。

審核委員會每年至少召開會議兩次。年內，審核委員會舉行了兩次會議，以考慮本集團截至二零一九年三月三十一日止財務年度之全年業績及截至二零一八年九月三十日止六個月之中期業績、評估會計政策及慣例之任何變動、主要判斷範疇及是否遵守適用法律及會計規定及準則，以及與本公司核數師就風險管理及內部監控制度進行討論。

下述為委員會成員及其出席記錄詳情：

| 委員會成員 | 出席/ 會議次數 |
|-----------|-------------|
| 陳孝春博士(主席) | 2/2 |
| 黎雅明先生 | 2/2 |
| 盧寵茂教授 | 2/2 |

薪酬委員會

本公司薪酬委員會於二零一二年成立，並訂有企管守則之守則條文第B.1.2條所載之書面職權範圍。薪酬委員會由三名成員組成，大部份為獨立非執行董事。獨立非執行董事黎雅明先生為薪酬委員會主席，獨立非執行董事陳孝春博士及執行董事張麗斯女士為委員會成員。

Remuneration Committee *(Continued)*

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and overseeing the remuneration packages of all directors and senior management. The Remuneration Committee makes recommendation to the Board for the determination of the remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board for the directors' fee of non-executive directors. It takes into account factors such as salaries paid by comparable companies with similar size and trade, education background and qualification of each director and senior management, time commitment and responsibilities of directors and senior management.

During the year, the Remuneration Committee has held one meeting. Attendance of each individual member was as follows:

| Committee member | Attendance/ No. of meeting |
|---|-------------------------------|
| Mr. Lai Ah Ming, Leon <i>(Chairman)</i> | 1/1 |
| Dr. Chan How Chun, Rita | 1/1 |
| Ms. Cheung Lai See, Sophie | 1/1 |

Details on the emolument payable to the directors and the Company's share option scheme are disclosed in Notes 7 and 36 to the consolidated financial statements respectively.

薪酬委員會 *(續)*

薪酬委員會負責確保規範及透明之薪酬政策制訂程序以及監督所有董事及高級管理層之薪酬待遇。薪酬委員會向董事會就所有執行董事及高層管理人員的薪酬待遇之最終決定作建議，其中包括金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任的賠償)，及就非執行董事的董事袍金提出建議。釐定薪酬時將考慮同樣規模及業務之可比較公司支付之薪金水平、各董事及高級管理層之教育背景及資格，以及彼等所投入之時間及職責等因素。

於年內，薪酬委員會舉行了一次會議。下列為每一成員之出席記錄：

| 委員會成員 | 出席/ 會議次數 |
|-----------|-------------|
| 黎雅明先生(主席) | 1/1 |
| 陳孝春博士 | 1/1 |
| 張麗斯女士 | 1/1 |

應付董事之薪酬及本公司購股權計劃詳情分別於綜合財務報告書附註7及36披露。

Nomination of Directors

Code provision A.5.1 stipulates that the Company should establish a nomination committee. Currently, the Company does not have a nomination committee. The Board will identify individuals suitably qualified to become board members when necessary. The Board will give due consideration to the suitability of a candidate for directorship after taking into account of his/her experience, qualification and other relevant factors. All candidates must also meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules.

Corporate Governance Functions

The Board is responsible to develop and review the Company's policies and practices on corporate governance; review and monitor the training and continuous professional development of directors and senior management; review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; review and monitor the code of conduct applicable to employees and directors; and review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Company Secretary

Ms. Wong Lai Yung joined the Company since 2006 and was appointed as the Company Secretary in 2012. Ms. Wong is responsible to update and provide advice to the Board in relation to directors' obligations under the Listing Rules, applicable laws and regulations, and corporate governance matters. Ms. Wong has provided her training records to the Company indicating her compliance with the training requirement under Rule 3.29 of the Listing Rules. Ms. Wong's biographical details are provided in the "Directors and Senior Management" section of this Annual Report.

董事之提名

守則條文第A.5.1條規定，公司應設立提名委員會。現時，本公司並無提名委員會，董事會將於有需要時物色合適之合資格人士出任董事會成員。董事會將謹慎考慮候選人之經驗、資格及其他相關因素以決定其是否適合擔任董事職務。所有候選人亦必須符合上市規則第3.08及3.09條所載之標準。將獲委任為獨立非執行董事之候選人亦須符合上市規則第3.13條所載之獨立準則。

企業管治職能

董事會負責制定及檢討本公司的企業管治政策及常規；檢討及監察董事及高層管理人員的培訓及持續專業發展；檢討及監察本公司在遵守法律及監管規定方面的政策及常規；檢討及監察僱員及董事的操守準則；以及檢討本公司遵守企管守則的情況及在企業管治報告內的披露。

公司秘書

黃麗蓉女士於二零零六年加入本公司，並於二零一二年獲委任為公司秘書。黃女士負責提升及就根據上市規則及適用法律法規及企業管治事宜向董事會提供意見。黃女士已向本公司提供培訓記錄以示已遵守上市規則第3.29條之培訓規定。黃女士之履歷詳情已載於本年報「董事及高級管理人員」一節內。

Constitutional Documents

During the year, there is no significant change in the Company's constitutional documents.

Directors' Responsibilities for the Financial Statement

The Board acknowledges that it is their responsibility for (i) overseeing the preparation of the financial statements of the Group with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group and (ii) selecting suitable accounting policies and applying the selected accounting policies consistently with the support of reasonable and prudent judgement and estimates.

A statement by the independent auditor about their reporting responsibilities is set out on pages 44 to 49 of this Annual Report.

Auditor's Remuneration

During the year under review, the remuneration payable to the Company's independent auditor, Deloitte Touche Tohmatsu, is set out as follows:

| Services rendered | Fees payable HK\$'000 |
|---|--------------------------|
| Audit services | 2,166 |
| Non-audit services | |
| Review of interim results | 304 |
| Taxation services | 310 |
| Audit of occupational retirement scheme | 24 |

組織章程文件

於年內，本公司的組織章程文件並無重大變動。

董事對財務報表之責任

董事會確認彼等之責任為(i)確保本集團財務報告書的編製真實反映本集團之財務狀況及(ii)選取適合之會計政策，並且貫徹應用該等會計政策，以作出審慎及合理之判斷及估計。

獨立核數師就彼等之呈報責任所作聲明載於本年報第44至49頁內。

核數師酬金

於回顧年度，應支付本公司獨立核數師德勤•關黃陳方會計師行之酬金如下：

| 提供服務 | 應付費用 千港元 |
|-----------|-------------|
| 核數服務 | 2,166 |
| 非核數服務 | |
| 審閱中期業績 | 304 |
| 稅務服務 | 310 |
| 職業退休計劃之審核 | 24 |

Risk Management and Internal Controls

The Board acknowledges that it is its duty to monitor the risk management and internal control systems of the Group on an ongoing basis and review their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

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

In light of the size, nature and complexity of the business of the Group, the Directors are of the view that it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. The Group does not have an internal audit department and will continue to review the need for an internal audit function.

During the year, the Group appointed KLC Transactions Limited ("KLC") as an external independent professional to:

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

風險管理及內部監控

董事會確認，其有責任持續監察本集團之風險管理及內部監控系統，並檢討其有效性。有關系統旨在管理而非消除未能達成業務目標的風險，並僅可就重大的失實陳述或損失作出合理而非絕對保證。

董事會透過審核委員會，每年檢討本集團風險管理及內部監控系統的設計及實施成效，涵蓋所有重大監控措施，包括財務、營運及合規控制，以確保本集團的會計、內部審核及財務報告職能均具備充足的資源、員工資歷及經驗、培訓項目及預算。在此方面，審核委員會向董事會通報任何重大事項。

考慮本集團業務之規模、性質及結構而言，董事認為聘用外部獨立專業人士為本集團進行內部審核工作以滿足需求，更具成本效益。本集團目前並無內部審計部門，會持續審視設立內部審計部門之需要。

年內，本集團委任禮恒企業財務服務有限公司（「禮恒企業財務服務」）擔任外部獨立專業人士以：

- 透過一系列訪談，協助識別及評估本集團的風險；及
- 獨立進行內部監控審核並評估本集團的風險管理及內部監控系統之有效性。

Risk Management and Internal Controls

(Continued)

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

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

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

Shareholders' Rights

On the requisition of shareholders of the Company holding not less than one-tenth of the paid-up capital of the Company, the Board may convene a special general meeting to address specific issues of the Company within 21 days from the date of deposit of written notice to the registered office of the Company. The requisition must state the purposes of the meeting, and must be signed by the requisitioner(s).

Shareholders holding not less than one-twentieth of the total voting rights of all the shareholders or not less than 100 shareholders may propose any resolution at the annual general meeting and circulate to other shareholders written statement with respect to the matter to be dealt with at the annual general meeting.

風險管理及內部監控(續)

獨立審核及評估結果已呈報予審核委員會及董事會。此外，禮恒企業財務服務所建議為提高本集團風險管理及內部監控系統及減低本集團風險的內部監控及風險管理措施的改進工作已獲董事會採納。根據禮恒企業財務服務之調查結果及推薦意見以及審核委員會之意見，董事會認為內部監控及風險管理系統屬有效及充分。

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

本公司將繼續委聘外部獨立專業人士檢討本集團的內部監控及風險管理系統，並於適當時候進一步提升本集團的內部監控及風險管理系統。

股東權利

在持有不少於本公司繳足股本十分之一的股東要求下，董事會可於向本公司的註冊辦事處發出書面通知的二十一日內召開股東特別大會處理本公司的特定議題。該要求必須列明會議目的，及經該要求人士簽署。

持有所有股東總表決權不少於二十分之一之股東或不少於100名股東，可於任何股東周年大會上提呈任何決議案及向其他股東傳閱有關於股東周年大會上動議之陳述書。

Shareholders' Rights *(Continued)*

Shareholders may send their enquiries requiring the Board's attention to the Company Secretary at the Company's principal office address at Flat B, 23/F., Chaiwan Industrial Centre, 20 Lee Chung Street, Chai Wan, Hong Kong.

Communication with Shareholders

The Company regards its Annual General Meeting as an opportunity for direct communication between the Board and its shareholders. All Directors and external auditor make an effort to attend the Annual General Meeting to address shareholders' queries. The Company also responds to requests for information and queries from the shareholders and investors and welcomes the views of shareholders on matter affecting the Group and encourages them to attend shareholders' meeting to communicate any concerns they might have with the Board.

Code provision A.6.7 stipulates that, independent non-executive directors and other non-executive directors shall attend general meetings and develop a balanced understanding of the views of shareholders.

Certain independent non-executive directors and non-executive director did not attend the Annual General Meeting of the Company held on 15 August 2018 due to other business engagements.

Code provision E.1.2 stipulates that the chairman of the audit committee should attend the annual general meeting. The Chairman of the Audit Committee had not attended the Annual General Meeting of the Company held on 15 August 2018. The Chairman will endeavour to attend all future annual general meetings of the Company unless unexpected or special circumstances prevent her from doing so.

股東權利 *(續)*

股東可將彼等提請董事會關注之事宜，送交本公司主要辦事處地址，地址為香港柴灣利眾街20號柴灣中心工業大廈23樓B室，並註明公司秘書收。

與股東之溝通

公司視股東周年大會為提供董事會與股東直接溝通之機會。全體董事及外聘核數師均盡力出席股東周年大會，以回應股東提問。公司亦回應股東與投資者索取資料之要求和提問，歡迎股東對影響集團之事宜提意見，亦鼓勵股東出席股東大會，讓股東直接向董事會表達所關注之事宜。

守則條文第A.6.7條規定，獨立非執行董事及其他非執行董事應出席股東大會，對本公司股東的意見有公正的了解。

若干獨立非執行董事及非執行董事因有其他公務，並未出席本公司於二零一八年八月十五日舉行之股東周年大會。

守則條文第E.1.2條規定，審核委員會主席應出席股東周年大會。審核委員會主席並無出席本公司於二零一八年八月十五日舉行之股東周年大會。除非有未能預料或特殊情況阻止主席出席所有本公司日後之股東周年大會，否則彼將盡力出席該等大會。



TO THE SHAREHOLDERS OF ALLAN INTERNATIONAL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

致亞倫國際集團有限公司股東

(於百慕達註冊成立的有限公司)

Opinion

意見

We have audited the consolidated financial statements of Allan International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as “the Group”) set out on pages 50 to 155, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審計列載於第50至155頁的亞倫國際集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一九年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表及綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

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 2019, 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了貴集團於二零一九年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

Basis for Opinion

意見的基礎

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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。根據香港會計師公會職業道德準則理事會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

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 matter

關鍵審計事項

Valuation of investment properties

投資物業的估值

We identified the valuation of investment properties as a key audit matter due to the significant assumptions and judgements involved in determining their fair value.

我們確認投資物業的估值作為關鍵的審計事項，是由於在決定其公平值估值中涉及重大假設和判斷。

The Group's investment properties amounted to HK\$327,400,000 as at 31 March 2019 and a gain from changes in fair value of investment properties of HK\$46,400,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year then ended.

於二零一九年三月三十一日，集團投資物業合共為3億2,740萬港元及投資物業的公平值變動之盈利淨額4,640萬港元已於本年度綜合損益及其他全面收益表中確認。

As disclosed in Note 15 to the consolidated financial statements, all of the Group's investment properties were stated at fair value based on a valuation performed by a firm of independent qualified professional surveyors ("Surveyors"). The fair value of the Group's investment properties was determined by adopting the direct comparison method. The valuation is sensitive to the market unit rate of comparable properties and adjustment factors for size, view and floor level of property and timing of the comparable transactions.

於綜合財務報告書附註15中披露，集團所有投資物業的公平值是根據一家公司的獨立專業合資格估價師《測量師》而定。集團投資物業的公平值是採用直接比較方法釐定。估值時可比較的市場單位價格敏感，物業的尺寸、景觀、樓層及類似的交易時間作為調整的因素。

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。

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to the valuation of investment properties included:

我們就有關評估投資物業的程序包括：

- Evaluating the competence, capabilities and objectivity of the Surveyors;
- 評估獨立合資格估值師的評價能力、功能和客觀性。
- Obtaining an understanding from the Surveyors about the valuation technique, the performance of the market, significant assumptions adopted and key inputs used in the valuations; and
- 從測量師那裡理解關於估值技術，市場表現，所採用的重大假設和估值中使用的關鍵輸入數據；及
- Assessing the reasonableness of the key inputs used by the Surveyors in the valuation model, including the market unit rate of individual unit and adjustment factors for size, view and floor level of property and timing of comparable transactions against current market data and entity specific information on a sample basis.
- 評估測量師在評估模型中使用的關鍵輸入數據的合理性，包括個別單位的市場單位價格和物業的尺寸、景觀和樓層，以及可比交易的時間與當前市場數據和實體具體信息的調整因素，以樣本為基礎。

Independent Auditor's Report

獨立核數師報告

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，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資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及管治層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》及香港《公司條例》的披露要求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因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。

管治層須負責監督 貴集團的財務報告過程。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, 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 HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism 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.

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，並按照我們商定的業務約定條款／《百慕達公司法》第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，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財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

(Continued)

- 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.
- 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.

核數師就審計綜合財務報表承擔的責任(續)

- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

(Continued)

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, 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 the independent auditor's report is Sunnie Sy.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 June 2019

核數師就審計綜合財務報表承擔的責任(續)

除其他事項外，我們與管治層溝通了計畫的審計範圍、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。

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

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

出具本獨立核數師報告的審計專案合夥人是施安迪。

德勤•關黃陳方會計師行
執業會計師
香港
二零一九年六月二十七日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2019

綜合損益及其他全面收益表

截至二零一九年三月三十一日止年度

| | | Notes 附註 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|-----------------------|-------------|----------------------------------|----------------------------------|
| Revenue | 營業額 | 5 | 1,209,200 | 1,305,166 |
| Cost of sales | 銷售成本 | | (1,114,118) | (1,176,304) |
| Gross profit | 毛利 | | 95,082 | 128,862 |
| Other income | 其他收益 | 6 | 30,513 | 29,512 |
| Other gains and losses | 其他盈利及虧損 | 8 | 8,160 | 735 |
| Selling and distribution expenses | 銷售及分銷成本 | | (23,850) | (24,574) |
| Administrative expenses | 行政成本 | | (102,571) | (108,670) |
| Provision for factory relocation expenses | 廠房搬遷費用撥備 | 9 | (18,594) | - |
| Gain from changes in fair value of investment properties | 投資物業之公平值變動所產生的盈利 | 15 | 46,400 | 30,200 |
| Loss allowance on financial assets | 金融資產的虧損撥備 | | (294) | - |
| Finance costs on bank loan | 銀行貸款之財務成本 | | (994) | (612) |
| Profit before tax | 除稅前溢利 | | 33,852 | 55,453 |
| Income tax expense | 所得稅開支 | 11 | (5,733) | (8,673) |
| Profit for the year attributable to owners of the Company | 本年度可分配給公司擁有人之溢利 | 12 | 28,119 | 46,780 |
| Other comprehensive (expense) income: | 其他全面(開支)收入: | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | <i>其後可能重新分類至損益項目:</i> | | | |
| Exchange differences arising on translation of foreign operations | 換算海外業務所產生之滙兌差額 | | (8,113) | 14,398 |
| Net fair value gain on: available-for-sale investments | 公平值盈利淨額: 可供出售投資 | | - | 257 |
| debt instruments at fair value through other comprehensive income | 按公平值計入其他全面收益之債務工具 | | 365 | - |
| Reclassified to profit or loss upon: redemption of available-for-sale investments | 重新分類至損益: 可供出售投資之贖回 | | - | 317 |
| disposal of debt instruments at fair value through other comprehensive income | 出售按公平值計入其他全面收益之債務工具 | | (16) | - |
| Other comprehensive (expense) income for the year | 本年度其他全面(開支)收入 | | (7,764) | 14,972 |
| Total comprehensive income for the year attributable to owners of the Company | 本公司可分配給公司擁有人之年度全面收益總額 | | 20,355 | 61,752 |
| Earnings per share | 每股盈利 | 14 | | |
| Basic | 基本 | | HK8.4 cents港仙 | HK13.9 cents港仙 |

Consolidated Statement of Financial Position

At 31 March 2019

綜合財務狀況表

於二零一九年三月三十一日

| | | Notes 附註 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|-------------------|-------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | | |
| Investment properties | 投資物業 | 15 | 327,400 | 281,000 |
| Property, plant and equipment | 物業、廠房及設備 | 16 | 154,654 | 179,485 |
| Prepaid lease payments | 預付租賃款項 | 17 | 19,221 | 24,287 |
| Club debentures | 會籍債券 | 18 | 13,176 | 13,176 |
| Available-for-sale investments | 可供出售投資 | 19 | - | 61,417 |
| Deferred tax assets | 遞延稅資產 | 27 | - | 552 |
| Deposits paid for acquisition of property, plant and equipment | 已付購買物業、廠房及設備訂金 | | 1,174 | 481 |
| | | | 515,625 | 560,398 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 22 | 76,180 | 98,854 |
| Trade receivables | 應收貿易賬款 | 23 | 250,535 | 288,967 |
| Other receivables | 其他應收賬款 | 23 | 16,967 | 35,158 |
| Mould deposits paid | 已付模具訂金 | | 11,179 | 4,115 |
| Prepaid lease payments | 預付租賃款項 | 17 | 608 | 678 |
| Financial assets at fair value through profit or loss ("FVTPL") | 透過損益按公平值計算之金融資產 | 20 | 35,156 | - |
| Debt instruments at fair value through other comprehensive income ("FVTOCI") | 按公平值計入其他全面收益之債務工具 | 21 | 31,108 | - |
| Tax recoverable | 應退稅項 | | 810 | 2,276 |
| Short-term deposits | 短期存款 | 24 | 160,641 | 127,403 |
| Bank balances and cash | 銀行結存及現金 | 24 | 397,949 | 469,572 |
| | | | 981,133 | 1,027,023 |
| Current liabilities | 流動負債 | | | |
| Trade payables | 應付貿易賬款 | 25 | 140,835 | 193,194 |
| Other payables and accruals | 其他應付賬款及應付未付 | | 110,627 | 127,594 |
| Deferred income | 遞延收入 | 10 | - | 17,649 |
| Mould deposits received | 已收模具訂金 | | 31,148 | 25,560 |
| Tax liabilities | 稅項負債 | | 36,740 | 36,244 |
| Secured bank loan | 有抵押銀行貸款 | 26 | 5,124 | 5,124 |
| | | | 324,474 | 405,365 |
| Net current assets | 流動資產淨值 | | 656,659 | 621,658 |
| Total assets less current liabilities | 總資產減流動負債 | | 1,172,284 | 1,182,056 |

Consolidated Statement of Financial Position

At 31 March 2019

綜合財務狀況表

於二零一九年三月三十一日

| | | Notes 附註 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--------------------------|---------|-------------|----------------------------------|----------------------------------|
| Non-current liabilities | 非流動負債 | | | |
| Deferred tax liabilities | 遞延稅項負債 | 27 | 7,253 | 7,757 |
| Secured bank loan | 有抵押銀行貸款 | 26 | 31,161 | 36,285 |
| | | | 38,414 | 44,042 |
| Net assets | 資產淨值 | | 1,133,870 | 1,138,014 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 28 | 33,543 | 33,543 |
| Reserves | 儲備 | | 1,100,327 | 1,104,471 |
| | | | 1,133,870 | 1,138,014 |

The consolidated financial statements on pages 50 to 155 were approved and authorised for issue by the Board of Directors on 27 June 2019 and are signed on its behalf by:

載於第50至155頁之綜合財務報告書已於二零一九年六月二十七日獲董事會批准及授權刊發，並由下列董事代表簽署：

CHEUNG LAI CHUN, MAGGIE

張麗珍
DIRECTOR
董事

CHEUNG LAI SEE, SOPHIE

張麗斯
DIRECTOR
董事

Consolidated Statement of Changes in Equity

For the year ended 31 March 2019

綜合權益變動表

截至二零一九年三月三十一日止年度

| | | Share capital | Share premium | Capital redemption reserve | Investment revaluation reserve | Translation reserve | Retained profits | Total |
|---|-----------------------------------|---------------|---------------|----------------------------|--------------------------------|---------------------|------------------|-----------|
| | | 股本 | 股份溢價 | 股本購回儲備 | 投資重估儲備 | 滙兌儲備 | 保留溢利 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | 33,543 | 109,884 | 793 | 57 | 17,010 | 956,904 | 1,118,191 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | 46,780 | 46,780 |
| Exchange differences arising on translation of foreign operations | 海外業務換算所產生之滙兌差額 | - | - | - | - | 14,398 | - | 14,398 |
| Net fair value gain on available-for-sale investments | 可供出售投資公平值盈利淨額 | - | - | - | 257 | - | - | 257 |
| Cumulative loss reclassified to profit or loss on redemption of available-for-sale investments | 贖回可供出售投資的累計虧損重新分類到損益賬 | - | - | - | 317 | - | - | 317 |
| Other comprehensive income for the year | 本年度其他全面收益 | - | - | - | 574 | 14,398 | - | 14,972 |
| Total comprehensive income for the year | 本年度全面收益總額 | - | - | - | 574 | 14,398 | 46,780 | 61,752 |
| Dividends recognised as distribution (Note 13) | 確認作分派之股息 (附註13) | - | - | - | - | - | (41,929) | (41,929) |
| At 31 March 2018 | 於二零一八年三月三十一日 | 33,543 | 109,884 | 793 | 631 | 31,408 | 961,755 | 1,138,014 |
| Adjustments (Note 2) | 調整 (附註2) | - | - | - | (981) | - | (38) | (1,019) |
| At 1 April 2018 (restated) | 於二零一八年四月一日 (重列) | 33,543 | 109,884 | 793 | (350) | 31,408 | 961,717 | 1,136,995 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | 28,119 | 28,119 |
| Exchange differences arising on translation of foreign operations | 海外業務換算所產生之滙兌差額 | - | - | - | - | (8,113) | - | (8,113) |
| Net fair value gain on debt instruments at fair value through other comprehensive income | 按公平值計入其他全面收益的債務工具的公平值盈利淨額 | - | - | - | 365 | - | - | 365 |
| Cumulative gain reclassified to profit or loss on disposal of debt instruments at fair value through other comprehensive income | 出售按公平值計入其他全面收益的債務工具所累計的盈利重新分類到損益賬 | - | - | - | (16) | - | - | (16) |
| Other comprehensive income (expense) for the year | 本年度其他全面收益 (支出) | - | - | - | 349 | (8,113) | - | (7,764) |
| Total comprehensive income (expense) for the year | 本年度全面收益 (支出) 總額 | - | - | - | 349 | (8,113) | 28,119 | 20,355 |
| Dividends recognised as distribution (Note 13) | 確認作分派之股息 (附註13) | - | - | - | - | - | (23,480) | (23,480) |
| At 31 March 2019 | 於二零一九年三月三十一日 | 33,543 | 109,884 | 793 | (1) | 23,295 | 966,356 | 1,133,870 |

Consolidated Statement of Cash Flows

For the year ended 31 March 2019

綜合現金流量表

截至二零一九年三月三十一日止年度

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|-------------------------------------|----------------------------------|----------------------------------|
| OPERATING ACTIVITIES | 經營活動 | | |
| Profit before tax | 除稅前溢利 | 33,852 | 55,453 |
| Adjustments for: | 調整： | | |
| Release of prepaid lease payments | 預付租賃款項之回撥 | 608 | 678 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 26,762 | 47,286 |
| Gain from changes in fair value of investment properties | 從投資物業公平值變動所產生之盈利 | (46,400) | (30,200) |
| Finance costs on bank loan | 銀行貸款之財務成本 | 994 | 612 |
| Interest income | 利息收入 | (3,863) | (3,161) |
| Cumulative (gain) loss reclassified to profit or loss on: | 累計(盈利)虧損重新分類至損益賬： | | |
| Redemption of available-for-sale investments | 贖回可供出售投資 | - | 317 |
| Disposal of debt instruments at FVTOCI | 出售按公平值計入其他全面收益的債務工具 | (16) | - |
| Net gain on fair value changes of financial assets at FVTPL | 透過損益按公平值計算之金融資產的公平值變動所產生的盈利淨額 | (725) | - |
| Net gain on financial assets designated at FVTPL | 透過損益按公平值計算之金融資產盈利淨額 | - | (58) |
| Amortisation of deferred income | 遞延收入之攤銷 | (17,649) | (19,252) |
| Gain on disposal of property, plant and equipment and land use rights located in the People's Republic of China (the "PRC") | 出售位於中華人民共和國(「中國」)之物業、廠房、設備及土地使用權之盈利 | (5,242) | - |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | - | 37 |
| Write-off of property, plant and equipment | 撇除物業、廠房及設備 | 1,553 | 9 |
| Impairment loss on trade receivables | 應收貿易賬款之減值虧損 | 294 | - |
| Provision for factory relocation expenses | 廠房搬遷費用撥備 | 18,594 | - |
| Operating cash flows before movements in working capital | 營運資本變動前之經營現金流量 | 8,762 | 51,721 |
| Decrease (increase) in inventories | 存貨減少(增加) | 16,450 | (1,817) |
| Decrease (increase) in trade receivables and bills receivable | 應收貿易賬款及應收票據減少(增加) | 36,850 | (34,417) |
| Decrease (increase) in other receivables | 其他應收賬款減少(增加) | 16,132 | (10,495) |
| (Increase) decrease in mould deposits paid | 已付模具按金(增加)減少 | (7,064) | 10,180 |
| Decrease in trade payables | 應付貿易賬款減少 | (43,559) | (8,352) |
| Decrease in other payables and accruals | 其他應付賬款及應付未付減少 | (30,038) | (3,753) |
| Increase (decrease) in mould deposits received | 已收模具按金增加(減少) | 5,588 | (15,653) |
| Cash generated (used in) from operations | 經營業務所產生(所耗)之現金 | 3,121 | (12,586) |
| Hong Kong Profits Tax refund (paid) | 香港利得稅退稅(已付) | 2,035 | (7,429) |
| The PRC Enterprise Income Tax paid | 已付中國企業所得稅 | (5,758) | (5,898) |
| PRC withholding tax paid | 已付中國預扣稅 | - | (6,535) |
| NET CASH USED IN OPERATING ACTIVITIES | 經營活動所耗之現金淨額 | (602) | (32,448) |

Consolidated Statement of Cash Flows

For the year ended 31 March 2019

綜合現金流量表

截至二零一九年三月三十一日止年度

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|--------------------------------------|----------------------------------|----------------------------------|
| INVESTING ACTIVITIES | 投資活動 | | |
| Interest received | 已收利息 | 4,547 | 3,161 |
| Proceeds from | 所得款項由： | | |
| – disposal of financial assets at FVTPL | – 出售透過損益按公平值 計算之金融資產 | 8,848 | 1,978 |
| – disposal of debt instruments at FVTOCI | – 出售按公平值計入其他 全面收益的債務工具 | 5,598 | – |
| – redemption of available-for-sale investments | – 贖回可供出售投資 | – | 15,769 |
| Net proceeds on disposal of property, plant and equipment and land use rights located in the PRC | 出售位於中國的物業、廠房及 設備及土地使用權的 所得款項淨額 | 18,509 | 249 |
| Purchases of property, plant and equipment | 購買物業、廠房及設備 | (23,562) | (29,663) |
| Purchases of | 購買： | | |
| – financial assets at FVTPL | – 透過損益按公平值計算之 金融資產 | (10,274) | – |
| – debt instruments at FVTOCI | – 按公平值計入其他全面收益 的債務工具 | (8,613) | – |
| – available-for-sale investments | – 可供出售投資 | – | (51,371) |
| Deposits paid for acquisition of property, plant and equipment | 已付購買物業、廠房及 設備訂金 | (1,174) | (481) |
| Withdrawal of short-term deposits | 提取短期存款 | 697,050 | 290,083 |
| Placement of short-term deposits | 存放於短期存款 | (730,288) | (204,124) |
| NET CASH (USED IN) FROM INVESTING ACTIVITIES | 投資活動(所耗)所產生 現金淨額 | (39,359) | 25,601 |
| FINANCING ACTIVITIES | 融資活動 | | |
| Dividend paid | 已付股息 | (23,480) | (41,929) |
| Repayment of bank loan | 償還銀行貸款 | (5,124) | (5,124) |
| Interest paid | 已付利息 | (994) | (612) |
| CASH USED IN FINANCING ACTIVITIES | 融資活動所耗現金淨額 | (29,598) | (47,665) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等值減少 淨額 | (69,559) | (54,512) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR | 於年初之現金及 現金等值 | 469,572 | 517,924 |
| Effect of foreign exchange rate changes | 外幣匯率變動之影響 | (2,064) | 6,160 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash | 於年結之現金及現金等值， 相當於銀行結存及現金 | 397,949 | 469,572 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

1. General

Allan International Holdings Limited (“the Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Allan Investment Company Limited, a private company incorporated in Hong Kong; and its ultimate holding company is Credit Suisse Trust Limited, who is a trustee of The Cheung Lun Family Trust (“Trust”), the discretionary beneficiaries of which are, among other family members, the directors of the Company, Mr. Cheung Shu Wan, Ms. Cheung Lai Chun, Maggie, Ms. Cheung Lai See, Sophie and Dr. Cheung Shu Sang, William. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The Company acts as an investment holding company and provides corporate management services to its subsidiaries. The principal activities of its subsidiaries are manufacturing and trading of household electrical appliances.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

1. 總論

亞倫國際集團有限公司(「本公司」)於百慕達註冊成立為受豁免有限責任公司，其股份在香港聯合交易所有限公司上市(「聯交所」)。直接控股公司為亞倫投資有限公司，於香港註冊成立的私人公司；其最終控股公司為Credit Suisse Trust Limited，為The Cheung Lun Family Trust(「Trust」)之信託人。Trust之可能受益人中(為家族其他成員內)有本公司之董事張樹穩先生、張麗珍女士、張麗斯女士及張樹生博士。本公司註冊辦事處之地址及主要營業地點於本年報「公司資料」部份中披露。

本公司乃投資控股公司及提供企業管理服務給附屬公司，其附屬公司的主要業務為製造及銷售家庭電器。

綜合財務報告書乃以港元列示，亦為公司之功能貨幣。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

| | |
|-----------------------|---|
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers and the related Amendments |
| HK(IFRIC) – Int 22 | Foreign Currency Transactions and Advance Consideration |
| Amendments to HKFRS 2 | Classification and Measurement of Share-based Payment Transactions |
| Amendments to HKFRS 4 | Applying HKFRS 9 Financial Instruments with Insurance Contracts HKFRS 4 |
| Amendments to HKAS 28 | As part of the Annual Improvements to HKFRSs 2014–2016 Cycle |
| Amendments to HKAS 40 | Transfers of Investment Property |

In addition, the Group has early applied Amendments to HKFRS 9 *Prepayment Features with Negative Compensation* which will be mandatorily effective for the Group for the financial year beginning on 1 April 2019.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之香港財務報告準則之新訂及修訂本

本集團已於本年度首次應用由香港會計師公會頒佈的下列香港財務報告準則之新訂及修訂本。

| | |
|-------------------------|-------------------------------------|
| 香港財務報告準則第9號 | 金融工具 |
| 香港財務報告準則第15號 | 與客戶合約收入及相關修訂 |
| 香港(國際財務報告詮釋委員會)– 詮釋第22號 | 外幣交易及預付代價 |
| 香港財務報告準則第2號修訂本 | 以股份為基礎的支付交易的分類及計量 |
| 香港財務報告準則第4號修訂本 | 與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 |
| 香港會計準則第28號修訂本 | 二零一四年至二零一六年週期香港財務報告準則的年度改進項目 |
| 香港會計準則第40號修訂本 | 轉讓投資物業 |

此外，本集團已於二零一九年四月一日起的財政年度，應用香港財務報告準則第9號預付款特徵及負面補償的修訂。

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 April 2018. Any difference at the date of initial application is recognised in the opening retained profits (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the Standard retrospectively only to contracts that are not completed at 1 April 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18. At the date of initial application, there is no difference recognised in the opening retained profits and no comparative information has been restated.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則之新訂及修訂本(續)

除下文所述外，於本年度應用新訂及香港財務報告準則修訂本對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載的披露並無重大影響。

香港財務報告準則第15號客戶合約

本集團已於本年度首次採納香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於二零一八年四月一日首次應用當日確認。於首次應用日期之任何差異於期初保留溢利(或適用的其他權益部分)確認，而並無重列比較資料。此外，根據香港財務報告準則第15號之過渡條文，本集團僅選擇對二零一八年四月一日尚未完成之合約追溯應用該準則。因此，若干比較資料未必能與根據香港會計準則第18號收益相關詮釋編製的比較資料作比較。於首次應用日期，於期初保留溢利時並無確認差異，亦未重列比較資料。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The Group recognises revenue from the following major sources which arise from contracts with customers:

- Manufacturing and trading of household electrical appliance

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in Notes 5 and 3 respectively.

Based on management assessment, no material impact is noted in the application of HKFRS 15.

HKFRS 9 Financial Instruments

In the current year, the Group has applied HKFRS 9 *Financial Instruments*, Amendments to HKFRS 9 *Prepayment features with Negative Compensation* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則之新訂及修訂本(續)

香港財務報告準則第15號客戶合約(續)

本集團確認收入來自與客戶合約產生的以下主要來源:

- 製造及銷售家庭電器

有關本集團履約責任及應用香港財務報告準則第15號所產生的會計政策的資料分別於附註5及3披露。

根據管理層評估，香港財務報告準則第15號的應用並無重大影響。

香港財務報告準則第9號金融工具

於本年度，本集團已應用香港財務報告準則第9號金融工具、香港財務報告準則第9號預付款特徵及負面補償的修訂及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號就1)金融資產及金融負債的分類和計量、2)金融資產的預期信貸損失(「預期信貸虧損」)及3)一般對沖會計引入新規定。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 9 Financial Instruments (Continued)

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The difference between carrying amounts as at 31 March 2018 and the carrying amounts as at 1 April 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

Accounting policies resulting from application of HKFRS 9 are disclosed in Note 3.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則之新訂及修訂本(續)

香港財務報告準則第9號金融工具(續)

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對於二零一八年四月一日(首次應用日期)尚未終止確認的工具追溯應用分類及計量要求(包括預期信貸虧損模型項下的減值)，以及並無對已於二零一八年四月一日終止確認的工具應用相關要求。於二零一八年三月三十一日的賬面值與於二零一八年四月一日的賬面值之間的差額於期初保留溢利及其他權益部分確認，但並無重述比較資料。

因此，若干比較資料未必與根據香港會計準則第39號金融工具：確認及計量編製之比較資料具可比性。

應用香港財務報告準則第9號產生的會計政策於附註3披露。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 9 Financial Instruments (Continued)

Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement of financial assets under HKFRS 9 and HKAS 39 at the date of initial application, 1 April 2018.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則之新訂及修訂本(續)

香港財務報告準則第9號金融工具(續)

首次應用財務報告準則第9號所產生的影響摘要

下表顯示於二零一八年四月一日(首次應用日期)的金融資產須受限於香港財務報告準則第9號及香港會計準則第39號。

| | | Amortised cost (previously classified as loans and receivables) 攤銷成本 (之前分類為貸款及應收賬款) | Financial assets at FVTPL 透過損益按公平值計算之金融資產 | Available-for-sale investments 可供出售投資 | Debt instruments measured at FVTOCI 按公平值計入其他全面收益之債務工具 | Investment revaluation reserve 投資重估儲備 | Retained profits 保留溢利 |
|--|----------------------|--|--|--|--|--|--------------------------|
| Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Closing balance at 31 March 2018 | 於二零一八年三月三十一日之年末結餘 | | | | | | |
| - HKAS 39 | - 香港會計準則第39號 | 887,005 | - | 61,417 | - | 631 | 961,755 |
| Effect arising from initial application of HKFRS 9 | 首次應用香港財務報告準則第9號產生之影響 | | | | | | |
| Reclassification | 重新分類 | | | | | | |
| From available-for-sale investments | 由可供出售投資 | (a) | 33,689 | (61,417) | 27,728 | (981) | 981 |
| Remeasurement | 重新計量 | | | | | | |
| Impairment under ECL model | 預期信貸虧損模式下之減值 | (b) | (1,019) | - | - | - | (1,019) |
| Opening balance at 1 April 2018 | 於二零一八年四月一日之年年初結餘 | 885,986 | 33,689 | - | 27,728 | (350) | 961,717 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 9 Financial Instruments (Continued)

Summary of effects arising from initial application of HKFRS 9 (Continued)

Notes:

(a) Available-for-sale investments
From available-for-sale investments to FVTPL

At the date of initial application of HKFRS 9, the Group's investment in unit-linked funds of HK\$22,673,000 were reclassified from available-for-sale investments to financial assets at FVTPL. The fair value gain of HK\$1,173,000 relating to those investments previously carried at fair value were transferred from investment revaluation reserve to retained profits as at 1 April 2018.

Listed debt instruments with a fair value of HK\$11,016,000 were reclassified from available-for-sale investments to debt instruments at FVTPL. This is because even though the Group's business model is to hold financial assets in order to collect contractual cash flows and selling of the assets, the cash flows of these investments do not meet the HKFRS 9 criteria as solely payments of principal and interest on the principal amount outstanding. The fair value loss of HK\$192,000 relating to those investments previously carried at fair value were transferred from investment revaluation reserve to retained profits as at 1 April 2018.

From available-for-sale debt investments to FVTOCI

Listed debt instruments with a fair value of HK\$27,728,000 were reclassified from available-for-sale investments to debt instruments at FVTOCI, as these investments are held within a business model whose objective is achieved by both collecting contractual cash flows and selling of these assets and the contractual cash flows of these investments are solely payments of principal and interest on the principal amount outstanding. Related fair value losses of HK\$350,000 continued to accumulate in investment revaluation reserve as at 1 April 2018.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則之新訂及修訂本(續)

香港財務報告準則第9號金融工具(續)

首次應用財務報告準則第9號所產生的影響摘要(續)

附註:

(a) 可供出售投資
從可供出售的投資到透過損益按公平值計算

於首次應用香港財務報告準則第9號當日，本集團於單位連結式基金的投資2,267萬3千港元已從可供出售投資重新分類至透過損益按公平值計算之金融資產。於二零一八年四月一日，與先前按公平值列賬的投資有117萬3千港元之公平值收益已從投資重估儲備轉撥至保留溢利。

以公平值1,101萬6千港元之上市債務工具已從可供出售投資重新分類為透過損益按公平值計算之債務工具。這是因為即使本集團的業務模式是持有金融資產以收取合約現金流量及出售資產，該等投資的現金流量因為僅支付本金及未償還本金的利息而不符合香港財務報告準則第9號的準則。於二零一八年四月一日，與先前按公平值列賬的19萬2千港元有關投資的公平值虧損已從投資重估儲備轉撥至保留溢利。

從可供出售的債務投資轉到按公平值計入其他全面收益

以公平值2,772萬8千港元的上市債務工具已從可供出售投資重新分類到按公平值計入其他全面收益之債務工具，因為這些投資是在業務模式中持有，其目標是通過收集合同現金流量和出售這些資產來實現，這些投資的合同現金流量僅為本金和未償還本金的利息支付。截至二零一八年四月一日，相關的35萬港元公平值虧損繼續累積在投資重估儲備中。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 9 Financial Instruments (Continued)

Summary of effects arising from initial application of HKFRS 9 (Continued)

Notes: (Continued)

(b) Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure lifetime ECL for all trade receivables. To measure the ECL, trade receivables have been assessed individually.

ECL for other financial assets at amortised cost, including other receivables, bank balances and short-term deposits, are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit risk since initial recognition.

All of the Group debt instruments at FVTOCI are listed bonds that are graded top credit rating among rating agencies. Therefore, these investments are considered to be low credit risk investments and the loss allowance is assessed on 12m ECL basis.

As at 1 April 2018, an additional credit loss allowance of trade receivables of HK\$1,019,000 has been recognised against retained profits. The ECL of other financial assets at amortised cost and debt instruments at FVTOCI were assessed to be immaterial.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則之新訂及修訂本(續)

香港財務報告準則第9號金融工具(續)

首次應用財務報告準則第9號所產生的影響摘要(續)

附註：(續)

(b) 預期信貸虧損模型項下的減值

本集團應用香港財務報告準則第9號的簡化方法以計量所有貿易應收賬款的生命週期預期信貸虧損。為計量預期信貸虧損，貿易應收款將個別評估。

按攤銷成本計量的其他金融資產預期信貸虧損(包括其他應收款項、銀行結餘及短期存款)按12個月預期信貸虧損基準評估，且信貸風險自首次確認以來並無顯著增加。

集團所有按公平值計入其他全面收益的債務工具均為評級機構評級最高的上市債券。因此，這些投資被視為低信貸風險投資，虧損撥備按12個月預期信貸虧損基準評估。

於二零一八年四月一日，已就貿易應收賬款增加信貸虧損101萬9千港元的撥備於保留溢利確認。其他金融資產按信貸虧損的攤銷成本及按公平值計入其他全面收益和債務工具被評估為無關重要。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs and Interpretations in issue but not yet effective

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

| | |
|------------------------------------|--|
| HKFRS 16 | Leases ¹ |
| HKFRS 17 | Insurance Contracts ³ |
| HK(IFRIC) – Int 23 | Uncertainty over Income Tax Treatments ¹ |
| Amendments to HKFRS 3 | Definition of a Business ⁴ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ² |
| Amendment to HKAS 1 and HKAS 8 | Definition of Material ⁵ |
| Amendments to HKAS 19 | Plan Amendment, Curtailment or Settlement ¹ |
| Amendments to HKAS 28 | Long-term Interests in Associates and Joint Ventures ¹ |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2015–2017 Cycle ¹ |

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的香港財務報告準則之新訂及經修訂本及詮釋

本集團並無提早應用以下已頒佈但尚未生效的香港財務報告準則之新訂及經修訂本：

| | |
|----------------------------|---|
| 香港財務報告準則第16號 | 租賃 ¹ |
| 香港財務報告準則第17號 | 保險合約 ³ |
| 香港(國際財務報告詮釋委員會) – 詮釋第23號 | 所得稅處理的不確定性 ¹ |
| 香港財務報告準則第3號修訂本 | 業務之定義 ⁴ |
| 香港財務報告準則第10號及香港會計準則第28號修訂本 | 投資者與其聯營公司或合營企業之間之資產出售或注資 ² |
| 香港會計準則第1號及香港會計準則第8號之修訂本 | 重大性之定義 ⁵ |
| 香港會計準則第19號修訂本 | 計劃修訂、縮減及清償 ¹ |
| 香港會計準則第28號修訂本 | 於聯營公司和合營企業的長期權益 ¹ |
| 香港財務報告準則修訂本 | 二零一五年至二零一七年週期香港財務報告準則的年度改進項目 ¹ |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs and Interpretations in issue but not yet effective (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2019.
- ² Effective for annual periods beginning on or after a date to be determined.
- ³ Effective for annual periods beginning on or after 1 January 2021.
- ⁴ Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- ⁵ Effective for annual periods beginning on or after 1 January 2020.

Except for the new HKFRS mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs and interpretations will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirement of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to sublease and lease modifications.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的香港財務報告準則之新訂及經修訂本及詮釋(續)

- ¹ 於二零一九年一月一日或其後開始的年度期間生效。
- ² 於待定日期或其後開始的年度期間生效。
- ³ 於二零二一年一月一日或其後開始的年度期間生效。
- ⁴ 對收購日期為二零二零年一月一日或之後開始的首個年度期初或之後的業務合併及資產收購生效。
- ⁵ 於二零二零年一月一日或其後開始的年度期間生效。

除下述新訂香港財務報告準則外，本公司董事預期應用所有其他新訂香港財務報告準則及其修訂以及詮釋將不會於可見將來對綜合財務報表產生重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人之租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號於其生效時將取替香港會計準則第17號租賃及其有關詮釋。

香港財務報告準則第16號根據已識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修改的規定。

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs and Interpretations in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group. Upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

Under HKAS 17, the Group has already recognised an asset for prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的香港財務報告準則之新訂及經修訂本及詮釋(續)

香港財務報告準則第16號租賃(續)

除短期租賃及低價值之租賃資產外，營運租賃及融資租賃之分別自承租人之會計法中移除，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代。

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款(非當日支付)之現值初步確認。隨後，租賃負債經(其中包括)利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團目前將有關自用租賃土地及投資物業的前期預付租賃付款呈列為融資現金流量，其他營運租賃付款則呈列為經營現金流。於應用香港財務報告準則第16號，有關租賃負債的租賃付款將分配為本金及利息部分，本集團將以融資現金流量呈列。前期預付租賃付款將繼續按照性質(如適用)呈列為投資或經營現金流量。

根據香港會計準則第17號，本集團已就預付租賃款項(倘本集團為承租人)確認租賃土地為資產。應用香港財務報告準則第16號可能導致該等資產分類出現潛在變動，視乎本集團是否分開呈列使用權資產或按將呈列相應有關資產(如擁有)之相同項目呈列而定。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs and Interpretations in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 March 2019, the Group has non-cancellable operating lease commitments of HK\$2,906,000 as disclosed in Note 34. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$2,550,000 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的香港財務報告準則之新訂及經修訂本及詮釋(續)

香港財務報告準則第16號租賃(續)

除若干亦適用於出租人的規定外，相比承租人會計法而言，香港財務報告準則第16號大致上轉承香港會計準則第17號之出租人會計法規定，並繼續要求出租人將租賃分類為營運租賃或融資租賃。

此外，香港財務報告準則第16號要求廣泛披露。

誠如附註34所披露，於二零一九年三月三十一日，本集團有不可撤銷的營運租賃承擔為290萬6仟港元。初步評估顯示該等安排將符合香港財務報告準則第16號租賃的定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，除非彼等符合低價值或短期租賃資格。

此外，本集團現時認為已付可退回租賃按金255萬港元作為香港會計準則第17號適用的租賃項下權利。基於香港財務報告準則第16號項下租賃付款的定義，該等按金並非與使用相關資產權利有關的付款，因此該等按金之賬面值或會調整為攤銷成本。對已付可退回租賃按金的調整被視為額外租賃付款並已包括在資產使用權的賬面值內。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs and Interpretations in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4. Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC)-Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group has elected the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comprehensive information.

3. Significant Accounting Policies

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的香港財務報告準則之新訂及經修訂本及詮釋(續)

香港財務報告準則第16號租賃(續)

應用新規定可能導致上文列示的計量、呈列及披露的變動。本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包括租賃」獲識別為租賃的合約應用香港財務報告準則第16號，且並無對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號並無獲識別為包括租賃的合約應用該準則。此外，本集團(作為承租人)已選擇經修訂追溯法應用香港財務報告準則第16號，並將在不重列比較資料的情況下確認首次應用對期初保留溢利的累計影響。

3. 主要會計政策

綜合財務報告書乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報告書包括根據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例之規定作出適當披露。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values at the end of the reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

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

3. 主要會計政策 (續)

綜合財務報告書乃根據歷史成本基準編製，惟投資物業及若干金融工具則於報告期末按公平值計算，其會計政策闡述如下。

歷史成本一般按交換貨品及服務之代價以公平值計算。

公平值為市場參與者於計量日期按有序交易出售資產所收取或轉讓負債所支付的價格，不論該價格是否可直接觀察或使用其他估值技術估算得出。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特徵，則本集團在估計資產或負債的公平值時亦會考慮該等特徵。綜合財務報表內用於計量及／或披露的公平值按上述基準釐定，惟香港財務報告準則第2號(以股份為基礎的支付)範圍內的以股付款交易、香港會計準則第17號(租賃)範圍內的租賃交易及與公平值部分相似但並非公平值(如香港會計準則第2號(存貨)內的可變現淨值或香港會計準則第36號(資產減值)內的使用價值)的計量除外。

非金融資產之公平值計量是透過一位市場參與者以最高及最佳效用使用該資產而獲得之經濟效益或將該資產售予另一位會以最高及最佳效用使用該資產之市場參與者而獲得之經濟效益進行計算。

3. Significant Accounting Policies

(Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

3. 主要會計政策 (續)

此外，就財務報告目的而言，公平值計量按照公平值計量輸入數據的可觀察程度及公平值計量輸入數據的整體重要程度分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可以於活躍市場取得的識別資產或負債的報價(未經調整)；
- 第二級輸入數據為有關資產或負債的直接或間接可觀察輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為有關資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司、由本公司控制的實體及其附屬公司的財務報表。本公司在下列情況下被視為取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔或有權獲得不同回報；及
- 有能力使用其權力影響其回報。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Basis of consolidation *(Continued)*

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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

3. 主要會計政策 *(續)*

綜合賬目基準 *(續)*

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

附屬公司之綜合入賬於本集團取得附屬公司之控制權時開始，並於本集團失去附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日起計入綜合損益及其他全面收益表，直至本集團不再控制相關附屬公司當日為止。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關集團內所有資產及負債、權益、收入、開支及現金流量與本集團成員公司之間的交易於綜合賬目時悉數對消。

3. Significant Accounting Policies

(Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in Note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

3. 主要會計政策 (續)

客戶合約收入(根據附註2之過渡條文應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團當(或於)完成履約責任時確認收入，即於特定履約責任相關的貨品或服務的「控制權」轉讓予客戶之時。

履約責任指明確的一個貨品或一項服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

控制權隨時間逐步轉移，倘符合以下其中一項標準，則收入也隨時間參考相關履約責任的完成進度予以確認。

- 隨本集團履約，客戶同時取得並耗用本集團履約所提供的利益；
- 隨本集團履約而創建或改良了客戶於本集團履約時控制的資產；或
- 本集團的履約並無創建對本集團有替代用途的資產，且本集團對迄今已完成的履約付款具有可執行之權利。

否則，收入於客戶獲得明確貨品或服務的控制權時確認。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in Note 2) (Continued)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Revenue from sales of household electrical appliance are recognised at a point in time, when control of the good is transferred to the customer, i.e. when goods are delivered to the customer's designated location. The normal credit term is 30 to 90 days upon delivery. Customers does not have the option to purchase a warranty separately and warranty is provided to customers for the assuring that the product complies with agreed-upon specifications (i.e. assurance-type warranties). The Group accounts for such warranty in accordance with HKAS 37 *Provision, Contingent Liabilities and Contingent Assets*.

3. 主要會計政策 (續)

客戶合約收入(根據附註2之過渡條文應用香港財務報告準則第15號後)(續)

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反，應收款指本集團收取代價的無條件權利，即只需待時間過去代價即須到期支付。

合約負債指本集團有責任將貨品或服務轉移至本集團已收到客戶代價(或應付代價金額)的客戶。

與同一合同有關的合同資產和合同負債按淨額入賬並呈列。

來自家用電器銷售的收入在將商品的控制權轉移給顧客時，即當商品被運送到顧客的指定地點時確認。正常信用期限為付運後30至90天。客戶無權單獨購買保修。向客戶提供的保修，為確保產品符合商定的規格(即保證類型保修)。本集團根據香港會計準則第37號的規定負責該項保證，或然負債和或然資產。

3. Significant Accounting Policies

(Continued)

Revenue recognition (prior to 1 April 2018)

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebate and other similar allowances.

Revenue from sale of goods is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when the goods are delivered and titles have passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Service income is recognised when services are provided.

Leasing

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

The Group as lessor

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

3. 主要會計政策 (續)

營業額確認(二零一八年一月一日之前)

營業額乃按已收或應收之代價以公平值計量。營業額收入減去估計客戶退貨、回扣及其他類似折讓。

貨品銷售收益金額能可靠地計量；倘有可能未來經濟利益流入本集團於當貨品付運及所有權轉移時予以確認。

利息收入乃以時間分配為基準及參考未償還本金額以適用實際利率累計，而該利率為於初步確認時透過金融資產的預計年期將估計日後現金收入準確折現為該資產賬面淨值。

服務收入在提供服務時確認。

租賃

凡將擁有資產之所有報酬及風險絕大部份轉移至承租方均列為融資租賃。所有其他租賃則分類為營運租賃。

本集團作為出租人

營運租賃之租金收入乃按相關租約年期以直線法於損益中確認。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Leasing (Continued)

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

When a sale and leaseback transaction results in an operating lease, and the sale price is above fair value, the excess over fair value shall be deferred and amortised over the period for which the asset is expected to be used.

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model.

When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人

營運租賃付款，包括營運租賃項下收購土地的成本以直線法於租期內確認為開支。

當物業出售及售後回租所產生的營運租賃，及出售價格高於公平值時，超出了的公平值將會遞延和按該資產的預計使用期攤銷。

租賃土地及樓宇

當本集團支付物業權益費用(包括土地租賃及樓宇部分)，本集團需要考慮其風險與報酬是否全部轉移至集團，並把每項資產劃分為營運租賃或融資租賃，除非該兩部份明顯為營運租賃，在此情況下，整份租賃歸類為營運租賃。具體而言，全部代價(包括任何一次性預付款)在初步確認時，需按從租賃土地及樓宇所獲取權益的公平值的比例分配。

租賃款項能夠可靠的分配時，營運租賃的土地利益應在綜合財務狀況表中列為「預付租賃款項」，按直線基準在租賃期間攤銷，惟根據公平值模式分類為列作投資物業則除外。

在款項不能在租賃土地及樓宇之間作可靠分配時，整項物業會作一般分類，猶如租賃土地屬於融資租賃。

3. Significant Accounting Policies

(Continued)

Foreign currencies

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

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

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

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

3. 主要會計政策 (續)

外幣

在編製各個別集團公司的財務報告書時，以該公司的功能貨幣以外的貨幣(外幣)計價之交易按交易日期之適用匯率確認。在報告期結束時，以外幣為單位之貨幣性項目均按該日之匯率再換算。以公平值並以外幣計價的非貨幣性項目會按確定公平值日期的匯率再換算。以歷史成本計量並以外幣計價的非貨幣性項目不會再換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額於產生期間在損益中確認。

為呈列綜合財務報表，本集團海外業務的資產及負債會採用本集團的計值貨幣(即港元)，按報告期末的即期匯率進行折算。收入和支出項目按期內的平均匯率折算。若有任何匯兌差額產生，將於其他全面收益中確認及於權益(滙兌儲備)內累計。

出售海外業務(即出售本集團海外業務的全部權益，涉及失去附屬公司(包括海外業務)的控制權的出售或涉及失去對合營安排或聯營公司(包括海外業務)之部份權益，而其保留權益變為金融資產)時，所有有關可分配給公司擁有人應佔業務，於權益累計的匯兌差額，已重新分類至損益。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Borrowing costs

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

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

Retirement benefit costs and termination benefits

Payments to state-managed retirement benefit schemes, the Occupational Retirement Schemes Ordinance (“ORSO Scheme”) and a Mandatory Provident Fund Scheme established under the Mandatory Provident Fund Schemes Ordinance (“MPF Scheme”) in December 2000, all being defined contribution schemes, are recognised as an expense when employees have rendered service entitling them to the contributions.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when it recognises any related restricting cost.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策 (續)

借款成本

收購、建造或生產合資格資產(其為有必要花費大量時間準備以作擬定用途或銷售之資產)的借款成本直接加入該等資產之成本，直至該等資產大部份已準備就緒作擬定用途或銷售為止。

所有其他借款成本均於所產生之期間確認於損益內。

退休福利成本及終止福利

界定國家管理之養老金計劃、職業退休計劃有關條例(「公積金」)及已於二零零零年十二月成立的強制性公積金條例之強制性公積金計劃(「強積金」)，所有都是定額供款計劃，於顧員提供服務後而應得供款時被確認為開支。

於本集團不可撤回終止福利要約或於確認任何相關限制成本時(以較早者為準)，終止福利被確認為負債。

短期僱員福利

短期僱員福利是在僱員提供服務時預期支付福利之未折現金額。所有短期僱員福利均被確認為開支，除非另有香港財務報告準則要求或允許將福利計入資產成本。

經扣除任何已付金額後，僱員應得的福利(如工資及薪金、年假及病假)確認為負債。

3. Significant Accounting Policies

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before tax” as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

3. 主要會計政策 (續)

稅項

所得稅開支指本年度應付稅項及遞延稅項之總額。

本年應付稅項按年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所報之「除稅前溢利」不同，此乃由於在其他年度應課稅或可扣減之收入或支出項目，亦不包括收益表內永不課稅或扣減之項目。本集團的本期稅項負債已於報告期結束時已頒佈或大致頒佈的稅率計算。

遞延稅項為就綜合財務報告所列資產及負債之賬面值與計算應課稅溢利所用相應稅基兩者間之暫時差額。遞延稅項負債通常會就所有應課稅暫時差額予以確認。遞延稅項資產通常按可能出現可利用暫時差額扣稅之應課稅溢利時就所有可扣稅暫時差額予以確認。倘於一項交易中，開始確認其他資產及負債而引致業務合併以外之暫時差額既不影響應課稅溢利、亦不影響會計溢利，則不會確認該等資產及負債。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Taxation (Continued)

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

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

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

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

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債會就投資附屬公司產生之相關應課稅暫時差異作出確認，惟倘本集團能夠控制撥回暫時差異及有關暫時差異很可能不會於可見將來撥回則除外。與該等投資相關之可扣減暫時差異所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差異之利益且預計於可見將來可以撥回時確認。

遞延稅項資產之賬面值於各報告期結束時均作檢討，並在不大可能再有足夠應課稅溢利收回全部或部份資產時減少。

遞延稅項資產及負債乃按預期於負債清償或資產實現之期間適用之稅率計算，而該等稅率乃基於報告期結束時已頒佈或大致頒佈之稅率(及稅法)。

遞延稅項負債及資產之計量反映按本集團預期於報告期結束時收回或結算其資產及負債之賬面值之方式計算所得之稅務結果。

就計量使用公平值模式計量之投資物業之遞延稅項負債或遞延稅項資產而言，乃假設完全透過出售收回有關物業之賬面值，除非假設被駁回。倘投資物業可折舊及目的為於一段時間內使用該物業所包含之絕大部分經濟利益(而非透過出售)之業務模式所持有，則駁回此假設。

3. Significant Accounting Policies

(Continued)

Taxation (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

Property, plant and equipment including buildings, leasehold land (classified as finance leases) held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below) are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策 (續)

稅項 (續)

當有法定可執行權利將當期稅項資產抵銷當期稅項負債時，以及當它們與同一稅務機關徵收的所得稅有關且本集團有意結算其現時稅務資產和負債時，本集團擬以淨額結算其當期所得稅資產和負債。

本年度及遞延稅項於損益確認，惟就有關項目於其他全面收益或直接於權益確認則除外，就此情況下，本年度及遞延稅項亦會分別於其他全面收益或直接於權益確認。

物業、廠房及設備

物業、廠房及設備，包括持有樓宇，租賃地(被分類為融資租賃)用於生產或提供產品或服務或行政用途，下述之在建工程除外，乃按成本值減日後累積折舊及累積減值虧損，於綜合財務狀況表內顯示(如有)。

在建的物業以供生產、供應或行政用途以成本減確認減值虧損列帳。成本(包括用於合格資產的專業費用及借貸成本)已根據本集團的會計政策資本化。此類物業於完成後可供用於擬定用途時重新分類為物業、廠房及設備之適當類別。此等資產之折舊基準與其他物業資產相同，乃於資產可供用於擬定用途時開始計算。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of assets other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3. 主要會計政策 (續)

物業、廠房及設備 (續)

資產的成本(在建物業除外)於估計可使用年期內以直線法撇銷成本減其剩餘價值以確認折舊。估計可使用年期、剩餘價值及折舊方法會於各報告期結束時予以檢討，並將任何估計變動按預期入賬。

一項物業、廠房及設備項目於出售後或當預期持續使用該資產不再帶來經濟利益時終止確認。出售或廢棄物業、廠房及設備項目產生之任何盈利或虧損按出售所得款項與資產賬面值之間的差額計算，並於損益內確認。

投資物業

持有投資物業為獲得租金及／或資本增值。

投資物業初期乃按成本計量，包括任何直接開支。初步確認後，投資物業按公平值計量。本集團之所有以營運租賃持有的財產利益，以賺取租金或資本增值列入為投資物業並採用公平值模式計算。投資物業公平值變動所產生之盈利或虧損於產生期間計入損益中。

投資物業於出售或於其被永久終止使用或預期於出售時再無日後經濟利益之時終止確認。終止確認物業所產生的任何盈利和虧損載入(按出售所得款項淨額與該資產賬面值之差額計算)於終止確認期間內之損益中。

3. Significant Accounting Policies

(Continued)

Intangible assets

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of tangible and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

3. 主要會計政策 (續)

無形資產

獨立收購無確定使用期限之無形資產按成本減任何累計減值虧損列賬(見下文有形資產及無形資產減值虧損之會計政策)。

無形資產於出售或當預期使用或出售時再無日後經濟利益時終止確認。於終止確認無形資產而產生之盈利或虧損，乃按出售所得款項淨額，與該項資產賬面值之間之差額計量，並於有關資產不再確認時於損益內確認。

有形資產及無形資產之減值

本集團於報告期結束時審閱其有形資產及無形資產的賬面值，以判斷是否有跡象顯示該等資產蒙受任何減值虧損。倘出現任何有關跡象，估計資產的可回收金額以確定減值虧損的程度(如有)。

有形資產和無形資產的可收回金額會個別評估，當不可能個別評估資產的可收回金額時，則本集團估計該資產所屬現金產生單位的可收回金額。倘可識別分配基準的合理及一致性，則企業資產亦分配至個別現金產生單位，或另外分配至可識別合理及一致分配基準的最小組別的現金產生單位。

並無限定使用年期之無形資產會最少每年進行減值測試，並會於有跡象顯示該等資產可能減值時進行減值測試。

3. Significant Accounting Policies

(Continued)

Impairment on tangible and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

有形資產及無形資產之減值 (續)

可收回金額乃公平值減出售成本及在用價值兩者中較高者。評估在用價值時，採用除稅前折現率將估計未來現金流量折現至現值。該折現率反映市場所評估之貨幣時間價值及該資產(或現金產生單位)之獨有風險，而估計未來現金流量未有就此作出調整。

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則該資產(或現金產生單位)之賬面值將調低至其可收回數額。分配減值虧損時，首先分配減值虧損至任何商譽，以調低(如適用)賬面值，然後根據單位內各資產之賬面值按比例分配至其他資產。資產的賬面值不會減至其公平值減出售成本(如可計量)、其使用價值(如可釐定)與零之最高者。以其他方式分配至資產的減值虧損的金額按比例分配至該單位的其他資產。減值虧損即時於損益確認。

若減值虧損隨後撥回，則資產(或現金產生單位)之賬面值乃增至其可收回數額之經修訂估計值，惟經增加後之賬面值不得超過假設資產(或現金產生單位)於過往年度並無確認任何減值虧損時釐定之賬面值。撥回之減值虧損即時於損益確認。

3. Significant Accounting Policies

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

3. 主要會計政策 (續)

存貨

存貨按其成本及可變現淨值較低者列示。存貨成本採用先進先出法計算。可變現淨值乃按存貨的估計銷售價格減估計完成成本及銷售所需之成本。

撥備

倘本集團因過往事件而須承擔現時之法定或推定義務，本集團可能須履行該義務，且能夠可靠估計該義務金額，則確認撥備。

已確認為撥備之金額，為對呈報期末履行現時義務所需代價之最佳估計，並已考慮與義務有關的風險及不明朗因素。倘撥備採用履行現時義務所需的估計現金流量計量，則其賬面值為現金流量之現值(倘貨幣時間值之影響重大)。

當集團制定正式詳細的重組計劃，並通過開始實施計劃對受影響的人員提出有效期望或向受其影響的人宣布其主要特點時，則確認重組撥備。重組撥備的計量僅包括重組產生的直接支出，這些支出既是重組所必需的，亦與實體正在進行的活動無關。

3. Significant Accounting Policies

(Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 April 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

3. 主要會計政策 (續)

金融工具

倘集團實體成為金融工具合約訂約方時，金融資產及金融負債須確認。所有日常買賣之金融資產於交易日確認及終止確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。

金融資產及金融負債初步按公平值計量，惟客戶合約產生的應收貿易賬款除外，其自二零一八年四月一日起根據香港財務報告準則第15號初步計量。收購或發行金融資產及金融負債直接應佔的交易成本(按公平值計入損益的金融資產及金融負債除外)於初步確認時加入金融資產或金融負債(如適用)公平值或自公平值減除。收購按公平值計入損益的金融資產或金融負債的直接應佔交易成本即時於損益賬確認。

實際利率法是計算金融資產或金融負債攤銷成本及在有關期間分配利息收入及利息開支的方法。實際利率是將金融資產或金融負債於其預期年期或(如適用)較短期間所得的估計未來現金收入及付款(包括構成實際利率組成部分的所有已付或已收費用、交易成本及其他溢價或折讓)準確貼現至初始確認時的賬面值的利率。

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in Note 2)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

3. 主要會計政策 (續)

金融工具 (續)

金融資產

金融資產之分類及後續計量(根據附註2之過渡條文應用香港財務報告準則第9號後)

符合下列條件的金融資產其後按攤銷成本計量:

- 於一個商業模式內持有金融資產，而其目的是為了收取合約現金流量；及
- 合約條款引致於指定日期之現金流量僅為支付本金和未償還之本金利息。

符合下列條件之金融資產其後以按公平值透過其他全面收益列賬的方式計量:

- 於一個商業模式內持有金融資產，而其目的乃透過同時收取合約現金流量及出售達成；及
- 合約條款引致於指定日期之現金流量僅為支付本金和未償還之本金利息。

所有其他金融資產其後以按公平值於損益列賬的方式計量，惟於首次應用／初始確認金融資產當日，倘該股本投資並非持作買賣，亦非香港財務報告準則第3號「業務合併」適用的業務合併中由收購方確認的或然代價，則本集團可以不可撤銷地選擇於其他全面收益呈列股本投資之其後公平值變動。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in Note 2) (Continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

- (i) Amortised cost and interest income
- Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及後續計量(根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

下列情況下金融資產乃歸類為持作買賣：

- 其主要為於不久將來出售而購買；或
- 在初步確認時，其為本集團所集中管理，並擁有短期獲利之近期實際模式之已識別金融工具組合的一部分；或
- 其為並非指定及有效作對沖工具的衍生工具。

此外，本集團可以不可撤回地指定符合按攤銷成本計量或按公平值計入其他全面收益的規定的金融資產為按公平值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

- (i) 攤銷成本及利息收入
- 對於隨後以攤銷成本計量的金融資產及隨後按公平值計入其他全面收益的債務工具，利息收入乃使用實際利率法確認。利息收入乃根據對金融資產的總賬面值應用實際利率計算，惟隨後出現信貸減值的金融資產除外(參見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具之信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in Note 2) (Continued)

(ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method, and foreign exchange gains and losses are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in OCI and accumulated under the heading of investment revaluation reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these debt instruments. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及後續計量(根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

(ii) 分類為按公平值計入其他全面收益之債務工具

因按實際利率法計算的利息收入及匯兌損益引致分類為按公平值計入其他全面收益之債務工具的隨後賬面值變動，在損益確認。該等債務工具賬面值的所有其他變動均於其他全面收益中確認，並於投資重估儲備項下累計。減值準備於損益確認，並在不減少該等債務工具賬面值的情況下對其他全面收益作出相應調整。在損益確認的金額應與如同該債務工具以攤銷成本計量在損益確認的金額相同。當取消確認該等債務工具時，先前於其他全面收益確認的累計收益或虧損將重新分類至損益。

(iii) 按公平值計入損益的金融資產

不符合按攤銷成本或按公平值計入其他全面收益計量或指定為按公平值計入其他全面收益的金融資產乃按公平值計入損益計量。

按公平值計入損益之金融資產於各報告期末按公平值計量，而任何公平值收益或虧損均於損益內確認。於損益內確認的淨收益或虧損並包括就金融資產賺取的任何股息或利息並包含在「其他收益及虧損」項目中。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with Note 2)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, other receivables, financial assets at fair value through other comprehensive income, short-term deposits, and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on trade receivables are assessed individually for debtors.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2所載的過渡性安排於應用香港財務報告準則第9號後)
本集團對須遵循香港財務報告準則第9號的減值規定的金融資產(包括應收貿易賬款、其他應收款項、以公平值計入其他全面收益的金融資產、短期存款及銀行結存)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各呈報日期更新，以反映自初步確認以來的信貸風險變化。

生命週期預期信貸虧損指相關工具預期壽命內所有可能發生的違約事件將造成的預期信貸虧損。相形之下，12個月預期信貸虧損指生命週期預期信貸虧損中，預計將由呈報日期後12個月內可能發生的違約事件造成的預期信貸虧損部分。評估根據本集團的過往信貸虧損經驗進行，並按債務人、整體經濟狀況以及於呈報日期的當前狀況和估計未來狀況之評估進行調整。

本集團一向對應收貿易賬款確認生命週期預期信貸虧損，並就債務人的應收貿易賬款的預期信貸虧損作出單獨評估。

就所有其它工具而言，本集團按相當於12個月預期信貸虧損的金額計量虧損撥備，惟倘自初步確認以來信貸風險顯著增加，則本集團確認生命週期預期信貸虧損。評估是否應確認生命週期預期信貸虧損的依據為，自初步確認以來發生違約的可能性或風險顯著增加。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with Note 2) (Continued)

- (i) Significant increase in credit risk
- In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2所載的過渡性安排於應用香港財務報告準則第9號後)
(續)

- (i) 信貸風險顯著增加
- 在評估自初步確認以來信貸風險是否顯著增加時，本集團對比金融工具在呈報日期發生違約的風險與在初步確認日期發生違約的風險。在評估過程中，本集團同時考慮可作為依據的合理定量及定性資料，包括過往經驗以及在無需付出不必要的費用或工作的情況下可獲得的前瞻性資料。

尤其是，在評估信貸風險是否顯著增加時將考慮以下信息：

- 金融工具的外部(如有)或內部信貸評級實際已發生或預期會發生顯著惡化；
- 外部市場信貸風險指標嚴重惡化，如信貸息差、債務人信貸違約掉期價格顯著上升；
- 業務、財務或經濟狀況的現有或估計不利變動，預期將嚴重削弱債務人的償債能力；
- 債務人的經營業績實際已發生或預期會發生嚴重惡化；

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with Note 2) (Continued)

- (i) Significant increase in credit risk (Continued)
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2所載的過渡性安排於應用香港財務報告準則第9號後)
(續)

- (i) 信貸風險顯著增加(續)
- 債務人的監管、經濟或技術環境實際已發生或預期會發生重大不利變動，導致債務人的償債能力嚴重削弱。

不論上述評估結果如何，倘合約付款逾期超過30日，本集團將假設自初步確認以來信貸風險已顯著增加，除非本集團掌握可作為依據的合理資料，證明情況並非如此。

儘管如此，倘債務工具於報告期釐定為低信貸風險，則本集團假設自初次確認後，債務工具的信貸風險並未顯著增加。倘i)違約風險低；ii)借貸人具有強大的能力履行其於短期內合約現金流量責任；及iii)長遠而言，經濟及商業條件的不利變化可能但不一定會降低借貸人履行其合約現金流量責任的能力，則債務工具釐定為具低信貸風險。根據全球理解的定義，本集團認為內部或外部信貸評級為「投資級別」時，則債務工具的信貸風險低。

本集團定期監察以識別信貸風險是否顯著增加準則的有效性，並酌情對其進行修訂，以確保該準則能夠在金額到期前確定信貸風險的顯著增加。

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with Note 2) (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2所載的過渡性安排於應用香港財務報告準則第9號後)
(續)

(ii) 違約的定義

就內部信貸風險管理而言，倘內部產生或自外部來源取得的資料顯示債務人不大可能向其債權人(包括本集團)全額還款(並未計算本集團所持抵押品)，本集團將視為發生違約事件。

倘金融工具逾期超過90日，本集團將視為已發生違約，除非本集團掌握可作為依據的合理資料，證明將違約指標後延較為適當。

(iii) 金融資產的信貸減值

倘發生一項或多項對金融資產的估計未來現金流量產生不利影響的違約事件，則該金融資產發生信貸減值。金融資產發生信貸減值的憑證包括有關以下事件的可觀察數據：

- (a) 發行人或借款人陷入嚴重財務困境；
- (b) 違反合約，如違約或逾期未付事件；

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with Note 2) (Continued)

- (iii) Credit-impaired financial assets (Continued)
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
 - (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
 - (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (iv) Write-off policy
- The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2所載的過渡性安排於應用香港財務報告準則第9號後)
(續)

- (iii) 金融資產的信貸減值(續)
- (c) 借款人的貸款方出於與借款人的經濟或合約原因有可能發生借款人將進入破產或其他財務重整；
 - (d) 借款人有可能破產或進行其他財務重組；或
 - (e) 財務困境導致該金融資產失去活躍市場。
- (iv) 撇銷政策
- 倘有資料顯示對手方陷入嚴重財務困境且已不大可能收回款項，如倘對手方已被責令清盤或已進入破產程序，或若為應收貿易賬款已逾期超過一年(以較早發生者為準)，則本集團撇銷金融資產。已撇銷的金融資產仍可由本集團在考慮適當的法律意見後根據追討程序採取強制執行活動。撇銷構成取消確認事件。其後收回的款項於損益確認。

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with Note 2) (Continued)

- (v) Measurement and recognition of ECL
- The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for investments in debt instruments that are measured at FVTOCI, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the investment revaluation reserve without reducing the carrying amounts of these debt instruments.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2所載的過渡性安排於應用香港財務報告準則第9號後)
(續)

- (v) 預期信貸虧損的計量及確認
- 預期信貸虧損根據違約可能性、違約損失率(即發生違約時的損失程度)以及違約風險計量。違約可能性及違約損失率根據過往數據評估，並按照前瞻性資料調整。

一般而言，預期信貸虧損按根據合約應付本集團之所有合約現金流量與本集團將收取之所有現金流量之間之差額估計，並按初步確認時釐定之實際利率貼現。

利息收入乃基於金融資產之賬面值總額計算，惟倘金融資產已出現信貸減值，利息收入會按金融資產之攤銷成本計算。

除以透過按公平值計入其他全面收益的債務工具投資外，本集團通過調整金融工具的賬面值於損益內確認所有金融工具的減值收益或虧損，惟應收貿易賬款的相應調整通過虧損備抵賬確認。對於透過按公平值計入其他全面收益的債務工具投資，虧損準備在其他全面收益中確認並累計在其他全面收益按公平值的儲備中，而不會減少這些債務工具的賬面值。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 April 2018)

Financial assets are classified into the following specified categories: financial assets at FVTPL, loans and receivables and available-for-sale (“AFS”) financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as financial assets at FVTPL, or loans and receivables.

Equity and debt securities held by the Group that are classified as AFS financial assets are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS debt instruments relating to interest income calculated using the effective interest method, and changes in foreign exchange rates, if applicable, are recognised in profit or loss. Dividend on AFS equity instruments are recognised in profit or loss when the Group’s right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及其後計量(於二零一八年四月一日應用香港財務報告準則第9號前)

金融資產分類為下列指定類別：按公平值計入損益之金融資產、貸款及應收款項及可供出售金融資產。分類視乎金融資產之性質及目的而定，並於初步確認時釐定。金融資產所有常規買賣於交易日確認及取消確認。常規買賣指須於市場規例或慣例設定的時期內交割資產的金融資產買賣。

可供出售金融資產

可供出售金融資產屬被指定為可供出售為或未獲分類為透過損益按公平值計算之金融資產的非衍生工具或貸款及應收款項。

本集團持有的股本及債務證券被分類為可供出售金融資產，於各報告期末按公平值計算。可供出售之債務工具以實際利率法計算的相關利息收入的賬面值變動及外匯匯率的變動(如適用)可確認入損益表內。可供出售股本工具之股息於本集團收取股息之權利確立時於損益確認。其他可供出售金融資產的賬面值變動於其他全面收益確認，並累計於投資重估儲備內。當該金融資產被出售或決定被減值，屆時過往於投資重估儲備之累計盈利或虧損會重新分類至損益內(見下文有關金融資產減值虧損之會計政策)。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivables, other receivables, short-term deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment loss of financial assets (before application of HKFRS 9 on 1 April 2019)

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

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收賬款

貸款及應收賬款乃於活躍市場沒有報價之固定或可釐定付款之非衍生金融資產。貸款及應收賬款(包括應收貿易賬款、其他應收賬款、短期存款及銀行結存及現金)均按採用實際利率法計算之已攤銷成本減任何減值入賬(見下文有關金融資產減值虧損之會計政策)。

利息收入採用實際利率法確認，惟對利息確認並不重大之短期應收款項除外。

金融資產減值虧損(於二零一八年四月一日應用香港財務報告準則第9號前)

金融資產(透過損益按公平值計算除外)於每個報告期結束時就減值指標進行評估。倘有客觀證據顯示因於初次確認金融資產後發生之一項或多項事件而引致金融資產之估計未來現金流量受到影響，則金融資產會被認為減值。

對於可供出售股本投資，倘證券之公平值大幅或持續下降至低於其成本，則被視為減值之客觀證據。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss of financial assets (before application of HKFRS 9 on 1 April 2019) (Continued)

For all other financial assets, objective evidence of impairment could include:

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

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period of 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值虧損(於二零一八年四月一日應用香港財務報告準則第9號前)(續)
就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或對方出現嚴重財政困難；或
- 毀約，例如逾期或拖欠支付利息或本金；或
- 借款人有可能破產或進行財務重組；或
- 因出現財政困難導致該金融資產於活躍市場消失。

應收賬款組合出現減值的客觀證據包括本集團過往收款紀錄、90日信貸期後逾期還款次數增加，以及國家或地區經濟狀況明顯轉變導致拖欠應收款項。

就按攤銷成本列賬之金融資產而言，減值虧損確認之金額是按該資產之賬面值與金融資產以原有實際利率折算所得估計未來現金流量現值間之差額計量。

金融資產之賬面值直接按所有金融資產減值虧損予以扣減，惟應收貿易賬款及應收票據除外，其賬面值乃透過使用準備賬予以扣減。當應收貿易賬款及應收票據被認為不可收回，則於準備賬撇除。先前已撇除金額於其後收回時乃計入損益。準備賬之賬面值變動於損益確認。

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss of financial assets (before application of HKFRS 9 on 1 April 2019) (Continued)

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值虧損(於二零一八年四月一日應用香港財務報告準則第9號前)(續)
當可供出售金融資產被釐定為已減值，之前已於其他全面收益確認的累計盈利或虧損會於期內重新分類至損益中。

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於其後期間減少，而該減少可客觀地與確認減值虧損後出現之事件有關，則先前已確認之減值虧損會透過損益撥回，惟於透過撥回減值日期投資之賬面值不可超過假設並無確認減值之攤銷成本。

就可供出售股本投資而言，先前於損益中確認之減值虧損不會透過損益撥回。減值虧損後公平值之任何增加會於其他全面收益確認及累計於投資重估儲備。就可供出售債務投資而言，倘投資公平值之增加客觀上與於減值虧損確認後發生之事件相關，則其後透過損益撥回減值虧損。

取消確認金融資產

本集團僅會於從資產取得現金流量的合約權利屆滿，或已將金融資產及該資產擁有權的絕大部分風險及回報轉移予另一實體時，方取消確認金融資產。倘本集團既未轉移亦未保留擁有權的絕大部分風險及回報，並繼續控制所轉移的資產，則本集團確認於該資產保留的權益並按其可能須支付的金額確認相關負債。倘本集團保留所轉讓資產之擁有權的絕大部分風險及回報，則本集團繼續確認該金融資產，亦對所收款項確認抵押借款。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets (Continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI upon application of HKFRS 9, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI upon application of HKFRS 9, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained profits.

On derecognition of an AFS financial asset, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

取消確認金融資產 (續)

取消確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價總和間的差額於損益確認。

於應用香港財務報告準則第9號取消確認分類為按公平值計入損益的債務工具投資時，先前按公平值計入投資重估儲備中累計的收益或虧損將重新分類至損益。

在應用香港財務報告準則第9號之後，取消確認本集團於初步確認時選擇按公平值計入其他全面收益的股本工具投資時，先前於投資重估儲備累計的累計收益或虧損不會重新分類至損益，而是轉入累計溢利。

取消確認可供出售金融資產時，先前於投資重估儲備累計的累計收益或虧損重新分類至損益。

金融負債和股本工具

分類為債務或股本

債務及股本工具視乎合約安排內容、金融負債及股本工具的定義，分類為金融負債或股本工具。

股本工具

股本工具乃證明一個實體於扣減所有負債後之資產中擁有剩餘權益之合同。本公司發行之股本工具乃按已收所得款項扣除直接發行成本確認。

3. Significant Accounting Policies

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities at amortised cost

Financial liabilities including secured bank loan, trade payables and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

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

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策 (續)

金融工具 (續)

金融負債和股本工具 (續)

按攤銷成本計算的金融負債

金融負債(包括有抵押銀行貸款, 應付貿易賬款及其他應付賬款)其後以實際利率法按攤銷成本計量。

取消確認金融負債

本集團僅於本集團之責任獲解除、註銷或屆滿時方取消確認金融負債。被取消確認之金融負債之賬面值與已付及應付代價間之差額於損益賬確認。

4. 重要會計判斷及估計不明朗因素的主要來源

本集團於應用載於附註3的會計政策時, 本公司董事須對未能依循其他途徑取得的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他視為相關的因素作出。實際業績可能有別於該等估計。

本集團以持續性為基礎檢討, 估計及相關假設。倘修訂會計估計僅影響某一期間, 則於修訂有關估計的期間內確認修訂; 倘修訂影響本期間及未來期間, 則於作出修訂的期間及未來期間確認有關修訂。

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Critical judgement in applying accounting policies

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

Deferred taxation on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. The Group has not recognised any deferred taxes on changes in fair value of investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

Key sources of estimation uncertainty

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

4. 重要會計判斷及估計不明朗因素的主要來源(續)

應用會計政策的重要判斷

以下為本公司董事於應用本集團會計政策過程中所作出而對於綜合財務報告書確認的金額具有最重大影響的重要判斷，涉及估計除外(見下文)。

於投資物業之遞延稅項

就計算以公平值模式計量的投資物業產生之遞延稅項而言，本公司董事已審閱本集團之投資物業組合，總結為本集團之該等物業並非以通過時間消耗該投資物業所含絕大部分經濟利益為目標之商業模式持有。因此，於計算本集團於投資物業之遞延稅項時，本公司董事釐定，使用公平值模式計量之投資物業賬面值乃全部透過出售予以收回之假設並沒有被推翻。本集團並無就投資物業之公平值變動確認任何遞延稅項，因為本集團毋須就出售其投資物業之公平值變動繳付任何所得稅。

估計不明朗因素的主要來源

下文為涉及日後之主要假設及於報告期結束時估計不明朗因素之其他主要來源，均具有導致下一個財政年度之資產及負債賬面值出現大幅調整之重大風險。

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Key sources of estimation uncertainty (Continued)

Valuation of investment properties

At the end of the reporting period, the Group's investment properties are stated at fair value of HK\$327,400,000 (2018: HK\$281,000,000) based on the valuation performed by a firm of independent qualified professional surveyors.

In determining the fair value, surveyors have used the direct comparison method which involves estimates the market unit rate of comparable properties and adjustment factors for size, view and floor level of properties and timing of the comparable transactions.

In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the method of valuations are reflective of the current market conditions. Note 15 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent if it is available. Where Level 1 inputs are not available, the Group looks for other appropriate valuation techniques and inputs for fair value measurement.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Notes 15 and 30c provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

投資物業估值

於報告期結束時，本集團的投資物業公平值為港幣3億2,740萬港元(二零一八年：2億8,100萬港元)，乃由一家獨立具專業資格測量行估值。

在釐定公平值時，測量師已使用直接比較方法，該方法涉及對相似物業的市場單位價值以及物業的尺寸、景觀、樓層及類似交易的時間等調整因素進行評估。

本公司董事信賴估值報告，並已行使彼等之判斷，信納估值方法可反映現時市場狀況。用於釐定投資物業之公平值估值技術，輸入數據及主要假設之詳細資料已於附註15披露。

公平值計量及估值程序

就財務報告目的，本集團的若干資產及負債按公平值計量。

於估計資產或負債的公平值時，本集團在可行範圍內使用市場可觀察數據。倘無法獲取第一級輸入數據，本集團尋找其他合適的估值技術及測量輸入數據作公平值計量。

本集團採用包括並非以可觀察市場數據為依據的輸入數據在內的估值技巧，以釐定若干類別金融工具的公平值。用於釐定各項資產及負債之公平值估值技術、輸入數據及主要假設之詳細資料已於附註15及30c披露。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

The principal activities of the Group are manufacturing and trading of household electrical appliance. Revenue of the Group is sales of household electrical appliance.

As at 31 March 2019, all received purchase orders are expected to be completed within 1 year.

Information reported to the Company's executive directors (the chief operating decision maker) for the purposes of resource allocation and assessment of segment performance focuses on geographical regions.

The Group is currently organised into four operating divisions — Europe sales, Asia sales, America sales and other regions sales. The information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance is based on these operating divisions.

5. 營業額及分部資料

集團主要業務為製造及銷售家庭電器。本集團之營業額來自銷售家庭電器。

截至二零一九年三月三十一日，所有收到的採購訂單預計將在1年內完成。

業務資料會呈報給本公司之執行董事（主要營運決策人士）就地理區域分類以集中分配資源及評核分部表現。

本集團現劃分成4個主要地區分部：歐洲、亞洲、美洲及其他地區銷售。業務資料會呈報給集團主要營運決策人士以集中在該等營運分部之資源分配及評核分部表現。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

(Continued)

Segment revenues and results

The following is an analysis of the Group's revenues and results for each of the reportable and operating segments.

Year ended 31 March 2019

| | |
|--|-----------------------|
| Segment revenue (Note a) | 分部營業額(附註a) |
| Segment profit | 分部溢利 |
| Other gains and losses (except net foreign exchange gain) | 其他盈利及虧損 (外匯盈利淨額除外) |
| Depreciation (except moulds) | 折舊(模具除外) |
| Gain from changes in fair value of investment properties | 投資物業之公平值變動 所產生的盈利 |
| Finance costs on bank loan | 銀行貸款財務費用 |
| Provision for factory relocation expenses | 廠房搬遷費用撥備 |
| Loss allowance on financial assets | 金融資產虧損撥備 |
| Unallocated income and expenses, net (Note b) | 未分配收入及開支淨額 (附註b) |
| Profit before tax | 除稅前溢利 |

5. 營業額及分部資料(續)

分部營業額及業績

以下乃來自本集團按可呈報及營運分部地區業務之收益及業績作出之分析：

截至二零一九年三月三十一日止年度

| Europe 歐洲 HK\$'000 千港元 | Asia 亞洲 HK\$'000 千港元 | America 美洲 HK\$'000 千港元 | Other regions 其他地區 HK\$'000 千港元 (Note a) (附註a) | Consolidated 綜合 HK\$'000 千港元 |
|---------------------------------|-------------------------------|----------------------------------|--|---------------------------------------|
| 557,386 | 277,752 | 328,282 | 45,780 | 1,209,200 |
| 5,905 | 2,942 | 3,478 | 485 | 12,810 |
| | | | | 4,415 |
| | | | | (24,367) |
| | | | | 46,400 |
| | | | | (994) |
| | | | | (18,594) |
| | | | | (294) |
| | | | | 14,476 |
| | | | | 33,852 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

(Continued)

Segment revenues and results (Continued)

Year ended 31 March 2018

| | | Europe 歐洲 | Asia 亞洲 | America 美洲 | Other regions 其他地區 | Consolidated 綜合 |
|--|-----------------------|-----------------|-----------------|-----------------|--------------------------|--------------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| | | | | | (Note a) (附註a) | |
| Segment revenue (Note a) | 分部營業額(附註a) | 646,673 | 327,049 | 293,587 | 37,857 | 1,305,166 |
| Segment profit | 分部溢利 | 28,135 | 14,229 | 12,773 | 1,648 | 56,785 |
| Other gains and losses (except net foreign exchange gain) | 其他盈利及虧損 (外匯盈利淨額除外) | | | | | (323) |
| Depreciation (except moulds) | 折舊(模具除外) | | | | | (44,197) |
| Gain from changes in fair value of investment properties | 投資物業之公平值變動 所產生的盈利 | | | | | 30,200 |
| Finance costs on bank loan | 銀行貸款財務費用 | | | | | (612) |
| Unallocated income and expenses, net (Note b) | 未分配收入及開支淨額 (附註b) | | | | | 13,600 |
| Profit before tax | 除稅前溢利 | | | | | 55,453 |

Note a: The allocation of segment revenue is determined based on destinations of shipment of products.

Note b: Unallocated income and expenses represented other income, central administration costs and directors' salaries.

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of other income, central administration cost and directors' salaries, other gains and losses (except net foreign exchange gain/loss), depreciation (except moulds), gain (loss) from changes in fair value of investment properties, finance costs on bank loan, provision for factory relocation expenses and loss allowance of financial assets. This is the measure reported to the Group's chief operating decision maker for the purposes of resource allocation and performance assessment. Revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both years.

5. 營業額及分部資料(續)

分部營業額及業績(續)

截至二零一八年三月三十一日止年度

| | | Europe 歐洲 | Asia 亞洲 | America 美洲 | Other regions 其他地區 | Consolidated 綜合 |
|--|-----------------------|-----------------|-----------------|-----------------|--------------------------|--------------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| | | | | | (Note a) (附註a) | |
| Segment revenue (Note a) | 分部營業額(附註a) | 646,673 | 327,049 | 293,587 | 37,857 | 1,305,166 |
| Segment profit | 分部溢利 | 28,135 | 14,229 | 12,773 | 1,648 | 56,785 |
| Other gains and losses (except net foreign exchange gain) | 其他盈利及虧損 (外匯盈利淨額除外) | | | | | (323) |
| Depreciation (except moulds) | 折舊(模具除外) | | | | | (44,197) |
| Gain from changes in fair value of investment properties | 投資物業之公平值變動 所產生的盈利 | | | | | 30,200 |
| Finance costs on bank loan | 銀行貸款財務費用 | | | | | (612) |
| Unallocated income and expenses, net (Note b) | 未分配收入及開支淨額 (附註b) | | | | | 13,600 |
| Profit before tax | 除稅前溢利 | | | | | 55,453 |

附註a: 分部營業額的分配是基於產品的船運目的地而確定。

附註b: 未分配收入及開支來自其他收入、中央行政費用及董事薪金。

可呈報及營運分部之會計政策與附註3的集團會計政策一致。分部溢利代表由每一分部所賺取的溢利，並未分配的其他收入、中央行政費用及董事薪金、其他盈利及虧損(外匯盈利/虧損淨額除外)、折舊(模具除外)、投資物業之公平值變動所產生的盈利/虧損、銀行貸款財務費用、廠房搬遷費用撥備及金融資產虧損撥備。以此計量向集團主要營運決策人士匯報，藉此作資源分配及評核表現。上述所報告之營業額乃由外部客戶所產生的。這兩年內並未有聯營分部銷售。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

(Continued)

Segment assets and liabilities

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

Segment assets

| | |
|---|-----------------------|
| Europe | 歐洲 |
| Asia | 亞洲 |
| America | 美洲 |
| Other regions | 其他地區 |
| Segment assets | 分部資產 |
| Unallocated assets | 未分配資產 |
| Available-for-sale investments | 可供出售投資 |
| Financial assets as FVTPL | 透過損益按公平值計算之 金融資產 |
| Debt instruments at FVTOCI | 按公平值計入其他全面收益之 債務工具 |
| Short-term deposits | 短期存款 |
| Bank balances and cash | 銀行結存及現金 |
| Investment properties | 投資物業 |
| Plant, equipment and machinery (except moulds) | 廠房、設備及機器(模具除外) |
| Club debentures | 會籍債券 |
| Other receivables | 其他應收賬款 |
| Tax recoverable | 應退稅項 |
| Other unallocated assets (Note) | 其他未分配資產(附註) |
| Consolidated assets | 綜合資產 |

Note: Other unallocated assets comprised prepaid lease payments, deposits paid for acquisition of property, plant and equipment and deferred tax assets.

5. 營業額及分部資料(續)

分部資產及負債

以下乃本集團按可呈報及營運分部分析資產及負債資料：

分部資產

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | 160,053 | 200,215 |
| | 80,757 | 105,150 |
| | 85,814 | 78,031 |
| | 13,470 | 12,283 |
| | 340,094 | 395,679 |
| | — | 61,417 |
| | 35,156 | — |
| | 31,108 | — |
| | 160,641 | 127,403 |
| | 397,949 | 469,572 |
| | 327,400 | 281,000 |
| | 152,454 | 175,742 |
| | 13,176 | 13,176 |
| | 16,967 | 35,158 |
| | 810 | 2,276 |
| | 21,003 | 25,998 |
| | 1,496,758 | 1,587,421 |

附註：其他未分配資產包括預付租賃款項、已付購買物業、廠房及設備之訂金及遞延稅資產。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

(Continued)

Segment assets and liabilities (Continued)

Segment liabilities

| | | |
|-----------------------------|-------------|--|
| Europe | 歐洲 | |
| Asia | 亞洲 | |
| America | 美洲 | |
| Other regions | 其他地區 | |
| Segment liabilities (Note) | 分部負債(附註) | |
| Unallocated liabilities | 未分配負債 | |
| Trade payables | 應付貿易賬款 | |
| Other payables and accruals | 其他應付賬款及應付未付 | |
| Deferred income | 遞延收入 | |
| Secured bank loan | 有抵押銀行貸款 | |
| Tax liabilities | 稅項負債 | |
| Deferred tax liabilities | 遞延稅項負債 | |
| Consolidated liabilities | 綜合負債 | |

Note: Segment liabilities represented mould deposits received by each segment.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

| | |
|--|---------------------|
| Customer A (Europe, Asia, America and Other regions) | 客戶A (歐洲、亞洲、美洲及其他地區) |
| Customer B (Europe, Asia, America and Other regions) | 客戶B (歐洲、亞洲、美洲及其他地區) |
| Customer C (Europe, Asia, America and Other regions) | 客戶C (歐洲、亞洲、美洲及其他地區) |

5. 營業額及分部資料(續)

分部資產及負債(續)

分部負債

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 12,517 | 11,415 |
| 5,348 | 4,694 |
| 12,450 | 8,947 |
| 833 | 504 |
| 31,148 | 25,560 |
| 140,835 | 193,194 |
| 110,627 | 127,594 |
| — | 17,649 |
| 36,285 | 41,409 |
| 36,740 | 36,244 |
| 7,253 | 7,757 |
| 362,888 | 449,407 |

附註： 分部負債指每一分部已收模具訂金。

主要客戶的資料

本集團與同期超過總營業額10%或以上的客戶營業額如下：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 304,001 | 398,960 |
| 398,621 | 373,167 |
| 228,438 | 197,815 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

(Continued)

Geographical information

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

Information about the Group's non-current assets is presented based on the geographical location of the assets.

| | |
|-----------|----|
| Hong Kong | 香港 |
| PRC | 中國 |

Note: Non-current assets excluded financial instruments and deferred tax assets.

Other segment information

Year ended 31 March 2019

Amounts included in the measure of segment profit or loss or segment assets:

| | | | | | | | | |
|---------------------------------|---------|-----|-----|-------|----|-------|--------|--------|
| Additions to non-current assets | 非流動資產增加 | 486 | 179 | 658 | 26 | 1,349 | 22,694 | 24,043 |
| Depreciation | 折舊 | 940 | 390 | 1,005 | 60 | 2,395 | 24,367 | 26,762 |

5. 營業額及分部資料(續)

地區資料

本集團之營運地點為香港及中華人民共和國(「中國」)。

有關本集團之非流動資產是基於資產所在地區而呈列。

| | | |
|-----------|----------------------------------|----------------------------------|
| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
| Hong Kong | 350,390 | 297,379 |
| PRC | 165,235 | 201,050 |
| | 515,625 | 498,429 |

附註：非流動資產不包括金融工具及遞延稅資產。

其他分部資料

截至二零一九年三月三十一日止年度

| Europe | Asia | America | Other regions | Total segment | Unallocated | Consolidated |
|----------|----------|----------|---------------|---------------|-------------|--------------|
| 歐洲 | 亞洲 | 美洲 | 其他地區 | 分部總額 | 未分配 | 綜合 |
| HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |

此數額已包含於計量的分部溢利或虧損或分部資產：

| | | | | | | |
|-----|-----|-------|----|-------|--------|--------|
| 486 | 179 | 658 | 26 | 1,349 | 22,694 | 24,043 |
| 940 | 390 | 1,005 | 60 | 2,395 | 24,367 | 26,762 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

5. Revenue and Segment Information

(Continued)

Other segment information (Continued)

Year ended 31 March 2019 (Continued)

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:

| | | | | | | | | |
|-------------------------------------|-----------|---|---|---|---|---|-------|-------|
| Interest income on bank deposits | 銀行存款之利息收入 | — | — | — | — | — | 2,968 | 2,968 |
| Interest income on debt instruments | 債務工具之利息收入 | — | — | — | — | — | 895 | 895 |
| Rental income | 租金收入 | — | — | — | — | — | 6,642 | 6,642 |

Year ended 31 March 2018

Amounts included in the measure of segment profit or loss or loss or segment assets:

| | | | | | | | | |
|---------------------------------|---------|-------|-----|-------|----|-------|--------|--------|
| Additions to non-current assets | 非流動資產增加 | 1,057 | 460 | 715 | 52 | 2,284 | 29,258 | 31,542 |
| Depreciation | 折舊 | 1,414 | 605 | 1,003 | 67 | 3,089 | 44,197 | 47,286 |

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:

| | | | | | | | | |
|---|-------------|---|---|---|---|---|-------|-------|
| Interest income on bank deposits | 銀行存款之利息收入 | — | — | — | — | — | 1,813 | 1,813 |
| Interest income on available-for-sale investments | 可供出售投資之利息收入 | — | — | — | — | — | 1,348 | 1,348 |
| Rental income | 租金收入 | — | — | — | — | — | 5,730 | 5,730 |

5. 營業額及分部資料(續)

其他分部資料(續)

截至二零一九年三月三十一日止年度
(續)

此數額定期提供給主要營運決策人士，但不包含於計量的分部溢利或虧損或分部資產：

| Europe 歐洲 | Asia 亞洲 | America 美洲 | Other regions 其他地區 | Total segment 分部總額 | Unallocated 未分配 | Consolidated 綜合 |
|-----------------|-----------------|-----------------|--------------------------|--------------------------|--------------------|--------------------|
| HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| — | — | — | — | — | 2,968 | 2,968 |
| — | — | — | — | — | 895 | 895 |
| — | — | — | — | — | 6,642 | 6,642 |

截至二零一八年三月三十一日止年度

| Europe 歐洲 | Asia 亞洲 | America 美洲 | Other regions 其他地區 | Total segment 分部總額 | Unallocated 未分配 | Consolidated 綜合 |
|-----------------|-----------------|-----------------|--------------------------|--------------------------|--------------------|--------------------|
| HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| 1,057 | 460 | 715 | 52 | 2,284 | 29,258 | 31,542 |
| 1,414 | 605 | 1,003 | 67 | 3,089 | 44,197 | 47,286 |

此數額已包含於計量的分部溢利或虧損或分部資產：

此數額定期提供給主要營運決策人士，但不包含於計量的分部溢利或虧損或分部資產：

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

6. Other Income

| | |
|--|---------------|
| Rental income | 租金收入 |
| Interest income | 利息收入 |
| Amortisation of deferred income (Note 10) | 遞延收入之攤銷(附註10) |
| Building management fee income | 樓宇管理費收入 |
| Scrap sales | 銷售廢品 |
| Others | 其他 |

6. 其他收入

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 6,642 | 5,730 |
| 3,863 | 3,161 |
| 17,649 | 19,252 |
| 940 | 857 |
| 721 | 306 |
| 698 | 206 |
| 30,513 | 29,512 |

7. Directors', Chief Executive's and Employees' Emoluments

(a) Directors' emoluments

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

For the year ended 31 March 2019

7. 董事、主要行政人員及僱員酬金

(a) 董事酬金

年內根據可適用的上市規則及香港公司條例披露的董事及主要行政人員的酬金如下：

截至二零一九年三月三十一日止年度

EXECUTIVE DIRECTORS

| | |
|------------------------------|------------|
| Mr. Cheung Shu Wan (Note 2) | 張樹穩先生(附註2) |
| Ms. Cheung Lai Chun, Maggie | 張麗珍女士 |
| Ms. Cheung Lai See, Sophie | 張麗斯女士 |
| Mr. Cheung Pui (Note 3) | 張培先生(附註3) |
| Dr. Cheung Shu Sang, William | 張樹生博士 |

NON-EXECUTIVE DIRECTOR

| | |
|----------------|------|
| Mr. Cheung Lun | 張倫先生 |
|----------------|------|

INDEPENDENT NON-EXECUTIVE DIRECTORS

| | |
|------------------------|-------|
| Mr. Lai Ah Ming, Leon | 黎雅明先生 |
| Professor Lo Chung Mau | 盧龍茂教授 |
| Dr. Chan How Chun | 陳孝春博士 |

| | |
|-------|----|
| Total | 總額 |
|-------|----|

| Fee 袍金 HK\$'000 千港元 | Salaries and other benefits 薪金及其他福利 HK\$'000 千港元 | Bonus 花紅 HK\$'000 千港元 (Note 1) (附註1) | Retirement benefit scheme contribution 退休福利計劃供款 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|------------------------------|---|---|---|--------------------------------|
| — | 2,156 | 235 | 282 | 2,673 |
| — | 1,893 | 172 | 206 | 2,271 |
| — | 1,611 | 148 | 177 | 1,936 |
| — | 1,149 | — | 128 | 1,277 |
| — | 1,439 | 128 | 153 | 1,720 |
| 1,500 | — | — | — | 1,500 |
| 120 | — | — | — | 120 |
| — | — | — | — | — |
| — | — | — | — | — |
| 1,620 | 8,248 | 683 | 946 | 11,497 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

7. Directors', Chief Executive's and Employees' Emoluments (Continued)

(a) Directors' emoluments (Continued) For the year ended 31 March 2018

| | | Fee | Salaries and other benefits | Bonus | Retirement benefit scheme contribution | Total |
|--|------------|----------|-----------------------------|----------|--|----------|
| | | 袍金 | 薪金及其他福利 | 花紅 | 退休福利計劃供款 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| EXECUTIVE DIRECTORS | | | | | | |
| Mr. Cheung Shu Wan (Note 2) | 張樹穩先生(附註2) | — | 2,774 | 816 | 277 | 3,867 |
| Ms. Cheung Lai Chun, Maggie | 張麗珍女士 | — | 2,103 | 384 | 202 | 2,689 |
| Ms. Cheung Lai See, Sophie | 張麗斯女士 | — | 1,800 | 322 | 174 | 2,296 |
| Mr. Cheung Pui | 張培先生 | — | 1,369 | 237 | 136 | 1,742 |
| Dr. Cheung Shu Sang, William | 張樹生博士 | — | 1,520 | 256 | 150 | 1,926 |
| NON-EXECUTIVE DIRECTOR | | | | | | |
| Mr. Cheung Lun | 張倫先生 | 1,500 | (317) | (251) | — | 932 |
| INDEPENDENT NON-EXECUTIVE DIRECTORS | | | | | | |
| Mr. Lai Ah Ming, Leon | 黎雅明先生 | 120 | — | — | — | 120 |
| Professor Lo Chung Mau | 盧龍茂教授 | — | — | — | — | — |
| Dr. Chan How Chun | 陳孝春博士 | — | — | — | — | — |
| Total | 總額 | 1,620 | 9,249 | 1,764 | 939 | 13,572 |

Notes:

- The bonus is determined with reference to the performance of the individual and the Group.
- Mr. Cheung Shu Wan is also the managing director of the Company and his emoluments disclosed above include those for services rendered by him as the managing director.
- Mr. Cheung Pui passed away on 4 February 2019.
- The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's emoluments shown above was for his service as director of the Company or its subsidiaries. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

附註：

- 花紅乃根據個別人士及集團表現決定。
- 張樹穩先生亦為本公司之董事總經理，其上述披露之酬金乃包括他作為提供董事總經理服務之費用。
- 張培先生於二零一九年二月四日逝世。
- 上列執行董事酬金為彼等有關管理本公司及本集團事務的服務。上列非執行董事酬金為彼有關服務本公司及其附屬公司事務。上列獨立非執行董事酬金為彼等作為董事為本公司提供服務之費用。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

7. Directors', Chief Executive's and Employees' Emoluments (Continued)

(a) Directors' emoluments (Continued)

Professor Lo Chung Mau waived his fees of HK\$120,000 (2018: HK\$120,000) for the year ended 31 March 2019. Dr. Chan How Chun, Rita waived her fees of HK\$120,000 (2018: HK\$120,000) for the year ended 31 March 2019. During the year ended 31 March 2018, Mr. Cheung Lun waived his salaries and other benefits of HK\$317,000 (2019: Nil) and bonus of HK\$251,000 (2019: Nil) in respect of the year ended 31 March 2017. Except for Mr. Cheung Lun, no other executive directors, including the Chairman waived any emoluments for both years.

(b) Employees' emoluments

The five highest paid employees of the Group for the year ended 31 March 2019 included four director (2018: five directors), details of whose remuneration are set out above.

For the year ended 31 March 2019, the remuneration of the one highest paid employee who are neither a director nor chief executive of the Company is as below:

| | |
|--|----------|
| Salaries and other allowances | 薪金及其他津貼 |
| Discretionary bonus | 績效花紅 |
| Retirement benefit scheme contribution | 退休福利計劃供款 |

For the year ended 31 March 2019, the remuneration of the remaining one highest paid employee was within the following band:

| | |
|--------------------------------|-------------------------|
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001港幣至2,000,000港幣 |
|--------------------------------|-------------------------|

7. 董事、主要行政人員及僱員酬金 (續)

(a) 董事酬金 (續)

盧寵茂教授於截至二零一九年三月三十一日止年度放棄其袍金12萬港元(二零一八年: 12萬港元)。陳孝春博士於截至二零一九年三月三十一日止年度放棄其袍金12萬港元(二零一八年: 12萬港元)。張倫先生於截至二零一八年三月三十一日止年度放棄其就截至二零一八年三月三十一日止年度之薪金及其他福利31萬7仟港元(二零一九年: 無)及花紅25萬1仟港元(二零一九年: 無)。除了張倫先生, 沒有其他執行董事(包括主席)放棄這兩年的酬金。

(b) 僱員酬金

截至二零一九年三月三十一日止年度, 本集團五位最高薪金僱員包括4名董事(二零一八年: 5名董事), 其酬金詳情載於上文。

截至二零一九年三月三十一日止年度, 並非本公司董事或行政總裁的最高薪僱員的薪酬如下:

2019
二零一九年
HK\$'000
千港元

1,339

116

139

1,594

截至二零一九年三月三十一日止年度, 其餘一名最高薪金的僱員(二零一八年: 無)在以下範圍內:

2019
二零一九年
No. of
employees
僱員數目

1

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

8. Other Gains And Losses

8. 其他盈利及虧損

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|-------------------------------|----------------------------------|----------------------------------|
| Net foreign exchange gain | 外匯盈利淨額 | 3,745 | 1,058 |
| Gain on disposal of property, plant and equipment and land use rights located in the PRC | 出售位於中國的物業、廠房及設備及土地使用權之盈利 | 5,242 | — |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | — | (37) |
| Write-off of property, plant and equipment | 物業、廠房及設備撇除 | (1,553) | (9) |
| Cumulative gain (loss) reclassified from other comprehensive income to profit or loss on: | 累計盈利(虧損)由其他全面收益被重新分類至損益內： | | |
| — redemption of available-for-sale investments | — 贖回可供出售投資 | — | (317) |
| — disposal of debt instruments at FVTOCI | — 出售按公平值計入其他全面收益之債務工具 | 16 | — |
| Net gain on fair value changes in financial assets at FVTPL | 金融資產透過損益按公平值計算之公平值變動所產生之盈利淨額 | 725 | — |
| Net gain on fair value changes in financial assets designated at FVTPL | 透過損益按公平值計算之金融資產之公平值變動所產生的盈利淨額 | — | 58 |
| Others | 其他 | (15) | (18) |
| | | 8,160 | 735 |

9. Provision for Factory Relocation Expenses

During the year ended 31 March 2019, in order to enhance the efficiency of cost control, and generate rental income, the directors of the Company decided to relocate the operation of one of the manufactory plants of the Group. The factory buildings of this production plant would be leased out to earn rentals. As at 31 March 2019, provision of RMB15,892,000 (equivalent to HK\$18,594,000), which is mainly severance payment for labours in this plant, was made. The plant and equipment will be transferred to the remaining factories or written off.

On 1 April 2019, the manufactory plants was transferred into investment property. The change in fair value will be transferred to investment revaluation reserve. Up to the date of issuance of the consolidated financial statements, the management is still assessing the impact of the fair value of the manufactory plants upon the reclassification to investment properties.

10. Deferred Income

On 13 January 2016, the Group entered into a sale and purchase agreement with an independent third party (the "Purchaser") to dispose of a property, namely, all that 12th Floor of Zung Fu Industrial Building, No. 1067 King's Road, Hong Kong (the "Property"), with a carrying amount of HK\$9,212,000 at a cash consideration of HK\$179,000,000. The fair value of the Property at the date of disposal was approximately HK\$120,000,000 based on the valuation carried out by RHL Appraisal Limited, an independent qualified professional surveyor not connected with the Group.

9. 廠房搬遷費用撥備

截至二零一九年三月三十一日止年度，為提高成本控制效率及產生租金收入，本公司董事決定搬遷本集團其中一間製造廠的營運。該生產廠房將出租以賺取租金。於二零一九年三月三十一日，1,589萬2千元人民幣之撥備（相當於18,594萬港元），主要為該工廠的勞工支付遣散費。廠房和設備將轉移至其餘廠區或撤除。

於二零一九年四月一日，製造廠房轉為投資物業。公平值變動將轉入投資重估儲備。截至發行綜合財務報告書之日，管理層仍在評估製造廠房的公平值重新分類至投資物業的影響。

10. 遞延收入

於二零一六年一月十三日，本集團與一獨立第三方訂立一份買賣合約，出售香港英皇道1067號仁孚工業大廈12樓整層，現金代價為1億7,900萬港元，其賬面值為921萬2千港元。物業的公平值於出售當日約為1億2,000萬港元，乃基於與本集團並無關連的獨立合資格專業估值師永利行評值顧問有限公司進行估值。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

10. Deferred Income (Continued)

RHL Appraisal Ltd. is a member of The Hong Kong Institute of Surveyors. The fair value was determined based on the direct comparison method assuming sales of each of the properties in its existing state and by making reference to comparable sales evidence of similar nature properties available in the relevant market.

In addition, pursuant to the agreement, upon completion of the transaction, the Group continues to occupy the property by entering into a tenancy agreement with the Purchaser in respect of the Property for three years commencing from the date of completion, 3 March 2016. This sale and leaseback transaction resulted in an operating lease.

Since the sales price of the Property is above its fair value, the excess over fair value of HK\$57,757,000 is deferred and amortised over the lease period of three years.

Movement in deferred income in current year was as follows:

| | | HK\$'000 千港元 |
|--------------------------|--------------|-----------------|
| At 31 March 2017 | 於二零一七年三月三十一日 | 36,901 |
| Credit to profit or loss | 於損益回撥 | <u>(19,252)</u> |
| At 31 March 2018 | 於二零一八年三月三十一日 | 17,649 |
| Credit to profit or loss | 於損益回撥 | <u>(17,649)</u> |
| At 31 March 2019 | 於二零一九年三月三十一日 | <u>-</u> |

10. 遞延收入(續)

永利行評估顧問有限公司為香港測量師學會的成員。公平值乃基於市場之直接比較法，假設每項該等物業可以現況及參照有關市場上可供比較的類似性質物業銷售證據。

此外，根據合約協議，在完成交易後，本集團與買方就該物業訂立一項租約，以繼續佔用該物業，租賃期為三年，由交易完成日，即二零一六年三月三日起計。這次出售及售後回租交易帶來營運租賃。

由於該物業之出售價格高於其公平值，超出公平值的5,775萬7仟港元會於租賃期三年內遞延及攤銷。

遞延收入於本年度之變動如下：

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

11. Income Tax Expense

11. 所得稅開支

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| Current tax: | 本年度稅項： | | |
| Hong Kong | 香港 | 797 | 2,496 |
| PRC Enterprise Income Tax | 中國企業所得稅 | 4,991 | 5,019 |
| PRC withholding tax on dividends distributed by subsidiaries | 對附屬公司分派股息所徵收的中國預扣稅 | — | 6,535 |
| | | 5,788 | 14,050 |
| (Over)underprovision in prior years: | 過往年度撥備(過度)不足： | | |
| Hong Kong | 香港 | (210) | (136) |
| PRC Enterprise Income Tax | 中國企業所得稅 | 107 | 623 |
| | | (103) | 487 |
| Deferred taxation (Note 27) | 遞延稅項(附註27) | 48 | (5,864) |
| | | 5,733 | 8,673 |

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

兩個年度之香港利得稅乃以估計應課稅溢利按16.5%之稅率計算。

根據中國企業所得稅稅法(「企業所得稅稅法」)及實施稅法細則，附屬公司兩個年度之法定企業所得稅為25%。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

11. Income Tax Expense (Continued)

The tax charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

11. 所得稅開支(續)

本年度之稅項扣減可對應綜合損益及其他全面收益表內之除稅前溢利如下：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|-------------------|----------------------------------|----------------------------------|
| Profit before tax | 除稅前溢利 | 33,852 | 55,453 |
| Tax at the Hong Kong Profits Tax rate of 16.5% | 按香港利得稅稅率16.5% | 5,586 | 9,150 |
| Tax effect of expenses not deductible for tax purpose | 不可扣減之開支對稅項影響 | 5,354 | 5,220 |
| Tax effect of income not taxable for tax purpose | 無須繳稅之收入對稅項影響 | (10,879) | (9,678) |
| Effect of different tax rates in the PRC | 於中國經營不同稅率之影響 | 1,151 | 1,467 |
| (Over)underprovision in respect of prior years | 過往年度撥備(過度)不足 | (103) | 487 |
| Tax effect of tax losses not recognised | 未確認稅項虧損之影響 | 4,115 | 1,693 |
| Utilisation of tax losses previously not recognised | 之前未確認稅項虧損之使用 | (133) | (54) |
| Withholding tax on distributable profit of subsidiaries in the PRC | 中國境內附屬公司可分配溢利之預扣稅 | 740 | 774 |
| Others | 其他 | (98) | (386) |
| Tax charge for the year | 本年度稅項支出 | 5,733 | 8,673 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

12. Profit for the Year

12. 本年度溢利

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Profit for the year has been arrived at after charging: | | |
| Staff salaries and allowances | 267,811 | 253,163 |
| Contributions to retirement benefits schemes | 21,735 | 22,170 |
| Total staff costs, including directors' emoluments | 289,546 | 275,333 |
| Depreciation for property, plant and equipment | 26,762 | 47,286 |
| Direct outgoings in relation to rental income | 849 | 830 |
| Release of prepaid lease payments | 608 | 678 |
| Auditor's remuneration | 2,274 | 2,204 |
| Cost of inventories recognised as expenses | 1,114,118 | 1,176,304 |

13. Dividends

13. 股息

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Dividends for ordinary shareholders of the Company recognised as distribution during the year | | |
| 2019 interim dividend of HK1.0 cents (2018: 2018 interim dividend of HK2.0 cents) per share | 3,354 | 6,709 |
| 2018 final dividend of HK6.0 cents (2018: 2017 final dividend of HK10.5 cents) per share | 20,126 | 35,220 |
| | 23,480 | 41,929 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

13. Dividends (Continued)

Subsequent to the end of the reporting period, a final dividend of HK3.0 cents per share in respect of the year ended 31 March 2019 (2018: final dividend of HK6.0 cents per share), in aggregate amount of HK\$10,063,000 (2018: HK\$20,126,000) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting. The final dividend expects to be paid on 25 September 2019 to shareholders whose names appear on the Register of Members of the Company on 6 September 2019.

14. Earnings Per Share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

| | |
|--|------------------------------------|
| Earnings for the purpose of basic earnings per share (Profit for the year attributable to owners of the Company) | 就每股基本盈利而言之盈利 (本年度可分配給本公司擁有人之溢利) |
|--|------------------------------------|

| | |
|---|-------------------|
| Number of ordinary shares for the purpose of basic earnings per share | 就每股基本盈利而言之普通股股份數目 |
|---|-------------------|

No diluted earnings per share has been presented for both years as there were no potential dilutive ordinary shares in issue.

13. 股息(續)

於報告期結束後，本公司之董事建議派發截至二零一九年三月三十一日止年度末期股息每股3.0港仙(二零一八：末期股息每股6.0港仙)，總金額為1,006萬3仟港元(二零一八年：2,012萬6仟港元)。此建議派發之末期股息須取得股東於即將舉行之股東大會上批准。末期股息預期將於二零一九年九月二十五日派發予於二零一九年九月六日名列在本公司股東名冊上之股東。

14. 每股盈利

每股可分配給公司擁有人的基本盈利之計算乃根據以下資料：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 28,119 | 46,780 |

| Number of shares 股份數量 | |
|----------------------------|----------------------------|
| 2019 二零一九年 '000 千 | 2018 二零一八年 '000 千 |
| 335,433 | 335,433 |

這兩年度未有發行潛在攤薄之普通股，故此並沒有列出每股攤薄盈利。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

15. Investment Properties

15. 投資物業

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| Fair value | 公平值 | | |
| Balance at beginning of year | 年初結餘 | 281,000 | 250,800 |
| Gain from changes in fair values recognised in profit or loss | 公平值變動所產生的盈利 於損益確認 | 46,400 | 30,200 |
| Balance at end of year | 年末結餘 | 327,400 | 281,000 |
| Unrealised gain on property revaluation included in profit or loss | 已包含損益內之 未實現物業重估盈利 | 46,400 | 30,200 |

The Group's property interests held under operating leases to earn rentals are measured using fair value model and are classified and accounted for as investment properties. These investment properties are office units and car park spacing.

The fair value of the Group's investment properties at 31 March 2019 and 31 March 2018 has been arrived at on the basis of a valuation carried out on the respective dates by RHL Appraisal Ltd., a firm of independent qualified professional surveyor not connected to the Group.

The valuation of the investment properties, which falls under level 3 of the fair value hierarchy, has been arrived at by using direct comparison method by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

本集團為獲取租金而按營運租賃持有的物業權益均按公平值模式計算，並歸類及列作投資物業。該等投資物業為辦公室單位及車位。

於二零一九年三月三十一日及二零一八年三月三十一日，本集團投資物業之公平值由與本集團並無關連的獨立合資格專業測量行永利行評估顧問有限公司在上述日期進行重估而達致。

投資物業之估值，列入公平值等級第三級，估值乃根據市場同類物業之現行交易價格於相同位置及條件以直接比較方法進行。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

15. INVESTMENT PROPERTIES *(Continued)*

In estimating the fair value of the property, the highest and best use of the property is their current use.

The key inputs used in valuing the office units is market unit rate taking into account the recent transaction prices for comparable properties and adjusted for size, view and floor level of property and timing of comparable transactions. The weighted average market unit rate adopted is HK\$27,288 per square foot (2018: HK\$23,390 per square foot). A significant increase in market unit rate would result in a significant increase in the fair value and vice versa. The key inputs used in valuing car park spacing is consideration for comparable transaction adjusted for timing of the comparable transaction and accessibility of the car park spacing. The weighted average market unit rate of the car park spacing is HK\$2,700,000 per one car park spacing (2018: HK\$2,500,000 per one car park spacing).

There were no transfers into or out of level 3 during the year.

All of the Group's investment properties were pledged to secure banking facilities granted to the Group at the end of both years.

15. 投資物業 *(續)*

在評估物業的公平值時，最高及最佳利用該物業是現時使用方式。

應用於評估辦公室單位的主要輸入數據來自市場現行價格及按可比較物業之交易價格進行比較，並因應面積、景觀、樓層及交易時間作出調整。加權平均市場價格為每平方尺27,288港元(二零一八年：每平方尺23,390港元)。而市場價格顯著增加，將導致公平值的顯著增加，反之亦然。應用於評估停車場車位的主要輸入數據來自成交價格比較，考慮其交易時間及方便性作出調整。加權平均市場價格為每個泊車位270萬港元(二零一八年：每個泊車位250萬港元)。

於年內第三級並沒有轉入或轉出。

於兩個年度末，本集團所有投資物業已抵押作為本集團獲授一般銀行信貸抵押。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

16. Property, Plant and Equipment

16. 物業、廠房及設備

| | | Leasehold land | Office Buildings | Factory buildings | Plant and machinery 及機器 | Furniture, fixtures and equipment 傢具、裝置 及設備 | Moulds and tools 模具及工具 | Motor vehicles 汽車 | Construction in progress 在建工程 | Total 合計 |
|-----------------------------------|---------------------------|---|---|-------------------------|-------------------------------|---|------------------------------|-------------------------|-------------------------------------|-----------------------|
| | | 租賃土地 HK\$'000 千港元 (Note) (附註) | 商業樓宇 HK\$'000 千港元 (Note) (附註) | 工廠物業 HK\$'000 千港元 | 廠房設備 HK\$'000 千港元 | 廠房設備 HK\$'000 千港元 | 模具及工具 HK\$'000 千港元 | 汽車 HK\$'000 千港元 | 在建工程 HK\$'000 千港元 | 合計 HK\$'000 千港元 |
| COST | 成本值 | | | | | | | | | |
| At 1 April 2017 | 於二零一七年四月一日 | 125 | 1,019 | 178,169 | 364,396 | 175,570 | 44,510 | 9,408 | 12,629 | 785,826 |
| Exchange adjustments | 外匯調整 | — | — | 13,399 | 32,092 | 14,105 | 170 | 622 | 3,133 | 63,521 |
| Additions | 添置 | — | — | — | 2,844 | 3,365 | 2,341 | 813 | 22,179 | 31,542 |
| Disposals/write-off | 出售/撇除 | — | — | — | (780) | (1,058) | (10) | (780) | — | (2,628) |
| At 31 March 2018 and 1 April 2018 | 於二零一八年 三月三十一日及 四月一日 | 125 | 1,019 | 191,568 | 398,552 | 191,982 | 47,011 | 10,063 | 37,941 | 878,261 |
| Exchange adjustments | 外匯調整 | — | — | (8,583) | (26,389) | (9,730) | (188) | (318) | (2,719) | (47,927) |
| Transfer | 轉移 | — | — | 43,505 | — | — | — | — | (43,505) | — |
| Additions | 添置 | — | — | — | 2,069 | 11,252 | 1,361 | 1,078 | 8,283 | 24,043 |
| Disposals/write-off | 出售/撇除 | — | — | (14,000) | (75,899) | (111,721) | (29,581) | (778) | — | (231,979) |
| At 31 March 2019 | 於二零一九年 三月三十一日 | 125 | 1,019 | 212,490 | 298,333 | 81,783 | 18,603 | 10,045 | — | 622,398 |
| DEPRECIATION | 折舊 | | | | | | | | | |
| At 1 April 2017 | 於二零一七年四月一日 | 5 | 1,019 | 78,309 | 318,913 | 162,621 | 39,763 | 5,594 | — | 606,224 |
| Exchange adjustments | 外匯調整 | — | — | 4,546 | 29,049 | 13,272 | 152 | 580 | — | 47,599 |
| Provided for the year | 本年度撥備 | — | — | 7,268 | 26,939 | 8,592 | 3,170 | 1,317 | — | 47,286 |
| Eliminated on disposals/write-off | 出售/撇除時抵銷 | — | — | — | (773) | (1,056) | (10) | (494) | — | (2,333) |
| At 31 March 2018 and 1 April 2018 | 於二零一八年 三月三十一日及 四月一日 | 5 | 1,019 | 90,123 | 374,128 | 183,429 | 43,075 | 6,997 | — | 698,776 |
| Exchange adjustments | 外匯調整 | — | — | (3,204) | (25,094) | (9,231) | (168) | (264) | — | (37,961) |
| Provided for the year | 本年度撥備 | — | — | 6,825 | 10,659 | 5,494 | 2,463 | 1,321 | — | 26,762 |
| Eliminated on disposals/write-off | 出售/撇除時抵銷 | — | — | (3,778) | (75,562) | (110,975) | (29,085) | (433) | — | (219,833) |
| At 31 March 2019 | 於二零一九年 三月三十一日 | 5 | 1,019 | 89,966 | 284,131 | 68,717 | 16,285 | 7,621 | — | 467,744 |
| CARRYING VALUES | 賬面值 | | | | | | | | | |
| At 31 March 2019 | 於二零一九年 三月三十一日 | 120 | — | 122,524 | 14,202 | 13,066 | 2,318 | 2,424 | — | 154,654 |
| At 31 March 2018 | 於二零一八年 三月三十一日 | 120 | — | 101,445 | 24,424 | 8,553 | 3,936 | 3,066 | 37,941 | 179,485 |

Note: The buildings situated in the leasehold land had been fully depreciated but still in use by the Group. The leasehold land is situated in Hong Kong.

附註: 位於租賃土地的樓宇已完全折舊，但仍被本集團使用。租賃土地是位於香港。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

16. Property, Plant and Equipment

(Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

| | | |
|--|-----------|--|
| Leasehold land | 租賃土地 | Over the lease terms of 912 years 租賃期912年 |
| Office buildings and factory buildings | 商業樓宇及工廠物業 | 4% or over the lease term, if shorter 4%或於租賃期內(如較短) |
| Plant and machinery | 廠房設備及機器 | 15% |
| Furniture, fixtures and equipment | 傢具、裝置及設備 | 20-33 $\frac{1}{3}$ % |
| Moulds and tools | 模具及工具 | 20-33 $\frac{1}{3}$ % |
| Motor vehicles | 汽車 | 20% |

17. Prepaid Lease Payments

The Group's prepaid lease payments represent land use rights located in the PRC.

16. 物業、廠房及設備(續)

上述各項物業、廠房及設備(在建工程除外)之折舊乃按下列年率直線法計算:

17. 預付租賃款項

本集團之預付租賃款項代表位於中國之土地使用權。

Analysed for reporting purposes as:

Non-current assets
Current assets

作匯報用途之分析:

非流動資產
流動資產

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 19,221 | 24,287 |
| 608 | 678 |
| 19,829 | 24,965 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

18. Club Debentures

CARRYING VALUE

At 1 April 2017, 31 March 2018 and 31 March 2019

賬面值

於二零一七年四月一日，二零一八年三月三十一日及二零一九年三月三十一日

HK\$'000
千港元

13,176

The club debentures with indefinite useful lives are tested for impairment annually and whenever there is an indication that they may be impaired. The directors of the Company are of the opinion that no impairment indication was identified with reference to market value.

無期限的會所債券於每年會作減值測試及當有跡象顯示減值會作減值。本公司董事根據參考市場價值，認為沒有減值跡象。

19. Available-For-Sale Investments

Available-for-sale investments comprise:

Unit-linked funds

Debt securities

單位連結式基金

債務證券

2018
二零一八年
HK\$'000
千港元

22,673

38,744

61,417

Analysed for reporting purposes as:

Non-current assets

Current assets

作匯報用途之分析：

非流動資產

流動資產

61,417

—

61,417

Investment in unit-linked funds represent pool investments, comprising equity and debts securities in various markets.

投資於單位連結式基金，是指投資組合，包括各類市場的股票及債務證券。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

20. Financial Assets at Fair Value Through Profit or Loss

Financial assets mandatorily measured at FVTPL:

Unit-linked funds 單位連結式基金
Debt instruments 債務工具

Investment in unit-linked funds represent pool investments, comprising equity and debts securities in various markets.

21. Debt Instruments at Fair Value Through Other Comprehensive Income

Investment in listed debt instruments within fixed interest rate from 1.43% to 4.50%

Details of impairment assessment are set out in Note 30.

20. 透過損益按公平值計算之金融資產

金融資產強制地透過損益按公平值計量：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 18,698 | — |
| 16,458 | — |
| 35,156 | — |

投資於單位連結式基金，是指投資組合，包括各類市場的股票及債務證券。

21. 按公平值計入其他全面收益的債務工具

固定利息為1.43%至4.5%內之上市債務工具投資

2018
二零一八年
HK\$'000
千港元

31,108

減值評估詳情載於附註30。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

22. Inventories

| | |
|------------------|-----|
| Raw materials | 原材料 |
| Work in progress | 在製品 |
| Finished goods | 製成品 |

22. 存貨

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 27,902 | 44,766 |
| 13,632 | 21,392 |
| 34,646 | 32,696 |
| 76,180 | 98,854 |

23. Trade Receivables/Other Receivables

| | |
|-----------------------------------|-----------------|
| Trade receivables | 應收貿易賬款 |
| — sales of goods | — 貨品銷售 |
| Less: Allowance for credit loss | 減：信貸虧損撥備 |
| Other receivables (Note) | 其他應收賬款(附註) |
| Total trade and other receivables | 應收貿易賬款及其他應收賬款總額 |

23. 應收貿易賬款／其他應收賬款

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 251,848 | 288,967 |
| (1,313) | — |
| 250,535 | 288,967 |
| 16,967 | 35,158 |
| 267,502 | 324,125 |

Note: As at 31 March 2019, the Group's other receivables mainly include value added tax recoverable of HK\$10,355,000 (2018: HK\$19,390,000), which will be recovered within one year.

Under the application of HKFRS 15, the amount of trade receivables as at 1 April 2018 is HK\$287,948,000.

附註：於二零一九年三月三十一日，本集團的其他應收賬款主要包括1,035萬5仟港元(二零一八年：1,939萬港元)之可收回增值稅款，將可於一年內收回。

根據香港財務報告準則第15號的應用，於二零一八年四月一日的貿易應收賬款金額為2億8,794萬8仟港元。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

23. Trade Receivables/Other Receivables

(Continued)

The following is an aged analysis of trade receivables, presented based on the invoice date which approximated the respective revenue recognition dates.

| | |
|-------------|---------|
| 0-90 days | 0-90日 |
| 91-120 days | 91-120日 |
| >120 days | 超過120日 |

As at 31 March 2019, included in the Group's trade receivables balance are debtors with aggregated carrying amount of approximately HK\$56,321,000 (2018: HK\$37,161,000) which are past due at the reporting date. The Group does not hold any collateral over these balances.

As at 31 March 2018, 87% of the trade receivables that are neither past due nor impaired have the best quality scoring attributable under the internal crediting scoring system used by the Group. The Group does not hold any collateral over these balances.

23. 應收貿易賬款／其他應收賬款(續)

以下為應收貿易賬款及應收票據於報告日以發票日期為基礎之賬齡分析，大約為該營業額確認日期。

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 198,339 | 254,204 |
| 51,909 | 32,611 |
| 1,600 | 2,152 |
| 251,848 | 288,967 |

於二零一九年三月三十一日，本集團應收貿易賬款包括賬面值合共5,632萬1仟港元(二零一八年：3,716萬1仟港元)之已逾期應收賬款。本集團並無就該等結餘持有任何抵押品。

於二零一八年三月三十一日，87%既不是逾期也不是減值的貿易應收款項屬於本集團所用內部信貸評分系統的最佳質量評分。本集團並未就該等結餘持有任何抵押品。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

23. Trade Receivables/Other Receivables

(Continued)

Age of trade receivables which are past due but not impaired:

Overdue by:

1-90 days

91-120 days

>120 days

逾期：

1-90日

91-120日

超過120日

2018

二零一八年

HK\$'000

千港元

37,148

7

6

37,161

As at 31 March 2018, included in the Group's trade receivables are debtors with aggregated carrying amount of approximately HK\$37,161,000 which are past due at the reporting date for which the Group has not provided for impairment loss as there has not been significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balance.

Details of impairment assessment of trade receivables for the year ended 31 March 2019 are set out in Note 30.

23. 應收貿易賬款／其他應收賬款(續)

已逾期但並無減值之應收貿易款項賬齡：

於二零一八年三月三十一日，本集團的貿易應收賬款包括賬面值合共約3,716萬1千港元之已逾期應收賬款，而本集團並無作出減值虧損撥備，因信貸質素並無重大變動，這些金額仍被視為可收回。本集團並無就該等結餘持有任何抵押品。

截至二零一九年三月三十一日止年度貿易應收賬款減值評估詳情載於附註30。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

24. Short-Term Deposits/Bank Balances and Cash

(a) **Short-term deposits**

Short-term deposits are deposits placed with banks or financial institution for investment purpose. The short-term deposits carry fixed interest rates with effective interest rates ranging from 0.10% to 5.75% (2018: 0.16% to 4.05%) per annum.

(b) **Bank balances and cash**

Bank balances carry interest at market rates which range from 0% to 0.5% (2018: 0% to 0.3%) per annum.

25. Trade Payables

The following is an aged analysis of trade payables presented based on the invoice date.

| | |
|-------------|---------|
| 0-90 days | 0-90日 |
| 91-120 days | 91-120日 |
| >120 days | 超過120日 |

The credit period on purchase of goods is 30 to 90 days.

24. 短期存款／銀行與現金結存

(a) **短期存款**

短期存款是存於銀行或金融機構為投資目的。短期存款按固定息率以實際利率法計算，年息為0.10%至5.75%（二零一八年：0.16%至4.05%）。

(b) **銀行結存和現金**

銀行結存按市場利率計息，年息約0%至0.5%（二零一八年：0%至0.3%）。

25. 應付貿易賬款

根據發票日期呈列之應付貿易賬款之賬齡分析如下：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 130,535 | 175,891 |
| 8,505 | 14,860 |
| 1,795 | 2,443 |
| 140,835 | 193,194 |

採購商品獲授30日至90日之信貸期。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

26. Secured Bank Loan

26. 有抵押銀行貸款

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------------|----------------------------------|----------------------------------|
| Secured bank loan, with carrying amount repayable (<i>Note</i>): | 有抵押銀行貸款，可償還之賬面值(附註)： | | |
| Within one year | 一年內 | 5,124 | 5,124 |
| Within a period of more than one year but not exceeding two years | 多於一年，但不超過兩年期間內 | 5,124 | 5,124 |
| Within a period of more than two years but not exceeding five years | 多於兩年，但不超過五年期間內 | 15,372 | 15,372 |
| Within a period of more than five years | 五年以上期間內 | 10,665 | 15,789 |
| | | 36,285 | 41,409 |
| Less: Amounts due within one year shown under current liabilities | 減：列賬於流動負債之一年內還款金額 | (5,124) | (5,124) |
| Amounts shown under non-current liabilities | 列賬於非流動負債之金額 | 31,161 | 36,285 |

Note: The amounts due are based on scheduled repayment dates set out in the loan agreements.

附註：到期還款金額是基於貸款協定所載之還款日期。

The bank loan is variable-rate borrowing which carry interest at 1-month Hong Kong Interbank Offered Rate (“HIBOR”) plus 0.8% per annum (2018: 1-month HIBOR plus 0.8% per annum). As at 31 March 2019, the effective interest rate on the Group’s borrowing is 2.15% per annum (2018: 1.47% per annum). The bank loan is secured by the Group’s investment properties with a fair value approximately HK\$327,400,000 (2018: HK\$281,000,000) (Note 15).

銀行貸款為浮動利率之借貸，年息率為香港銀行同業拆息(一個月)加0.8%(二零一八年：香港銀行同業拆息(一個月)加0.8%)。於二零一九年三月三十一日，本集團實際借貸年利率為2.15%(二零一八年：實際借貸年利率為1.47%)。銀行貸款乃由集團投資物業以公平值約為3億2,740萬港元(二零一八年：2億8,100萬港元)作擔保(附註15)。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

27. Deferred Taxation

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

| | | Accelerated tax depreciation | Withholding tax on distributable profit of subsidiaries in the PRC 中國附屬公司 可分配溢利之 預扣稅 | Total |
|--------------------------------------|--------------------------------|---------------------------------|---|-----------------------|
| | | 加速稅項折舊 HK\$'000 千港元 | 預扣稅 HK\$'000 千港元 | 總額 HK\$'000 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | (5,052) | (8,017) | (13,069) |
| Charge to profit or loss | 於損益賬扣減 | 103 | 5,761 | 5,864 |
| At 31 March 2018 and 1 April 2018 | 於二零一八年 三月三十一日及 二零一八年四月一日 | (4,949) | (2,256) | (7,205) |
| Credit (charge) to profit or loss | 於損益賬回撥(扣減) | 692 | (740) | (48) |
| At 31 March 2019 | 於二零一九年 三月三十一日 | (4,257) | (2,996) | (7,253) |

At the end of the reporting period, the Group has unused tax losses of HK\$65,619,000 (2018: HK\$63,463,000) available for offset against future profits. No deferred tax assets has been recognised in respect of these tax losses due to the unpredictability of future project streams.

Included in unrecognised tax losses of HK\$59,912,000 (2018: HK\$57,126,000) that will be expired in various dates through 2023 (2018:2022). Other losses may be carried forward indefinitely.

Under the EIT Law in the PRC and implementation regulations issued by the State Council, withholding tax at 5% rate is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has been fully provided for in the consolidated financial statements in respect of temporary differences attributable to retained profits of the PRC subsidiaries.

就綜合財務狀況表之呈列而言，若干遞延稅項資產及負債已抵銷。以下為用於財務呈報目的之遞延稅項結餘分析：

於本報告期末，本集團有未動用的稅項虧損6,561萬9千港元(二零一八年：6,346萬3千港元)可用以抵銷未來溢利。因難以確定未來溢利來源，故未就該稅項虧損確認遞延稅項資產。

包括未確認之稅項虧損5,991萬2千港元(二零一八年：5,712萬6千港元)將於不同日期到期，直至二零二三年(二零一八年：二零二二年)。其他虧損可能無限期結轉。

根據中國企業所得稅法例，及由國務院發布的實施條例，從二零零八年一月一日開始，由中國附屬公司所得的利潤而派發之股息，以5%的預扣稅稅率徵收。有關中國附屬公司保留溢利的暫時性差異所得的遞延稅項已於綜合財務報表內充分提供。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

28. Share Capital

| | |
|----------------------------------|----------------|
| Ordinary shares of HK\$0.10 each | 每股面值0.10港元之普通股 |
| Authorised: | 法定： |
| At beginning and end of the year | 於年初及年結時 |
| Issued and fully paid: | 已發行及繳足： |
| At beginning and end of the year | 於年初及年結時 |

28. 股本

| 2019 & 2018 二零一九年及 二零一八年 | 2019 & 2018 二零一九年及 二零一八年 |
|--------------------------------|--------------------------------|
| Number of shares 股份數量 | HK\$'000 千港元 |
| 600,000,000 | 60,000 |
| 335,432,520 | 33,543 |

29. Capital Risk Management

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

The capital structure of the Group consists of net debt, which includes secured bank loan disclosed in Note 26, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure on a quarterly basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the issue of new debt or the redemption of existing debt.

29. 資本風險管理

本集團管理資本，旨在確保本集團實體可按持續基準經營，並透過優化債務及權益平衡為股東帶來最大回報。本集團之整體策略自去年以來一直維持不變。

本集團之資本架構包括債項淨額，含有抵押銀行貸款（於附註26披露），淨現金及現金等值及本公司擁有人應佔權益，當中包括已發行股本、其他儲備及保留溢利。

本公司董事按季度檢討資本架構。董事考慮資本成本及各類資本相關風險作為審閱之一部分。根據本公司董事的建議，本集團將透過支付股息、發行新股、發行新債券或贖回現有債項，以平衡其整體資本架構。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments

30a. Categories of financial instruments

| Financial assets | 金融資產 |
|---|--------------------|
| Financial assets at amortised cost | 按攤銷成本列賬之金融資產 |
| Loans and receivables (including cash and cash equivalents) | 貸款及應收賬款(包括現金及現金等值) |
| Available-for-sale investments | 可供出售投資 |
| Financial assets at FVTPL | 透過損益按公平值計算之金融資產 |
| Debt instruments at FVTOCI | 按公平值計入其他全面收益之債務工具 |
| Financial liabilities | 金融負債 |
| Financial liabilities at amortised cost | 按攤銷成本列賬之金融負債 |

30b. Financial risk management objectives and policies

The Group's major financial instruments include debt instruments at FVTOCI, financial assets at FVTPL, trade receivables, other receivables, short-term deposits, bank balances and cash, trade payables, other payables and secured bank loan. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

30. 金融工具

30a. 金融工具類別

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Financial assets at amortised cost | 809,771 | — |
| Loans and receivables (including cash and cash equivalents) | — | 887,005 |
| Available-for-sale investments | — | 61,417 |
| Financial assets at FVTPL | 35,156 | — |
| Debt instruments at FVTOCI | 31,108 | — |
| Financial liabilities at amortised cost | 177,438 | 234,904 |

30b. 財務風險管理目標及政策

本集團之主要金融工具包括債務工具按公平值計入其他全面收益、透過損益按公平值計算之金融資產、應收貿易賬款、其他應收賬款、短期存款、銀行結餘及現金、應付貿易賬款、其他應付賬款及有抵押銀行貸款。該等金融工具詳情於各附註披露。該等金融工具相關風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。下文為如何降低該等風險之政策。管理層管理及監控該等風險以確保及時和有效地採取適當之措施。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Market risk

Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which exposes the Group to foreign currency risk. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

| | |
|---------------------------------|-----|
| United States dollar ("USD") | 美元 |
| Renminbi ("RMB") | 人民幣 |
| HK\$ | 港元 |

Sensitivity analysis

The Group is mainly exposed to exchange rate fluctuations of USD, HK\$ and RMB against the functional currency of respective group entities, which is either HK\$ or RMB. As the USD will only vary between HK\$7.75=USD1.00 and HK\$7.85=USD1.00 under the Linked Exchange Rate System, the management of the Company are of the opinion that the Group's exposure to USD relative to HK\$ is minimal and accordingly, no foreign currency sensitivity analysis on USD is presented.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

市場風險

貨幣風險

本公司有數間附屬公司以外幣進行買賣，使集團承受外幣風險。於報告期結束日，本集團以外幣計算之貨幣資產及貨幣負債之賬面值如下：

| Liabilities 負債 | | Assets 資產 | |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
| 4,047 | 13,112 | 619,630 | 644,765 |
| - | - | 20,659 | 31,250 |
| - | - | 485,859 | 558,888 |

敏感度分析

本集團主要承受美元、港元及人民幣滙兌各集團實體功能貨幣，即港元或人民幣之匯率波動風險。由於聯繫匯率制度，美元只會於7.75港元=1.00美元及7.85港元=1.00美元之間變動，本公司管理層認為本集團美元風險相對於港元很低，故此沒有為美元作外幣敏感度分析。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

The following table details the Group's sensitivity to a 3% (2018: 3%) increase and decrease in functional currency of respective group entities against the relevant foreign currencies. These percentages are the rates used when reporting foreign currency risk internally to key management personnel and represent management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 3% (2018: 3%) change in foreign currency rates. A positive (negative) number below indicates an increase (decrease) in post-tax profit where the functional currencies of respective group entities weaken 3% against the foreign currencies. A 3% (2018: 3%) strengthening of the functional currencies of respective group entities against the relevant currencies, there would be an equal and opposite impact on the profit.

| | Impact of HK\$ 港元沖擊 | | Impact of RMB 人民幣沖擊 | |
|-------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
| Profit or loss for the year 本年溢利／虧損 | 10,932 | 12,575 | 518 | 783 |

The above is mainly attributable to the exposure to short-term deposits, outstanding receivables and payables and intergroup receivables and payables at the year end.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

敏感度分析(續)

下表詳列因應本集團對於各集團實體功能貨幣匯兌相關外幣匯率上下波動3%的敏感度(二零一八年: 3%)。該等百分比為向內部主要管理人員匯報外幣風險所用之敏感度，並為管理層對匯率可能合理變動之評估。敏感度分析僅包括以外幣計算之尚結存的貨幣項目，並於年終調整其換算3%(二零一八年: 3%)以反映外幣匯率之變動。下列正數(負數)表示各集團實體功能貨幣匯兌相關外幣轉弱3%所導致的除稅後溢利增加(減少)。倘各集團實體功能貨幣匯兌相關外幣或假如外幣轉強3%(二零一八年: 3%)，將會對溢利造成相等及相反之影響。

上述主要來自年度末期所面對的短期存款，應收賬款及應付賬款及集團內部應收及應付賬款的風險。

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate short-term deposits and listed debt instruments at FVTOCI.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate secured bank loan (see Note 26 for details of the loan) and bank balances.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate secured bank loan at the end of the reporting period. The analysis is prepared assuming the secured bank loan outstanding at the end of the reporting period were outstanding for the whole year. A 10 basis point (2018: 10 basis point) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 10 basis point (2018: 10 basis point) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2019 would decrease/increase by HK\$30,000 (2018: decrease/increase by HK\$35,000). This is attributable to the Group's exposure to interest rates on its secured bank loan.

Other price risk

The Group is exposed to price risk through its investments in unit-linked funds (2018: available-for-sale investments). The management considers these risks are insignificant and therefore no sensitivity analysis on such risks has been prepared. However, the management will closely monitor such exposures and consider hedging such exposures should the need arise.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

市場風險(續)

利率風險

本集團於定息短期存款承受公平值利率風險及按公平值計入上市債務工具。

本集團亦因浮息有抵押貸款(此貸款詳情見附註26)及銀行結餘承受現金流量利率風險。

敏感度分析

下文的敏感度分析於報告期結束時已根據有抵押貸款所承受浮動利息利率風險釐定。分析乃假設於報告期末仍未償還之有抵押銀行貸款為全年未償還貸款而製定。向內部主要管理人員匯報利率風險時用增或減10基點(二零一八年: 10基點), 並代表管理層對利率可能合理變動之評估。

倘利率高/低10基點(二零一八年: 10基點)及所有其他可變動因素維持不變, 則本集團截至二零一九年三月三十一日止年度之除稅後溢利將減少/增加3萬港元(二零一八年: 減少/增加3萬5千港元)。此乃來自本集團有抵押貸款所承受的利率風險。

其他價格風險

本集團因投資單位連結式基金而面臨價格風險(二零一八年: 可供出售投資)。管理層考慮到此等風險並不嚴重, 因此, 沒有對此等風險作敏感度分析。然而, 管理層會密切監察此等風險和在有需要時會考慮對沖此等風險。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

Trade receivables

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at 31 March 2019 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

The Group's credit risk is primarily attributable to its trade receivables and the Group has been largely dependent on a small number of customers for a substantial portion of its business. The top three customers represent over 83% (2018: 83%) of the trade receivables at 31 March 2019. The failure of these customers to make required payment could have a substantial negative impact on the Group's profits and liquidity.

In order to minimise the credit risk, the management of the Group has credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2018: incurred loss model) on trade balances individually. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

信貸風險及減值評估

應收貿易賬款

倘交易方於二零一九年三月三十一日未能履行彼等就各類已確認金融資產之承擔，則本集團須承受之最高信貸風險為於綜合財務狀況表所載該資產之賬面金額。本集團並無持有任何抵押品或其他信貸增強措施以彌補其金融資產相關的信貸風險。

本集團主要的信貸風險為其貿易應收賬款，本集團大部份之業務乃依靠少數的客戶。於二零一九年三月三十一日，最大三個客戶所佔的應收貿易款項超過83%（二零一八年：83%）。此等客戶如未能付款，將對集團的溢利和流動資金有重大的負面影響。

為將信貸風險降至最低，本集團管理層已有信貸審批及其他監控程序，以確保採取跟進措施收回逾期末付之債項。此外，本集團根據香港財務報告準則第9號（二零一八年：已發生虧損模型）就貿易結餘應用預期信貸虧損模式進行個別減值評估。就此而言，本公司董事認為，本集團之信貸風險已大幅降低。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Trade receivables (Continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its trade debtors. The following table provides information about the exposure to credit risk for trade debtors, which are assessed individually for debtors.

| Internal credit rating | 內部信用評級 | Average loss rates 平均損失率 | Gross carrying amount 賬面總值 HK\$'000 千港元 |
|------------------------|--------|-----------------------------|--|
| Low risk | 低風險 | 0.10% | 200,252 |
| Watch list | 觀察名單 | 2.15% | 51,596 |
| | | | 251,848 |

Low risk: Reputable counterparty with low probability of default, long and stable business relationship and well established repayment pattern

Watch list: The counterparty has lower default risk and usually settle after due date

The following table shows the movement in lifetime ECL that has been recognised for trade receivables:

| | | Not credit impaired 未有信貸減值 HK\$'000 千港元 |
|--|--------------------------------|--|
| As at 31 March 2018 under HKAS 39 | 於二零一八年三月三十一日 (根據香港會計準則第39號) | - |
| Adjustment upon application of HKFRS 9 | 應用香港財務報告準則第9號後之調整 | 1,019 |
| As at 1 April 2018 – As restated | 於二零一八年四月一日(重列) | 1,019 |
| Net re-measurement of loss allowance | 減值虧損重新計量淨額 | 294 |
| As at 31 March 2019 | 於二零一九年三月三十一日 | 1,313 |

30b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

應收貿易賬款(續)

作為本集團信貸風險管理的一部分，本集團對其貿易債務人採用內部信用評級。下表提供了有關貿易債務人暴露於信貸風險的資料，這些資料是對債務人個別評估的。

低風險：信譽良好的交易對手保持長期穩定的業務關係和完善的還款模式，違約概率較低

觀察名單：交易對手的違約風險較低並且通常會在到期日後結算

下表顯示已確認應收貿易賬款的生命週期預期信貸虧損變動：

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Bank balances and short-term deposits

The credit risk on bank balances and short-term deposits are limited because the counterparties are reputable banks in Hong Kong or financial institutions with high credit ratings assigned by international credit-rating agencies. The ECL of bank balances and short-term deposits was assessed to be immaterial.

Debt instruments at FVTOCI

The Group only invests in debt securities with low credit risk. The Group's debt instruments at FVTOCI mainly comprise listed bonds and notes that are graded in the top investment grade as per globally understood definitions and therefore are considered to be low credit risk investment. The ECL of debt instruments at FVTOCI was assessed to be immaterial.

Other than concentration of credit risk on trade receivables set out above, bank balances and short-term deposits which are deposited with several banks or financial institutions with high credit ratings, the Group does not have any other significant concentration of credit risk.

Liquidity risk

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

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

銀行結餘及短期存款

銀行結餘及短期存款存在之信貸風險是有限的，因為交易方為經國際信用評級機構評定為有高信用評級之香港有信譽銀行或財務機構。銀行結餘及短期存款的預期信貸虧損被評估為不重要。

按公平值計入其他全面收益的債務工具

本集團僅投資低信貸風險的債務證券。本集團按公平值計入其他全面收益的債務工具主要包括根據全球理解定義在最高投資等級評級的上市債券及票據，因此被視為低信貸風險投資。按公平值計入其他全面收益的債務工具的預期信貸虧損被評估為不重要。

除上述信貸風險集中於應收貿易賬款，銀行結餘及存於若干銀行或信貸評級較高的金融機構的短期存款外，本集團並無任何其他重大信貸集中風險。

流動資金風險

在管理流動資金風險時，本集團監控及保持現金及現金等值水平，並維持於管理層認為足夠之水平，為本集團的業務營運提供資金並減輕現金流量波動的影響。管理層監察銀行借貸之使用情況。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity tables

| 2019 | 二零一九年 |
|---|--------------|
| Financial liabilities at amortised cost | 按攤銷成本列賬之金融負債 |
| Trade payables | 應付貿易賬款 |
| Other payables | 其他應付賬款 |
| Secured bank loan | 有抵押銀行貸款 |
| - variable rate | - 浮息 |

| Weighted average interest rate | Less than 3 months | 3 months to 1 year | 1 to 2 years | 2 to 5 years | Over 5 years | Total undiscounted cash flows | Carrying amount at |
|--------------------------------|--------------------|--------------------|--------------|--------------|--------------|-------------------------------|--------------------|
| | | | | | | | 31 March 2019 |
| 加權平均利率 | 少於三個月 | 三個月至一年 | 一年至二年 | 二年至五年 | 五年以上 | 未折現值現金流量總額 | 三月三十一日之賬面值 |
| % | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| - | 140,396 | 439 | - | - | - | 140,835 | 140,835 |
| - | 318 | - | - | - | - | 318 | 318 |
| 2.15 | 1,478 | 4,384 | 5,744 | 16,571 | 10,914 | 39,091 | 36,285 |
| | 142,192 | 4,823 | 5,744 | 16,571 | 10,914 | 180,244 | 177,438 |

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

流動資金風險(續)

下表詳列本集團非衍生金融負債之餘下合約到期日。此表乃根據本集團於可被要求償還金融負債之最早日期之未折現值現金流量編製。此表包括利息及本金現金流量。利息流量為浮動利率，就此而言，未折現值金額來自於報告期結束時之利率作計算。

流動資金表

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30b. Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

| | | Weighted average interest rate | Less than 3 months | 3 months to 1 year | 1 to 2 years | 2 to 5 years | Over 5 years | Total undiscounted cash flows | Carrying amount at |
|--|------------------|--------------------------------------|-----------------------|-----------------------|-----------------|-----------------|-----------------|-------------------------------------|-------------------------|
| | | | | | | | | | 31 March 2018 |
| | | | | | | | | | 二零一八年 三月三十一日 之賬面值 |
| | | | 三個月至 一年 | 一年 至二年 | 二年至五年 | 五年以上 | | 未折現現金 流量總額 | 二零一八年 三月三十一日 之賬面值 |
| | | % | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| 2018 | 二零一八年 | | | | | | | | |
| Financial liabilities at amortised cost | 按攤銷成本列賬之 金融負債 | | | | | | | | |
| Trade payables | 應付貿易賬款 | - | 175,891 | 17,303 | - | - | - | 193,194 | 193,194 |
| Other payables | 其他應付賬款 | - | 301 | - | - | - | - | 301 | 301 |
| Secured bank loan | 有抵押銀行貸款 | | | | | | | | |
| - variable rate | - 浮息 | 1.47 | 1,434 | 4,269 | 5,624 | 16,416 | 16,157 | 43,900 | 41,409 |
| | | | 177,626 | 21,572 | 5,624 | 16,416 | 16,157 | 237,395 | 234,904 |

The amounts included above for variable interest rate bank loan are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

倘浮息與該等於報告期末釐定之估計利率出現差異，計入上述銀行貸款之浮息工具之金額將會變動。

30c. Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

30c. 按公平值計量之金融工具

此附註提供本集團如何釐定各種金融資產的公平值之資料。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30c. Fair value measurements of financial instruments

(Continued)

(i) **Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis**

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

| Financial assets 金融資產 | Fair value as at 公平值 | | Fair value hierarchy 公平值等級 | Valuation techniques and key inputs 估值技術及關鍵輸入數據 |
|--|---|---|----------------------------------|---|
| | 31 March 2019 於二零一九年 三月三十一日 HK\$'000 千港元 | 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 | | |
| Unit-linked funds | | | Level 2 | Redemption value quoted by the relevant investment funds with reference to the underlying assets of the funds |
| 單位連結式基金 | | | 第二級 | 有關基金投資的贖回價值乃根據基金的相關資產 |
| - classified as financial assets at FVTPL | 18,698 | - | | |
| - 分類為透過損益按公平值計算之金融資產 | | | | |
| - classified as available-for-sale investments | - | 22,673 | | |
| - 分類為可供出售投資 | | | | |

30. 金融工具(續)

30c. 按公平值計量之金融工具(續)

(i) **本集團的金融資產及金融負債公平值根據經常性基準按公平值計量**

於各報告期末，本集團部分金融資產乃按公平值計量。下表提供如何釐定該等金融資產公平值的資料(特別是所用估值技術)，以及按公平值計量輸入數據的可觀察程度，將公平值計量分為公平值等級第1級至第3級。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30c. Fair value measurements of financial instruments

(Continued)

(i) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)*

| Financial assets 金融資產 | Fair value as at 公平值 | | Fair value hierarchy 公平值等級 | Valuation techniques and key inputs 估值技術及關鍵輸入數據 |
|--|---|---|----------------------------------|---|
| | 31 March 2019 於二零一九年 三月三十一日 HK\$'000 千港元 | 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 | | |
| Listed debt securities 上市債務證券 | | | Level 1 第一級 | Quoted bid prices in an active market 於活躍市場所報買賣價 |
| - classified as debt instruments measured at FVTOCI - 分類為按公平值計入其他全 面收益的債務工具 | 31,108 | - | | |
| - classified as financial assets at FVTPL - 分類為透過損益按公平值計 算之金融資產 | 16,458 | - | | |
| - classified as available-for-sale investments - 分類為可供出售投資 | - | 38,744 | | |

* The Group has initially applied HKFRS 9 at 1 April 2018. Under the transition method, the comparative information is not restated.

30c. 按公平值計量之金融工具(續)

(i) 本集團的金融資產及金融負債公平值根據經常性基準按公平值計量(續)

* 本集團於二零一八年四月一日初步應用香港財務報告準則第9號。根據過渡法，比較資料不予重列。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

30. Financial Instruments (Continued)

30c. Fair value measurements of financial instruments

(Continued)

(ii) **Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The fair value of financial assets and financial liabilities, carried at amortised cost, are determined in accordance with generally accepted pricing models which is based on discounted cash flows analysis using the relevant prevailing market rates as input.

The directors of the Company consider that the carrying amounts of the financial assets and financial liabilities recognised at amortised cost in the consolidated financial statements approximate their fair values.

31. Share Option Scheme

Pursuant to the Company's share option scheme (the "Scheme") adopted on 8 August 2012 for the primary purpose of providing incentives to directors of the Company and eligible employees, the directors and employees of the Company may, at the discretion of the directors of the Company, be granted options (the "Options") to subscribe for shares in the Company (the "Shares") at a price determined by its directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheet for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

Without prior approval from the Company's shareholders, the total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, and the number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time.

30. 金融工具(續)

30c. 按公平值計量之金融工具(續)

(ii) **本集團並非根據經常性基準按公平值計量的金融資產及金融負債之公平值**

金融資產及金融負債之公平值，按攤銷成本列賬，乃根據通用定價模式，按折現現金流量分析以目前市場交易價格作為投入數據計算。

本公司董事認為，於綜合財務報表內按攤銷成本確認之其他金融資產及金融負債之賬面值與其公平值相若。

31. 購股權計劃

根據本公司於二零一二年八月八日採納之購股權計劃(「購股權計劃」)主要目的為向本公司董事及合資格僱員提供獎勵，本公司董事可酌情授出購股權予本公司之董事及僱員以認購本公司之股份，認購價由董事釐定，惟不得低於下列三者中之最高者：(i)股份於要約授出購股權當日(須為交易日)之收市價(以聯交所日報表所載者為準)；(ii)股份於緊接要約授出購股權當日前五個交易日之平均收市價(以聯交所日報表所載者為準)；及(iii)股份面值。

如沒有本公司股東預先批准，行使根據購股權計劃發行之股份總數不得超過本公司於任何期間已發行股份之10%，及於任何一年發行股份總數予個別人士，不得超過本公司於任何期間已發行股份之1%。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

31. Share Option Scheme (Continued)

The Scheme will remain in force for a period of ten years from the date of its adoption. Options granted must be taken up not later than 28 days after the date of grant. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. An option is exercisable on the date when the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the options.

No options have been granted during the year under the Scheme.

32. Reconciliation of Liabilities Arising From Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

| | | Interest payable | Dividend payable | Secured bank loan 有抵押 銀行貸款 | Total |
|-----------------------------------|----------------------------|-------------------------|-------------------------|----------------------------------|-----------------------|
| | | 應付利息 HK\$'000 千港元 | 應付股息 HK\$'000 千港元 | 銀行貸款 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | - | - | 46,533 | 46,533 |
| Financing cash flows | 融資現金流 | (612) | (41,929) | (5,124) | (47,665) |
| Dividend declared | 已宣派股息 | - | 41,929 | - | 41,929 |
| Finance cost on bank loan | 銀行貸款之財務成本 | 612 | - | - | 612 |
| At 31 March 2018 and 1 April 2018 | 於二零一八年三月三十一日及 二零一八年四月一日 | - | - | 41,409 | 41,409 |
| Financing cash flows | 融資現金流 | (994) | (23,480) | (5,124) | (29,598) |
| Dividend declared | 已宣派股息 | - | 23,480 | - | 23,480 |
| Finance cost on bank loan | 銀行貸款之財務成本 | 994 | - | - | 994 |
| At 31 March 2019 | 於二零一九年三月三十一日 | - | - | 36,285 | 36,285 |

31. 購股權計劃(續)

購股權計劃的維持有效期為自有關購股權生效當日起計10年。已授予之購股權必須於授予後28天內認購，須付1港元作接受此購股權之代價。在該期間內可隨時行使，從授出購股權要約當日起計，惟在任何情況下不得遲於授出購股權日期起計10年。

購股權計劃於兩個年度內並無授予認購股權。

32. 融資活動產生之負債對賬

下表詳列本集團因融資活動而產生的負債變動，包括現金及非現金變動。融資活動產生的負債為該等現金流曾經或未來現金流將於本集團之綜合現金流量表中分類為融資活動所得現金流之負債。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

33. Related Party Disclosures

- (a) Rental expenses paid or payable by the Group to its related parties are as follows:

| | |
|----------------------------------|---------------|
| Immediate holding company | 直接控股公司 |
| Allan Investment Company Limited | 亞倫投資有限公司 |
| Fellow subsidiaries | 同系附屬公司 |
| Income Village Limited | 儲鎮有限公司 |
| Fair Pacific Limited | 海暉有限公司 |
| Ardent Investment Limited | 雅隆投資有限公司 |

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases with immediate holding company and fellow subsidiaries which are included in Note 34 and fall due as follows:

| | |
|---------------------------------------|---------------------|
| Immediate holding company | 直接控股公司 |
| Within one year | 一年內 |
| In the second to fifth year inclusive | 第二年至第五年 (包括首尾兩年) |

33. 關連人士披露

- (a) 本集團已付或應付租金開支予有關連人士如下：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 900 | 900 |
| 204 | 204 |
| 984 | 984 |
| 884 | — |

於報告年度結束時，本集團與直接控股公司及同系附屬公司不可撤回的營運租賃(已包括在附註34)而要支付來年最低租賃款項承擔如下：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 900 | 900 |
| — | 900 |
| 900 | 1,800 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

33. Related Party Disclosures (Continued)

(a) (Continued)

| Fellow subsidiaries | 同系附屬公司 |
|---------------------------------------|---------------------|
| Within one year | 一年內 |
| In the second to fifth year inclusive | 第二年至第五年 (包括首尾兩年) |

Certain directors of the Company have controls in Allan Investment Company Limited, Income Village Limited, Fair Pacific Limited and Ardent Investment Limited.

The compensation of key management personnel consists of director's remuneration as set out in Note 7.

The remuneration of directors of the Company is recommended by the remuneration committee having regard to the performance of individuals, market trends and conditions with a view to retain and motivate executives.

34. Operating Leases

The Group as lessee

| | |
|--|----------------------|
| Minimum lease payments paid during the year under operating leases in respect of rented premises | 本年度就營運租賃出租物業支付最低租賃款項 |
|--|----------------------|

33. 關連人士披露 (續)

(a) (續)

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 1,832 | 1,188 |
| - | 204 |
| 1,832 | 1,392 |

部份公司董事於亞倫投資有限公司、儲鎮有限公司、海暉有限公司及雅隆投資有限公司有控制權。

主要管理人員之補償包括附註7所列之董事酬金。

本公司董事之酬金乃按個別人士的表現、市場趨勢及情況，由薪酬委員會提交建議，務求挽留及推動行政人員繼續為集團效力。

34. 營運租賃

本集團作為承租人

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 4,507 | 2,339 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

34. Operating Leases (Continued)

The Group as lessee (Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases, including operating leases with related parties, which fall due as follows:

| | |
|---------------------------------------|--------------------|
| Within one year | 一年內 |
| In the second to fifth year inclusive | 第二至第五年 (包括首尾兩年) |
| Over five years | 超過五年 |

Operating lease payments represent rentals payable for rented premises. Leases are negotiated for a term ranging from one to three years (2018: one to three years) and rentals are fixed throughout the lease period.

The Group as lessor

Property rental income earned during the year was HK\$6,642,000 (2018: HK\$5,730,000). The property held has committed tenants for the next two years (2018: two years).

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

| | |
|---------------------------------------|---------------------|
| Within one year | 一年內 |
| In the second to fifth year inclusive | 第二年至第五年 (包括首尾兩年) |

34. 營運租賃(續)

本集團作為承租人(續)

於報告年度結束時，本集團按不可撤回營運租賃，包括與有關連人士之營運租賃，而需支付來年最低租賃款項承擔如下：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 2,750 | 2,108 |
| 78 | 1,183 |
| 78 | 107 |
| 2,906 | 3,398 |

營運租賃款項指出租物業應付之租金。租賃按一年至三年(二零一八年：一年至三年)期限協商及於租賃期內為固定租金。

本集團作為出租人

年內物業租金收入為664萬2千港元(二零一八年：573萬港元)，持有的物業與租戶們已承諾未來兩年租約(二零一八年：兩年)。

於報告年度結束時，本集團與租戶們就下列未來最低租賃款項訂立合約：

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 4,779 | 6,352 |
| 4,063 | 2,158 |
| 8,842 | 8,510 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

35. Capital Commitments

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:

- acquisition of property, plant and equipment
- construction of a factory plant

已簽訂之資本承擔但並未於綜合財務報告書內撥備：

- 購買物業、廠房及設備
- 建設工廠設備

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 876 | 1,556 |
| - | 7,117 |
| 876 | 8,673 |

36. Retirement Benefits Schemes

The subsidiaries operating in Hong Kong participates in both an "ORSO Scheme" and a "MPF Scheme". The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees.

The ORSO Scheme is funded by contributions from employees of 5% of their salaries. The employers will contribute based on the monthly salaries of employees according to the following schedule:

| Number of completed years of service | 完成服務年期 | Rate of contribution 供款率 |
|--|------------|-----------------------------|
| Not more than 5 years | 少於五年 | 5% |
| More than 5 years but not more than 10 years | 多於五年但不多於十年 | 7.5% |
| More than 10 years | 多於十年 | 10% |

35. 資本承擔

36. 退休福利計劃

香港附屬公司參與兩項定額供款計劃：公積金計劃及強積金計劃。該等計劃資產與本集團資產為分開持有，有關資產由各託管人所控制之獨立基金持有。

參加公積金計劃之僱員，每月供款為入息之5%。僱主將根據以下基制來訂定每月替僱員供款之供款額：

36. Retirement Benefits Schemes (Continued)

The employees are entitled to the full benefit of the subsidiaries' contributions and accrued returns after participating in the ORSO Scheme for 10 years or more, or at an increased scale of 30% to 90% after participating in the ORSO Scheme from 3 to 9 years respectively. Where an employee leaves the employment prior to becoming fully entitled to the employer's contributions, the excess contributions are forfeited and the employer may utilise the forfeited contributions to reduce its future contributions. At 31 March 2018 and 2019, the Group had no material unutilised forfeited contributions in the ORSO Scheme which may be used to reduce the Group's future contributions.

The MPF Scheme is available to all employees aged 18 to 65 and with at least 59 days of service under the employment in Hong Kong. The Group contributes at the lower of 5% of relevant payroll costs monthly to the MPF Scheme, subject to a maximum amount of HK\$1,500 per month for each employee, which contribution is matched by employees.

The employees of the subsidiaries operating in the PRC are required to participate in a central pension scheme operated by the local municipal government. The contributions for the scheme in the PRC are made based on a percentage of the average salary as advised by the relevant authority in the PRC. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme. The subsidiaries operating in the PRC also contributed to a local municipal government retirement scheme for all qualified employees in the PRC. The employer and its employees are each required to make contributions to the scheme at the rates specified in the rules.

The only obligation of the Group with respect to the retirement schemes in the PRC is to make the retired contributions under the schemes. No forfeited contribution is available to reduce the contribution payable in the future years.

36. 退休福利計劃(續)

參加公積金計劃滿十年之僱員，可全部享有附屬公司為僱員供之供款額及其供款利息，若參加年數為3至9年，僱員將享有30%至90%僱主之供款額。倘僱員於未能領取全部僱主供款前離職，則多出供款將予沒收，而僱主可運用所沒收之供款扣減日後應付之供款。於二零一八年及二零一九年三月三十一日，本集團沒有重大沒收供款可作扣減日後應付供款運用。

強積金計劃可供所有18至65歲受僱於香港最少59日之僱員參加。本集團每月均按強積金計畫之最低5%相關工資成本供款，而每名員工每月最高可達1,500港元，該供款與員工供款數額相同。

中國附屬公司之僱員需要參加由地方政府運作之中央退休福利計劃。於中國之供款計劃乃根據中國有關當局所建議之平均工資百份比計算供款。供款已在綜合損益及其他全面收益表內扣除，根據中央退休金計劃之條例，此款項為應付。中國附屬公司提供地區政府退休福利計劃給所有合資格國內員工。僱主及僱員均須按特定條例的比率向該計劃供款。

此為本集團於國內唯一需要承擔之退休供款。沒有沒收之供款可作減低將來應付供款。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

37. Particulars of Subsidiaries

Particulars of the Company's subsidiaries as at 31 March 2019 and 2018, all of which are wholly-owned subsidiaries of the Company, are as follows:

37. 附屬公司詳情

於二零一九年及二零一八年三月三十一日，本公司之附屬公司，全部均為本公司之全資附屬公司，詳情如下：

| Name of subsidiary 附屬公司名稱 | Place of incorporation or establishment/ operations 註冊或成立／營業地點 | Issued and fully paid share capital or registered capital 已發行及繳足股本或註冊資本 | Principal activities 主要業務 |
|---|--|--|---|
| Allan Electric Mfg., Limited 亞倫電業製造有限公司 | Hong Kong 香港 | 100 ordinary shares and 50,000 non-voting deferred shares 100股普通股及50,000股無投票權遞延股份 | Investment holding 投資控股 |
| Allan International Limited* | British Virgin Islands/ Hong Kong 英屬處女群島／香港 | 55,000 ordinary shares of HK\$1 each 55,000股每股面值1港元之普通股 | Investment holding 投資控股 |
| Allan Mould Manufacturing Limited 亞倫工模製造有限公司 | Hong Kong/the PRC 香港／中國 | 100 ordinary shares 100股普通股 | Manufacturing of plastic injection moulds 生產塑膠注塑模具 |
| Allan Plastic Mfg., Limited 亞倫塑膠廠有限公司 | Hong Kong 香港 | 3,005 ordinary shares 3,005股普通股 | Property holding and trading of household electrical appliances 持有物業及銷售家庭電器 |
| Allan Toys Manufacturing Limited 亞倫玩具製品有限公司 | Hong Kong 香港 | 270,000 ordinary shares 270,000股普通股 | Inactive 暫無業務 |
| 亞倫工業科技(惠州)有限公司 | The PRC [#] 中國 | Registered capital of USD49,600,000 註冊資本49,600,000美元 | Manufacturing of household electrical appliances and plastic parts 生產家庭電器及塑膠零件 |
| 雅美工業(惠陽)有限公司 | The PRC [#] 中國 | Registered capital of HK\$75,000,000 註冊資本75,000,000港元 | Manufacturing of household electrical appliances and plastic parts 生產家庭電器及塑膠零件 |
| Artreal Manufactory Limited 雅美工業有限公司 | Hong Kong 香港 | 2 ordinary shares 2股普通股 | Trading of household electrical appliances 銷售家庭電器 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

37. Particulars of Subsidiaries (Continued)

37. 附屬公司詳情(續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation or establishment/ operations 註冊或成立/營業地點 | Issued and fully paid share capital or registered capital 已發行及繳足股本或註冊資本 | Principal activities 主要業務 |
|--|--|--|--|
| Conan Electric Manufacturing Limited 康倫電業製造有限公司 | Hong Kong 香港 | 2 ordinary shares 2股普通股 | Trading of household electrical appliances 銷售家庭電器 |
| Electrical Investments Limited | British Virgin Islands/ Hong Kong 英屬處女群島/香港 | 1 ordinary share of USD1 1股面值1美元之普通股 | Inactive 暫無業務 |
| Ever Sources Investment Limited 卓茂投資有限公司 | Hong Kong 香港 | 100 ordinary shares 100股普通股 | Inactive 暫無業務 |
| Global Express (HK) Limited 協進(香港)有限公司 | Hong Kong 香港 | 2 ordinary shares 2股普通股 | Inactive 暫無業務 |
| Good Eagle Investment Limited 佳鷹投資有限公司 | Hong Kong 香港 | 1 ordinary share 1股普通股 | Investment holding 投資控股 |
| Great Yield Limited 長怡有限公司 | Hong Kong 香港 | 1 ordinary share 1股普通股 | Trading of household electrical appliances 銷售家庭電器 |
| 惠陽亞倫塑膠電器實業有限公司 | The PRC [#] 中國 | Registered capital of HK\$100,000,000 註冊資本100,000,000港元 | Manufacturing of household electrical appliances and plastic parts 生產家庭電器及塑膠零件 |
| 雅進工業科技(惠州)有限公司 | The PRC [#] 中國 | Registered capital of USD3,500,000 註冊資本3,500,000美元 | Manufacturing and trading of household electrical appliances and plastic parts 生產及銷售家庭電器及塑膠零件 |
| Karan Electric Manufacturing Limited 嘉倫電業製造有限公司 | Hong Kong 香港 | 100 ordinary shares 100股普通股 | Trading of household electrical appliances 銷售家庭電器 |
| New Prestige Investments Limited* | Hong Kong 香港 | 1 ordinary share 1股普通股 | Property investment 投資物業 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

37. Particulars of Subsidiaries (Continued)

37. 附屬公司詳情(續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation or establishment/ operations 註冊或成立/營業地點 | Issued and fully paid share capital or registered capital 已發行及繳足股本或註冊資本 | Principal activities 主要業務 |
|---|--|--|----------------------------------|
| Ngai Shing (Far East) Plastic & Metalwares Factory Limited 藝成(遠東)塑膠五金廠有限公司 | Hong Kong 香港 | 100 ordinary shares and 54,000 non-voting deferred shares 100股普通股及54,000股無投票權遞延股份 | Property holding 持有物業 |
| Progress Associates Limited* | British Virgin Islands/ Hong Kong 英屬處女群島/香港 | 1 ordinary share of USD1 1股面值1美元之普通股 | Investment in securities 證券投資 |
| Total Profits Limited | British Virgin Islands/ Hong Kong 英屬處女群島/香港 | 2 ordinary shares of USD1 each 2股面值1美元之普通股 | Investment holding 投資控股 |
| Warran Electric Manufacturing Limited 華倫電業製造有限公司 | Hong Kong 香港 | 100 ordinary shares 100股普通股 | Inactive 暫無業務 |
| Well Sincere Investment Limited* 有誠投資有限公司* | Hong Kong 香港 | 2 ordinary shares 2股普通股 | Investment holding 投資控股 |

* Direct subsidiaries

Wholly foreign-owned enterprises

* 直接附屬公司

全資外商獨資企業

None of the subsidiaries had issued any debt securities at the end of the year.

於年終，附屬公司概無發行任何債務證券。

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

38. Statement of Financial Position and Reserves of The Company

38. 本公司財務狀況表及儲備

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | |
| Property and equipment | 物業及設備 | 9,060 | 1,378 |
| Interests in subsidiaries | 附屬公司權益 | 76,518 | 76,518 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 154,409 | 154,843 |
| Deferred tax asset | 遞延稅項資產 | - | 68 |
| Club debenture | 會所債券 | 10,705 | 10,705 |
| | | 250,692 | 243,512 |
| CURRENT ASSETS | 流動資產 | | |
| Other receivables | 其他應收賬款 | 2,446 | 2,203 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 1,846 | 1,950 |
| Tax recoverable | 應退稅項 | 448 | - |
| Short-term deposits | 短期存款 | 159,777 | 123,718 |
| Bank balances and cash | 銀行結餘及現金 | 17,811 | 37,788 |
| | | 182,328 | 165,659 |
| CURRENT LIABILITIES | 流動負債 | | |
| Other payables and accruals | 其他應付款項及應付未付 | 7,578 | 23,647 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 17,708 | 11,004 |
| Tax liability | 稅項負債 | - | 16 |
| | | 25,286 | 34,667 |
| NET CURRENT ASSETS | 淨流動資產 | 157,042 | 130,992 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | 407,734 | 374,504 |
| NON-CURRENT LIABILITY | 非流動負債 | | |
| Deferred tax liability | 遞延稅項負債 | 338 | - |
| NET ASSETS | 資產淨值 | 407,396 | 374,504 |
| CAPITAL AND RESERVES | 資本及儲備 | | |
| Share capital | 股本 | 33,543 | 33,543 |
| Reserves | 儲備 | 373,853 | 340,961 |
| | | 407,396 | 374,504 |

Notes to the Consolidated Financial Statements

For the year ended 31 March 2019

綜合財務報告書附註

截至二零一九年三月三十一日止年度

38. Statement of Financial Position and Reserves of The Company (Continued)

38. 本公司財務狀況表及儲備 (續)

Movement in the Company's reserves

公司儲備變動

| | | Share premium | Redemption reserve | Capital contributed surplus | Investment revaluation reserve | Retained profits | Total |
|--|------------------------------|---------------|--------------------|-----------------------------|--------------------------------|------------------|----------|
| | | 股份溢價 | 回購儲備 | 股本 繳入盈餘 | 投資 重估儲備 | 保留溢利 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | 109,884 | 793 | 28,230 | (461) | 162,008 | 300,454 |
| Profit and total comprehensive income for the year | 本年度盈利及綜合收益總額 | - | - | - | - | 81,975 | 81,975 |
| Net gain on revaluation of available-for-sale investments | 重估可供出售投資的淨收益 | - | - | - | 269 | - | 269 |
| Dividends recognised as distribution | 確認作分派之股息 | - | - | - | - | (41,929) | (41,929) |
| Cumulative gain reclassified to profit or loss on sale of available-for-sale investments | 出售可供出售投資的 累計收益重新分類至 損益 | - | - | - | 192 | - | 192 |
| At 31 March 2018 and 1 April 2018 | 於二零一八年三月三十一日 及二零一八年四月一日 | 109,884 | 793 | 28,230 | - | 202,054 | 340,961 |
| Profit and total comprehensive income for the year | 本年度盈利及綜合收益總額 | - | - | - | - | 56,372 | 56,372 |
| Dividends recognised as distribution | 確認作分派之股息 | - | - | - | - | (23,480) | (23,480) |
| At 31 March 2019 | 於二零一九年三月三十一日 | 109,884 | 793 | 28,230 | - | 234,946 | 373,853 |

Financial Summary

財務概要

The following table summarises the results, assets and liabilities of the Group for the five years ended 31 March 2019.

下表總結了本集團截至二零一九年三月三十一日止五個年度的業績、資產及負債。

| | | For the year ended 31 March 截至三月三十一日止年度 | | | | |
|---------------------|-------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2019 二零一九年 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 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
| Revenue | 營業額 | 1,209,200 | 1,305,166 | 1,325,082 | 1,565,325 | 1,946,003 |
| Profit before tax | 除稅前溢利 | 33,852 | 55,453 | 84,225 | 143,012 | 85,933 |
| Taxation | 稅項 | (5,733) | (8,673) | (11,278) | (7,356) | (15,453) |
| Profit for the year | 本年度溢利 | 28,119 | 46,780 | 72,947 | 135,656 | 70,480 |

| | | At 31 March 於三月三十一日 | | | | |
|-------------------|------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2019 二零一九年 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 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
| Total assets | 資產總值 | 1,496,758 | 1,587,421 | 1,608,184 | 1,694,186 | 1,643,831 |
| Total liabilities | 負債總值 | 362,888 | 449,407 | 489,993 | 520,352 | 568,376 |
| Net assets | 資產淨值 | 1,133,870 | 1,138,014 | 1,118,191 | 1,173,834 | 1,075,455 |

