



Chevalier International Holdings Limited
其士國際集團有限公司

(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：25)

**Journey to
success**
憑實力 走更遠

ANNUAL REPORT 2020

二零二零年年報



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FINANCIAL SUMMARY

財務概要

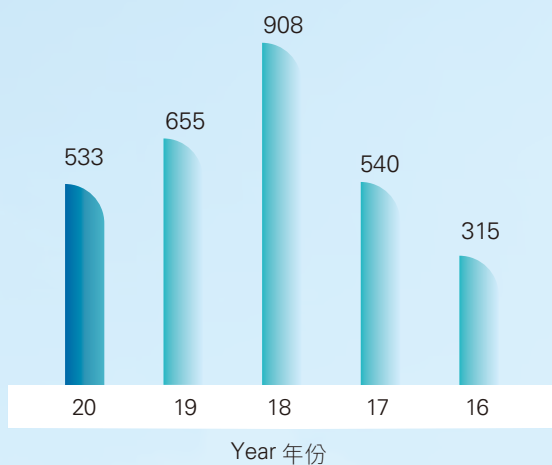
2020 HIGHLIGHTS 二零二零年撮要



PROFIT ATTRIBUTABLE TO
SHAREHOLDERS OF THE COMPANY

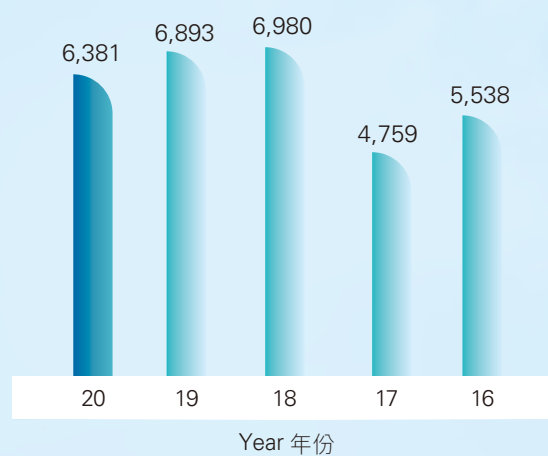
本公司股東應佔溢利

(HK\$ million 港幣百萬元)



REVENUE
收入

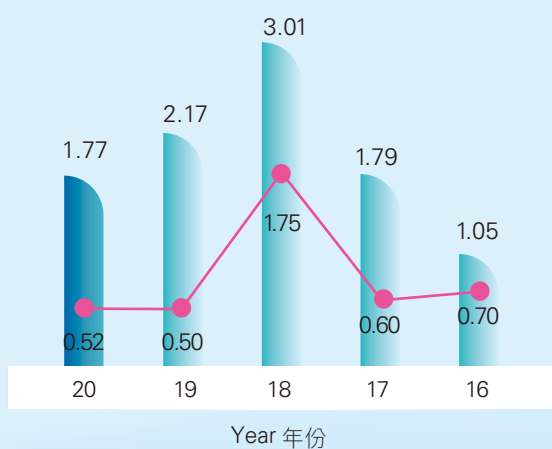
(HK\$ million 港幣百萬元)



EARNINGS AND
DIVIDENDS PER SHARE

每股盈利及股息

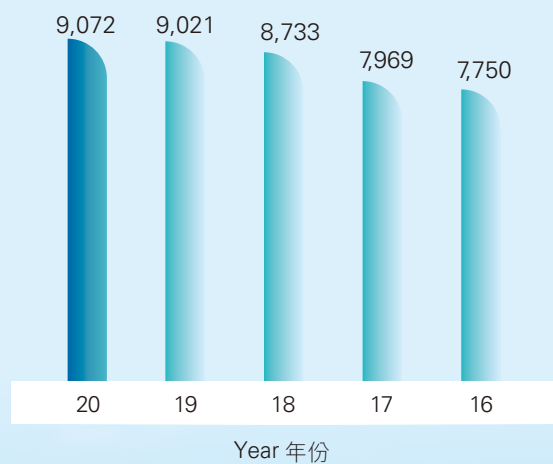
(HK\$ 港幣)



■ Earnings 盈利 ● Dividends 股息

SHAREHOLDERS' FUNDS
股東資金

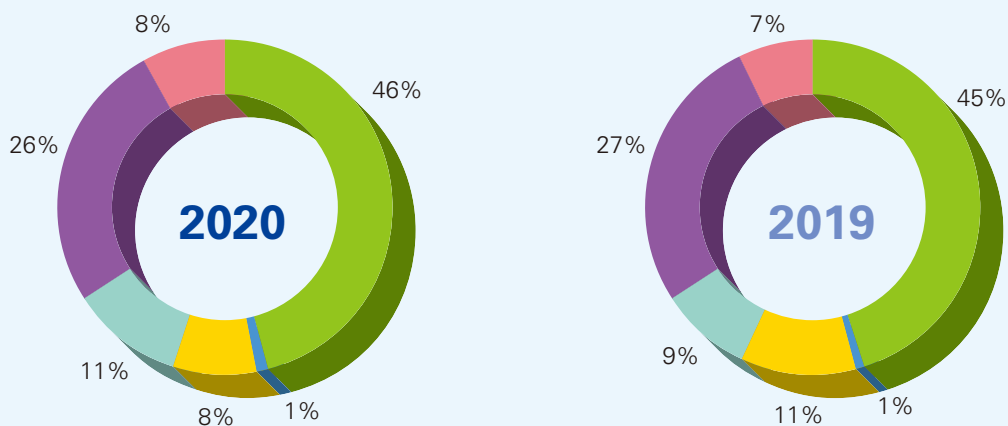
(HK\$ million 港幣百萬元)



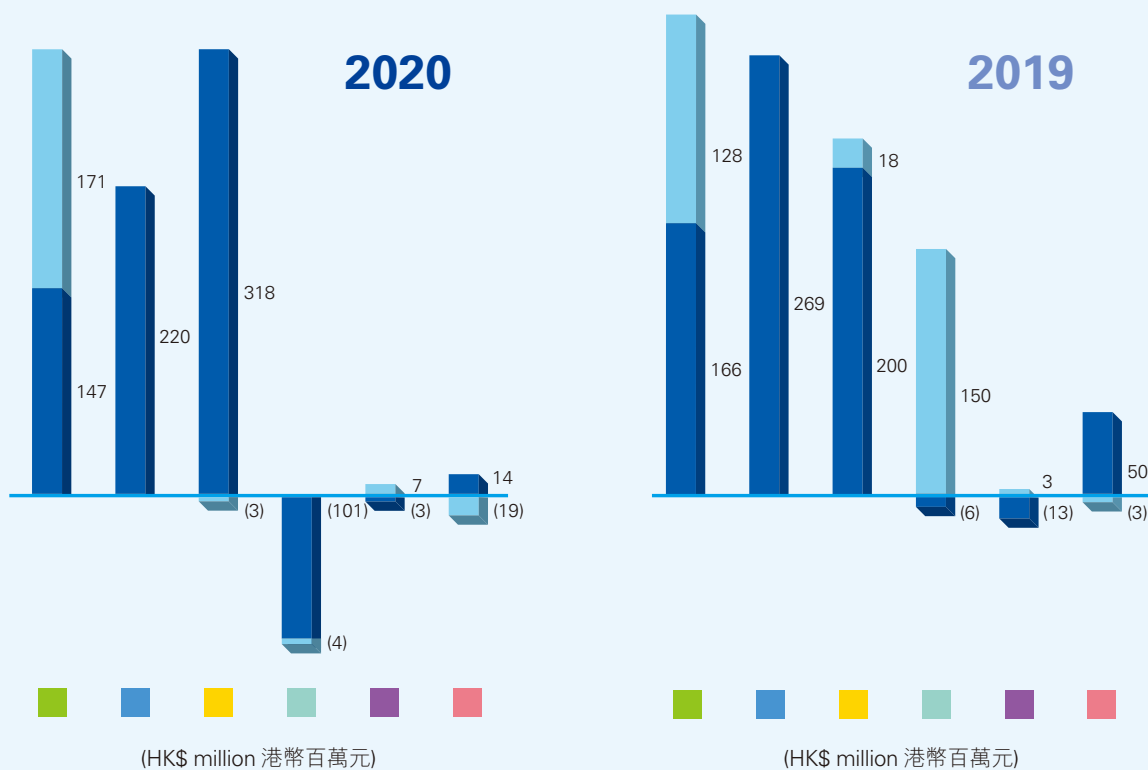
FINANCIAL SUMMARY

財務概要

SEGMENT REVENUE 分類收入



SEGMENT PROFIT/(LOSS) 分類溢利/(虧損)



- Construction and engineering
建築及機械工程
- Healthcare investment
保健護理投資
- Subsidiaries
附屬公司
- Associates and joint ventures
聯營公司及合營企業
- Property investment
物業投資
- Car dealership
汽車代理
- Property development and operations
物業發展及營運
- Others
其他

FINANCIAL SUMMARY

財務概要

The following is a summary of the total assets, total liabilities, results and other financial information of Chevalier International Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as of year ended 31 March for the last five years.

下列為其士國際集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)於過往五年內截至三月三十一日止年度之總資產、總負債、業績及其他財務資料概要。

Financial Information (HK\$ million)	財務資料(港幣百萬元)	2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
Total assets	總資產	17,039	17,093	16,105	15,064	14,520
Total liabilities	總負債	7,356	7,451	6,769	6,561	6,282
Total equity	總權益	9,683	9,642	9,336	8,503	8,238
<i>Non-controlling interests</i>	<i>非控股權益</i>	611	621	603	534	488
<i>Shareholders' funds</i>	<i>股東資金</i>	9,072	9,021	8,733	7,969	7,750
Share capital	股本					
– in number (million)	– 數目(百萬股)	302	302	302	302	302
– in value (HK\$1.25 per share)	– 數值(每股港幣1.25元)	377	377	377	377	377
Revenue	收入	6,381	6,893	6,980	4,759	5,538
Profit attributable to shareholders of the Company	本公司股東應佔溢利	533	655	908	540	315
Per Share Basis (HK\$)	每股計算(港幣)					
Earnings – basic	盈利 – 基本	1.77	2.17	3.01	1.79	1.05
Dividends	股息	0.52	0.50	1.75	0.60	0.70
Net assets value	資產淨值					
– excluding non-controlling interests	– 不包括非控股權益	30.0	29.9	28.9	26.4	25.7

		2020 二零二零年 HK\$ million 港幣百萬元	2019 二零一九年 HK\$ million 港幣百萬元
Segment Revenue*	分類收入*		
● Construction and engineering	建築及機械工程	4,105	4,262
● Property investment	物業投資	143	140
● Property development and operations	物業發展及營運	699	1,021
● Healthcare investment	保健護理投資	964	866
● Car dealership	汽車代理	2,303	2,595
● Others	其他	693	679
Total	總額	8,907	9,563
Segment Profit/(Loss)*	分類溢利/(虧損)*		
● Construction and engineering	建築及機械工程	318	294
● Property investment	物業投資	220	269
● Property development and operations	物業發展及營運	315	218
● Healthcare investment	保健護理投資	(105)	144
● Car dealership	汽車代理	4	(10)
● Others	其他	(5)	47
Total	總額	747	962

* Included share of revenue/results of associates and joint ventures
包括所佔聯營公司及合營企業之收入/業績

CORPORATE INFORMATION

企業資料

CHAIRMAN EMERITUS

The late Dr. CHOW Yei Ching

EXECUTIVE DIRECTORS

Mr. KUOK Hoi Sang (*Chairman and Managing Director*)

Mr. TAM Kwok Wing (*Deputy Managing Director*)

Mr. HO Chung Leung

Mr. MA Chi Wing

Miss Lily CHOW

NON-EXECUTIVE DIRECTORS

Dr. KO Chan Gock, William

Mr. CHOW Vee Tsung, Oscar

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. YANG Chuen Liang, Charles

Professor POON Chung Kwong

Mr. Irons SZE

Mr. SUN Leland Li Hsun

SECRETARY

Mr. MUI Chin Leung

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

and Registered Public Interest Entity Auditor

22nd Floor, Prince's Building

Central, Hong Kong

PRINCIPAL BANKERS

Berkadia Commercial Mortgage LLC

Capital One, National Association

Chong Hing Bank Limited

DBS Bank Ltd., Hong Kong Branch

Hang Seng Bank Limited

The Bank of East Asia, Limited

The Hongkong and Shanghai Banking Corporation Limited

Shanghai Commercial Bank Limited

SOLICITORS

Appleby

Mayer Brown JSM

Robertsons

REGISTERED OFFICE

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

榮譽主席

已故周亦卿博士

執行董事

郭海生先生 (主席兼董事總經理)

譚國榮先生 (副董事總經理)

何宗樑先生

馬志榮先生

周莉莉小姐

非執行董事

高贊覺博士

周維正先生

獨立非執行董事

楊傳亮先生

潘宗光教授

施榮懷先生

孫立勳先生

秘書

梅展良先生

核數師

羅兵咸永道會計師事務所

執業會計師

及註冊公眾利益實體核數師

香港中環

太子大廈二十二樓

主要往來銀行

Berkadia Commercial Mortgage LLC

Capital One, National Association

創興銀行有限公司

星展銀行有限公司香港分行

恒生銀行有限公司

東亞銀行有限公司

香港上海滙豐銀行有限公司

上海商業銀行有限公司

律師

毅柏律師事務所

孖士打律師行

羅拔臣律師事務所

註冊辦事處

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

PRINCIPAL PLACE OF BUSINESS

22nd Floor, Chevalier Commercial Centre
8 Wang Hoi Road, Kowloon Bay
Hong Kong
Telephone: (852) 2318 1818
Facsimile: (852) 2757 5138

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

MUFG Fund Services (Bermuda) Limited
4th Floor
North Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

SHARE LISTING

The Stock Exchange of Hong Kong Limited
Stock Code: 25

WEBSITE

<http://www.chevalier.com>

主要營業地點

香港
九龍灣宏開道八號
其士商業中心二十二樓
電話：(852) 2318 1818
傳真：(852) 2757 5138

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor
North Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港股份過戶登記分處

卓佳標準有限公司
香港皇后大道東一八三號
合和中心五十四樓

股份上市

香港聯合交易所有限公司
股份代號：25

網址

<http://www.chevalier.com>

FINANCIAL CALENDAR

Announcement of Results

Interim Results	27 November 2019
Final Results	26 June 2020

Book Close Dates

Interim Dividend	13 to 17 December 2019
Annual General Meeting	21 to 28 August 2020
Final Dividend	7 to 11 September 2020

Annual General Meeting 28 August 2020

Payment of Dividends

Interim dividend of HK\$0.20 per share	20 December 2019
Final dividend of HK\$0.32 per share	18 September 2020

財務日誌

業績公佈

中期業績	二零一九年十一月二十七日
末期業績	二零二零年六月二十六日

截止過戶日期

中期股息	二零一九年十二月十三日至十七日
股東週年大會	二零二零年八月二十一日至二十八日
末期股息	二零二零年九月七日至十一日

股東週年大會 二零二零年八月二十八日

派發股息

中期股息	二零一九年十二月二十日
每股港幣 0.20 元	
末期股息	二零二零年九月十八日
每股港幣 0.32 元	

LETTER TO SHAREHOLDERS

致股東之函件

Dear Shareholders,

I am pleased to report the results of the Group for the financial year 2019/20.

The past year was full of uncertainties as a result of the escalation in the tension between the US and China and the outbreak of the COVID-19 pandemic. The volatility of the global financial market and its impact on worldwide economic growth have gradually surfaced. Hong Kong also had to, since June 2019, deal with consecutive months of social unrest from which Hong Kong will need time to slowly recover. In order to relieve the adverse impact and economic downturn caused by the pandemic, the Government of the HKSAR has adopted a massive scale of measures to ease pressure.

The construction and engineering industry in Hong Kong has inevitably been affected by the roll out schedules of tenders for large-scale public works. Moreover, the progress of the rehabilitation and modernisation works of lifts in aged buildings was also hindered or deferred as a result of COVID-19. The entertainment and resort business in Macau was also hard hit by the pandemic and hence the activities of the construction and engineering projects in Macau slowed down significantly as well.

The adverse impacts arising from the social unrest and COVID-19 have also spilled over to various businesses of the Group. Unfavourable factors including the weakening of inbound tourism, transport interruptions, business suspensions and the global economic slowdown affected, since the second half of 2019, the local business environment and the general population's spending pattern. Hence, most of our business units have also to a certain extent been affected by these adverse impacts.

Nevertheless, we hold a guarded optimistic view on the long-term growth of the construction and engineering industry in Hong Kong and Macau. Land supply has always been a sensitive issue and was the focal point in the Chief Executive's 2019 Policy Address. The Government of the HKSAR has urged the public works subcommittee of Legco to expedite the vetting process of the Government's public works projects. Moreover, in response to the strategy to increase housing supply as mentioned in the Policy Address in both 2018 and 2019, the Urban Renewal Authority has recently kicked-off statutory planning procedures of two pilot projects in Kowloon City to redevelop buildings under the Civil Servants' Co-operative Building Society Scheme. Apart from public tenders, the Group will make use of multiple channels to replenish its land bank cautiously in Hong Kong for property development and property investment. The Government has set up a HK\$1 billion Construction Innovation and Technology Fund to encourage players in the construction industry to widely adopt innovative construction methods and new technologies so as to promote productivity, building quality and site safety and also to enhance environmental performance which will surely benefit industry players as a whole. As for Macau, we anticipate that projects in Macau for upgrading entertainment and resort facilities will kick start again with the lifting of lockdown restrictions and the resumption of normal life and services.

各位股東：

本人欣然報告本集團於二零一九／二零財政年度的業績。

中美緊張關係加劇，加上2019冠狀病毒病大流行爆發，令去年充滿不確定性。環球金融市場波動對世界經濟增長的影響已逐漸浮現。自二零一九年六月起，香港還要面對連續多月的社會動盪，需要時間慢慢復原。為緩解疫情帶來的不利影響與經濟下行，香港特區政府已實施大規模紓困措施解困。

香港的建築及機械工程行業無可避免受到大型公共工程招標推出時間表的影響。此外，舊樓的升降機修復與優化工程的進度，亦因爆發2019冠狀病毒病而受阻或延遲。澳門的娛樂及渡假酒店行業亦受疫情重創，令澳門的建築及機械工程項目進度大幅減慢。

社會動盪及2019冠狀病毒病所產生的不良影響亦擴至本集團其他業務。不利因素包括抵港旅客減少、交通運輸受阻、店舖暫停營業及全球經濟放緩等從二零一九年下半年起影響本地營商環境及普羅大眾的消費模式。據此，我們大部分業務亦在一定程度上受到負面衝擊。

然而，我們仍對香港及澳門建築及機械工程行業的長遠增長持審慎樂觀。土地供應一直是個敏感議題，亦是行政長官二零一九年施政報告的重點。香港特區政府已敦促立法會的工務小組委員會加快政府公共工程項目的審批程序。此外，為回應二零一八年及二零一九年施政報告中所提及增加房屋供應的策略，市區重建局最近啟動在九龍城區兩個重建公務員建屋合作社先導計劃項目的法定規劃程序。除了參與公開招標，本集團亦會利用各種渠道謹慎補充其於香港的土地儲備，以作物業發展與物業投資之用。政府成立了達港幣10億元的建造業創新及科技基金，鼓勵業界廣泛採用創新建築方法及科技以促進生產力、提升建造質素、改善工地安全，並提高環保效益，必定能惠及整個業界。澳門方面，我們預期隨著出行限制獲得放寬、生活與服務回復正常，當地娛樂及渡假酒店設施的改造工程项目將重新展開。

Although the path ahead is uphill and is full of challenges, the Group remains positive with the increase of land and housing supply as stated in the Chief Executive's Policy Address. The Group anticipates that the resilient Hong Kong property market will soon make a come-back in light of the strong solid demand for housing coupled with the low interest rate environment. In addition, the Government's target of expediting the commencement of infrastructure projects will most likely provide plenty of business opportunities in Hong Kong.

On the healthcare business front, we believe that our healthcare business has great organic growth potentials given the ageing population will only grow larger with the advancement of technology extending life span and with decreasing birth rates worldwide. The ravages caused by COVID-19 will also likely raise people's general interest in health awareness.

With the various measures implemented by the Government of the HKSAR and major central banks supporting the restarting of global economic activities, the Group is hopeful that our various businesses can benefit from those measures and the Group endeavours to seize all possible business opportunities as the economy picks up.

Year 2020 marks the 50th anniversary of the Group. The Group has sailed across low and high tides for over five decades in the ever changing Hong Kong business environment. With a healthy financial position coupled with a professional and experienced management team and dedicated staff members, we are confident that the Group will continue to sail through obstacles smoothly in the many decades ahead.

On behalf of the Board, I would like to extend my heartfelt gratitude to our shareholders and business partners for their continuing support, and to our colleagues for their dedication and hard work over the years.

KUOK Hoi Sang
Chairman and Managing Director

雖然前路挑戰處處，但本集團對行政長官施政報告所述之增加土地與房屋供應這一點仍持積極態度。由於房屋的剛性需求強大，加上息口低企，本集團預期香港物業市場即將重回正軌。此外，政府銳意加快基建項目動工，勢將為香港帶來大量商機。

在保健護理業務方面，由於科技進步令人類壽命延長，加上各國出生率持續下降，令高齡人口有增無減，因此我們相信保健護理業務的整體增長潛力巨大。2019冠狀病毒病造成的禍害亦令所有人提升健康的關注。

香港特區政府落實多項措施，加上各主要央行支持重啟全球經濟活動，本集團希望集團各項業務能從有關舉措中受惠，並能把握每個機遇。

二零二零年是本集團成立五十週年。過去五十年來，伴隨香港的營商環境不斷改變，本集團經歷幾許高低起伏，依然屹立。憑藉穩健的財務狀況，以及專業資深的管理團隊與竭誠盡忠的員工，本集團有信心在未來歲月仍能克服險阻，繼續前行。

本人謹代表董事會，向一直支持我們的股東與業務夥伴以及多年來盡心盡力的集團上下全人致以由衷謝意。

主席兼董事總經理
郭海生

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's consolidated revenue was HK\$6,381 million (2019: HK\$6,893 million), representing a decrease of 7% when compared with the last financial year. Taking into account its share of revenue in its associates and joint ventures, total segment revenue was HK\$8,907 million (2019: HK\$9,563 million), representing a decrease of 7%. Profit for the year ended 31 March 2020 reported a decrease of 19% to HK\$567 million after taking into account contributions from one-off disposal gains deriving from the sale of the (i) office and commercial property development project at Tai Yip Street, Kwun Tong amounting to HK\$167 million, (ii) industrial property located at East Sun Industrial Centre at Kwun Tong amounting to HK\$39 million and (iii) residential and commercial property project located at Davis Street, Kennedy Town amounting to HK\$74 million. Profit attributable to the Company's shareholders for the year ended 31 March 2020 decreased to HK\$533 million (2019: HK\$655 million), and earnings per share was HK\$1.77 (2019: HK\$2.17).

CONSTRUCTION AND ENGINEERING

The Construction and Engineering segment's revenue for the year ended 31 March 2020 recorded a slight decrease of 4% to HK\$4,105 million (2019: HK\$4,262 million) while segment profit increased by 8% from HK\$294 million to HK\$318 million. The increase in profit was mainly due to the increase in the contribution from the Group's associates.

Our building construction division continued to serve clients in both the private and public sectors. The overall performance of this segment maintained steady growth. During the year under review, the Group invested sizable resources and manpower in the latest prefabricated construction technology, that is, the Modular Integrated Construction (MiC) and the advanced virtual visualisation technology of Building Information Modelling (BIM), so as to enhance the productivity of the Group, improve site safety and also to resolve the labour shortage problem in the market.

The performance of the electrical and mechanical engineering division also maintained steady growth as this division continued to work on projects of Galaxy Resort & Casino at Cotai City, Macau for the provision of mechanical, electrical and plumbing works during the year under review.

The contribution of the aluminium windows and curtain walls division and the building supply division experienced a decrease in both revenue and profit due to the slowdown of building and construction projects in the market during the year. With the passing of budget bills of government projects, both divisions will take proactive actions with caution in seeking business opportunities in the coming year.

The environmental engineering division reported a positive contribution as a result of the recognition of profit after the completion of projects during the year. The division will continue to partner with seasoned experts in this field to form joint ventures and carry out sewage treatment and water treatment works projects from the Drainage Services Department and Water Supplies Department respectively.

本集團的綜合收入為港幣63.81億元(二零一九年：港幣68.93億元)，較上個財政年度下降7%。經計入其所佔聯營公司及合營企業收入後，總分類收入為港幣89.07億元(二零一九年：港幣95.63億元)，下跌7%。截至二零二零年三月三十一日止年度的溢利減少19%至港幣5.67億元，已計及來自出售下列項目的一次性收益貢獻：(i)位於觀塘大業街的辦公室及商用物業發展項目港幣1.67億元；(ii)位於觀塘怡生工業中心的工業物業港幣3,900萬元；及(iii)位於堅尼地城爹核士街的住宅及商用物業項目港幣7,400萬元。截至二零二零年三月三十一日止年度的本公司股東應佔溢利減至港幣5.33億元(二零一九年：港幣6.55億元)，而每股盈利則為港幣1.77元(二零一九年：港幣2.17元)。

建築及機械工程

建築及機械工程分類截至二零二零年三月三十一日止年度錄得收入輕微下降4%至港幣41.05億元(二零一九年：港幣42.62億元)，而分類溢利則由港幣2.94億元上升8%至港幣3.18億元。溢利上升主要由於本集團的聯營公司收入貢獻增加。

本集團樓宇建築部門繼續為私營及公營機構客戶服務。該分類的整體表現維持穩定增長。於回顧年內，本集團在最新預製建築技術(即組裝合成建築法(MiC)及先進虛擬可視化技術—建築信息模擬(BIM))方面投放大量資源及人手，以提升本集團的生產力、改善地盤安全，並解決市場上勞工短缺的問題。

於回顧年內，機電工程部門的表現亦維持穩定增長，該部門繼續在位於澳門路氹城的澳門銀河渡假城及娛樂場提供機電及管道工程項目。

由於市場上的樓宇及建築項目放緩，鋁窗及幕牆部門以及建材供應部門的收入及溢利於年內均錄得減少。於本財政年度後，隨著政府項目的預算法案通過，該兩個部門於來年將會謹慎積極開拓商機。

由於溢利可於項目完成後確認，環境工程部門於年內帶來正面貢獻。該部門將繼續與行內經驗豐富的專家合作，組成合營企業以承造渠務署及水務署之污水處理及食水處理工程項目。

As a result of the turnaround in the performance of its associates in Mainland China, the lift and escalator division recorded an encouraging result during the year. With an increase in the awareness of lift safety and the advocacy for rehabilitation of lifts in ageing buildings in Hong Kong, it is anticipated that the demand for the supply and installation of lifts and related equipment to replace aged lifts under the Government Lift Modernisation Subsidy Scheme will increase. Leveraging on the Group's expertise and good track record in the lift and escalator industry, the Group believes that we are in a competitive position and will capture any future market opportunities in the coming year.

As at 31 March 2020, the total value of all outstanding construction and engineering contracts of the Group's subsidiaries amounted to HK\$4,455 million. Major contracts include:

1. Construction of the extension of the operating theatre block for Tuen Mun Hospital, New Territories;
2. Construction of commercial development at A.I.L. 462 Yip Kan Street & Wong Chuk Hang Road, Hong Kong;
3. Construction of heated swimming pool at Morse Park, Kowloon;
4. Upgrade of Kwun Tong Preliminary Treatment Works;
5. Mechanical and electrical works for Galaxy Resort & Casino Phase 3C Multi-Functional Hall Convention Complex and Hotel at Cotai City, Macau;
6. Supply of kitchen cabinets for residential units at Lohas Park 6, Tseung Kwan O, New Territories; and
7. Design, supply and installation of curtain walls, windows, metal claddings, acoustic panels and glass balustrades for proposed residential development at No. 547 Castle Peak Road, Tuen Mun, New Territories.

PROPERTY INVESTMENT

The property rental business of this segment covered Hong Kong, Singapore and Mainland China during the year under review. This segment experienced a slight increase in revenue from HK\$140 million to HK\$142 million, representing an increase of 1%. The increase in revenue was mainly attributable from the stable income arising from the letting of the properties. The segment profit decreased by 18% from HK\$269 million to HK\$220 million, mainly due to decrease in re-valuation as compared to last year despite positive contribution from the one-off disposal gain from the industrial property located at East Sun Industrial Centre at Kwun Tong and the residential and commercial property project located at Davis Street, Kennedy Town, Hong Kong.

由於中國內地聯營公司的業績轉虧為盈，升降機及電扶梯部門於年內錄得令人鼓舞的成績。因應電梯安全意識的提升及提倡翻新香港舊樓宇電梯，預期在政府的優化升降機資助計劃下，供應及安裝升降機及相關設備以更換舊升降機的需求將會上升。憑藉本集團在升降機及電扶梯行業的專業知識及良好往績，本集團相信其競爭力可於來年把握任何市場商機。

於二零二零年三月三十一日，本集團附屬公司之所有未完成建築及機械工程合約價值總額為港幣44.55億元。主要合約包括：

1. 承建新界屯門醫院手術室大樓之擴建工程；
2. 承建香港業勤街及黃竹坑道的香港仔內地段第462號之商業發展項目；
3. 承建九龍摩士公園暖水泳池項目；
4. 觀塘基本污水處理提升工程；
5. 澳門路氹城澳門銀河渡假城及娛樂場三期C多用途大廳會議展覽中心及酒店的機電工程；
6. 為新界將軍澳日出康城第六期住宅單位供應櫥櫃；及
7. 為新界屯門青山公路547號的建議住宅發展項目設計、供應及安裝幕牆、窗戶、金屬殼、隔音板及玻璃扶欄。

物業投資

於回顧年內，物業租賃業務分類涵蓋香港、新加坡及中國內地等地區。該分類收入由港幣1.40億元輕微上升1%至港幣1.42億元。該分類收入增加主要由於出租物業產生的穩定收入所致。儘管就觀塘怡生工業中心的工業物業及香港堅尼地城爹核士街的住宅及商用物業項目錄得一次性出售收益而帶來正面貢獻，然而該分類溢利由港幣2.69億元減少18%至港幣2.20億元，主要由於較去年重估值有所減少所致。

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During the year, the Group disposed a residential and commercial property with gross floor area of about 9,100 square feet located at 1B and 1C Davis Street, Kennedy Town. The property was acquired in 2017 at a consideration of HK\$228 million. The completion of the sale took place on 31 October 2019.

PROPERTY DEVELOPMENT AND OPERATIONS

During the year under review, the Property Development and Operations segment recorded a decrease of 32% in revenue from HK\$1,021 million to HK\$699 million while its segment profit increased by 44% from HK\$218 million to HK\$315 million. The attributable profit mainly arose from the one-off disposal gain from the sale of the office and commercial property development project at Tai Yip Street, Kwun Tong.

With its optimal location and proximity to the new To Kwa Wan MTR station which is expected to open in 2021, the Group will focus on marketing the remaining residential units and commercial area of City Hub, the Urban Renewal Authority (“URA”) re-development project in which the Group owns 50% interest located in To Kwa Wan in the coming year.

The Group’s latest 100% owned URA re-development project at 8 Fuk Chak Street, Tai Kok Tsui was officially named “Sablier” in May 2020. Upon completion, it will provide 144 small to medium size residential units with residential gross floor area of about 55,000 square feet and commercial area of 7,000 square feet. The project is scheduled for completion by 2021.

Foundation works of the redevelopment project at 292A-D Prince Edward Road West, Homantin commenced in April 2019 and is scheduled for completion in the third quarter of 2020. Given the site is situated in a well sought after location in Kowloon, the Group intends to redevelop it into a luxurious residential block with a gross floor area of approximately 39,000 square feet.

Demolition works for the redevelopment project at 5 Hang Lok Lane, Shatin completed in April 2019 and the Group plans to redevelop this project into luxurious residential units consisting houses or low-rise apartment blocks. The project is currently in the planning stage.

Phase III of “Chevalier City” in Changchun comprises of 10 residential blocks and provides about 1,100 units with a gross floor area of approximately 100,000 square meters. The size of the residential units range from 36 - 125 square meters. “Chevalier City” is located in a developed community close to the Changchunxi Railway Station. Two residential blocks of Phase III of “Chevalier City” were launched for pre-sale in the market in mid-October last year after obtaining the pre-sale consent and over 85% have been sold since their launch. Construction works of Phase III is expected to be completed in the third quarter of 2021.

於年內，本集團出售一項位於堅尼地城爹核士街1B號及1C號的住宅及商用物業，總樓面面積約為9,100平方呎。該物業於二零一七年購入之代價為港幣2.28億元。出售已於二零一九年十月三十一日完成。

物業發展及營運

於回顧年內，物業發展及營運分類收入由港幣10.21億元減少32%至港幣6.99億元，而其分類溢利則由港幣2.18億元增加44%至港幣3.15億元。應佔溢利主要來自出售觀塘大業街辦公室及商用物業發展項目的一次性收益。

憑藉其優越地理位置且毗鄰新建的土瓜灣地鐵站（預計於二零二一年開通），本集團將在來年專注於營銷津匯（一項位於土瓜灣的市區重建局（「市建局」）重建項目，而本集團擁有該項目的50%權益）的餘下住宅單位及商業面積。

本集團位於大角咀福澤街8號之最新全資擁有的市建局重建項目，已於二零二零年五月正式命名為「傲寓」。竣工後，該項目將提供144個中小型住宅單位，住宅總樓面面積約為55,000平方呎及商業面積7,000平方呎。該項目計劃於二零二一年完工。

位於何文田太子道西292A-D號重建項目的地基工程已於二零一九年四月開始動工，並計劃於二零二零年第三季度完工。由於該地盤位於九龍優質熱門地段，本集團有意將該等物業重建為豪華住宅樓宇，總樓面面積約39,000平方呎。

位於沙田恆樂里5號的重建項目拆卸工程已於二零一九年四月完成，而本集團計劃將該項目重建為豪華住宅單位（包括別墅或低層公寓）。該項目仍處於計劃階段。

長春的「香港城」三期包括10幢住宅樓宇，並提供約1,100個住宅單位，總樓面面積約100,000平方米。住宅單位面積介乎36至125平方米。「香港城」位於長春西站鄰近的已發展社區。兩幢「香港城」三期住宅樓宇獲批預售同意後已於去年十月中旬在市場推出預售，且自推出以來已售出超過85%。第三期建築工程預計將於二零二一年第三季度竣工。

The cold storage and logistics business in the fiscal year ended 31 March 2020 remained stable with slight growth in revenue and profit. The performance of the cold storage business was satisfactory with a lower turnover rate as compared to last year whilst maintaining stable occupancy. During the year, the Group's cold storage and logistics operations worked closely with key account clients by providing additional quality in-store service and all-in-one total logistics reefer service solution to support key account clients in the challenging market. Nevertheless, the prolonged Sino-US trade dispute and COVID-19 have negative impact on the sea and air frozen food supply chain coming into Hong Kong and may impact the performance of this business in 2020/21.

HEALTHCARE INVESTMENT

This segment's revenue experienced an increase of 11% from HK\$866 million to HK\$964 million after accounting for the contribution of those newly acquired projects during the year. Segment results reported a loss of HK\$105 million this year after taking into consideration the operational expenses, impairment loss, finance costs and the recognition of incentive fee expenses.

During the year under review, the Group disposed certain unused portion of a senior housing facility at Roswell, New Mexico, US and entered into a contract to dispose equity interest in seven senior housing properties at North Carolina, US. The target completion of the North Carolina transaction will be in 2020/21. Apart from the disposal, the Group also entered into a contract to acquire a senior housing property located at Medford, Oregon, US and the transaction completed in May 2020.

As at 31 March 2020, the Group owned 35 senior housing facilities (including those classified as assets held-for-sale) across 7 states in the United States of America (the "US") providing over 3,000 beds or units covering a wide spectrum of independent living, assisted living and memory care and skilled nursing services. The Group also owns 3 medical office buildings located in New York, Pennsylvania and Rhode Island comprising a gross floor area of approximately 428,000 square feet. As the trend of the life expectancy of the general population increases and with the increase in cost of healthcare, the Group believes that demand for senior housing facilities and medical office buildings will continue to grow in the US.

With our extensive experience in the healthcare business in the US, the Group has engaged in the development of a senior housing project in Happy Valley, Hong Kong. Foundation works are underway and the target opening date of the residence is in 2022/23.

冷藏倉庫及物流業務的收入及溢利於截至二零二零年三月三十一日止財政年度略有增長，並維持穩定。與去年相比，冷藏倉庫業務的表現理想且流失比率較低，並維持穩定租用率。於年內，本集團的冷藏倉庫及物流營運與主要客戶在競爭激烈的市場下緊密合作，提供更多優質入倉服務及一站式冷藏物流服務解決方案以作支援。儘管如此，持續不斷的中美貿易糾紛以及2019冠狀病毒病疫情已對航運及空運，以至香港的冷藏食品供應鏈產生負面影響，並可能影響該業務於二零二零／二一年的表現。

保健護理投資

於年內，該分類收入經計及該等新收購項目的貢獻後，收入由港幣8.66億元增長11%至港幣9.64億元。經計及營運開支、減值虧損、融資成本及確認獎金開支後，分類業績於本年度錄得虧損港幣1.05億元。

於回顧年內，本集團已出售一處位於美國新墨西哥州羅斯威爾的安老院舍設施的若干未使用部份，並已訂約出售位於美國北卡羅來納州的七間安老院舍物業的權益。北卡羅來納州交易的目標成交時間為二零二零／二一年。除上述出售外，本集團亦已訂約收購位於美國俄勒岡州梅德福的一處安老院舍物業，該交易已於二零二零年五月完成。

於二零二零年三月三十一日，本集團於美利堅合眾國（「美國」）七個州擁有35個安老院舍設施（包括持作出售資產的設施），提供超過3,000個床位或單位，服務範圍廣泛，涵蓋自理起居、協助起居以及失智護理及專業護理等服務；本集團亦擁有三棟位於紐約、賓夕法尼亞及羅得島的醫療辦公室大樓，總樓面面積合共約428,000平方呎。隨著人口壽命延長趨勢及保健護理費用增加，本集團相信美國安老院舍設施及醫療辦公室大樓的需求將繼續增長。

憑藉本集團於美國保健護理業務的豐富經驗，本集團參與位於香港跑馬地的安老院舍發展項目。地基工程正在進行，預計於二零二二／二三年開幕。

MANAGEMENT DISCUSSION AND ANALYSIS

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CAR DEALERSHIP

During the year, the overall performance of this segment covering the car dealership in Canada and Mainland China was affected by the Sino-US trade dispute, slowing macroeconomic growth, lack of tax incentive in Mainland China and COVID-19 incident. The revenue of this segment decreased by 11% from HK\$2,595 million to HK\$2,303 million which was mainly due to the decrease in the sales volume of imported cars in Mainland China with also a slight decrease in the sale of the number of vehicles in Canada. There was a turnaround in operating results owing to the improvement in our Mainland China car dealerships' performance since the market re-opened after COVID-19 lockdown. In order to relieve the adverse impact, the Chinese government has launched a series of measures to entice potential buyers to purchase new cars including tax incentives, subsidies and rebates. The Chinese government has also relaxed controls over the issuance of new licences for traditional-fuel cars and increased the number of new car licenses in major cities. The Group is cautiously optimistic that all these measures would help in regaining the momentum in the sales of the car industry. In Canada, the Canadian government has implemented measures to relieve pressure on the automobiles industry arising from COVID-19. Our Canada team will actively launch more promotional incentives to potential customers after obtaining the support from various car manufacturers.

OTHERS

During the year, segment revenue recorded a slight growth of 2% from HK\$679 million to HK\$693 million. Notwithstanding an increase in the profit of our insurance business, segment profit declined significantly from a profit of HK\$47 million to a loss of HK\$5 million as a result of the translation loss of approximately HK\$6 million and unrealised loss of approximately HK\$25 million in security investment and also due to the unsatisfactory performance of our food and beverage investment as a result of the social unrest and COVID-19.

During the period under review, the insurance business recorded a steady income from premium written, supported, in particular, by the rising employees' compensation premium. Our strength remains in the employee compensation area in light of the numerous large and small scale construction projects in place in Hong Kong. In addition, the property insurance sector also managed to maintain its underwriting performance and net profitability in light of the limited exposure to major losses during the year. The segment will continue to adopt a prudent underwriting approach, keep its operation at a competitive level whilst providing reliable services to its customers.

For the information and technology business, with the slowdown in the economy of Hong Kong since the second half of 2019, many small-medium enterprises have taken a wait-and-see approach in incurring investments in assets thereby leading to a slowdown in business. Although our revenue of this business in Thailand improved during the year, it was off-set by provisions made in accordance with accounting adjustments under Thai law.

汽車代理

於年內，該分類於加拿大及中國內地的汽車代理整體表現受到中美貿易糾紛、宏觀經濟增長放緩、中國內地缺乏稅務優惠以及2019冠狀病毒病疫情等事件影響。該分類收入由港幣25.95億元減少11%至港幣23.03億元，主要由於中國內地進口汽車銷量下降以及加拿大汽車銷量略減所致。市場經過2019冠狀病毒病疫情封鎖後重新開放，中國內地汽車代理的表現有所改善，令經營業績出現好轉。為了紓緩不利影響，中國政府推出一系列措施(包括稅務優惠、補貼及退稅)以吸引潛在買家購買新車。中國政府亦放寬發出傳統燃油汽車的新許可牌照的監控，並增加主要城市的新汽車許可牌照數量。本集團持審慎樂觀態度，認為所有該等措施將有助於重拾汽車行業銷售勢頭。在加拿大，加拿大政府已推行措施緩解2019冠狀病毒病疫情對汽車行業帶來的壓力。在獲得多家汽車製造商的支持後，本集團的加拿大團隊將積極向潛在客戶推出更多促銷優惠。

其他

於年內，分類收入錄得2%輕微增長，由港幣6.79億元增至港幣6.93億元。儘管本集團的保險業務溢利有所增長，然而因匯兌虧損約港幣600萬元及證券投資之未變現虧損約港幣2,500萬元，以及因社會動盪及2019冠狀病毒病疫情而導致本集團餐飲投資表現不如理想，該分類溢利由溢利港幣4,700萬元大幅下降至虧損港幣500萬元。

於回顧期內，保險業務的保費總額錄得穩定收入，特別是受惠僱員賠償保費增加所支持。鑑於香港正進行眾多大小規模的建築項目，本集團於僱員賠償範疇仍保持優勢。此外，鑑於年內成功規避重大虧損的風險，財產保險業亦得以維持其承保業績及純利。該分類將繼續採取審慎承保方式，在保持競爭水平經營業務的同時，為客戶提供誠信可靠服務。

就資訊科技業務而言，自二零一九年下半年以來，在香港經濟低迷的環境下，眾多中小企業在招商引資方面均採取觀望態度，從而導致業務增長放緩。儘管該業務在泰國的收入於年內有所改善，惟其已被根據泰國法律在會計調整所作出之撥備下抵銷。

CONSOLIDATED INCOME STATEMENT

Revenue

Revenue of the Group decreased from HK\$6,893 million in the year 2018/19 to HK\$6,381 million in the year 2019/20. The decrease was mainly due to less revenue recognised from the sale of residential units in the property development in Changchun and Hong Kong and less revenue recognised from Car Dealership segment but partially offset by higher revenue recognised from the Healthcare Investment segment.

Gross profit

Gross profit decreased from HK\$887 million in the year 2018/19 to HK\$844 million in the year 2019/20 and gross profit margin slightly increased from 12.9% to 13.2%.

Other income, net

Other income, net of HK\$46 million was recorded in the year 2019/20 (2018/19: HK\$68 million). The decrease was mainly due to the turnaround of gain on investments at fair value through profit or loss from HK\$1 million in the year 2018/19 to a loss of HK\$32 million in the year 2019/20 but offset by insurance contract refund and increases in the insurance underwriting activities in the year 2019/20.

Other (losses)/gains, net

Other losses, net of HK\$48 million were recorded in the year 2019/20 (2018/19: other gains of HK\$182 million). The decrease in gain was primarily due to the impairment loss on properties for sale in Changchun, loss on disposal of a building in Roswell, the US and the absence of remeasurement gain on transfer from properties for sale to investment properties and turnaround decrease in fair value of investment properties by HK\$25 million (2018/19: increase in fair value of investment properties by HK\$166 million), but offset by exchange gain and gain on disposal of a partial land in Canada totalling HK\$12 million.

Gain on disposals of subsidiaries

Disposals of entire interest in an office and commercial property in Tai Yip Street, an industrial property in Shing Yip Street, and a residential and commercial property in Davis Street resulted in gain on disposals of subsidiaries totalling HK\$280 million in 2019/20 (2018/19: HK\$nil).

Selling and distribution costs

Selling and distribution costs decreased from HK\$157 million in the year 2018/19 to HK\$148 million in the year 2019/20. The decrease was mainly due to less sale of residential units in the property development in Changchun.

綜合收益表

收入

本集團的收入由二零一八／一九年度港幣 68.93 億元減少至二零一九／二零年度港幣 63.81 億元。減少主要由於出售長春及香港物業發展住宅單位確認的收入減少以及來自汽車代理分類確認的收入減少所致，惟部份被保健護理投資分類確認的收入增長所抵銷。

毛利

毛利由二零一八／一九年度港幣 8.87 億元減少至二零一九／二零年度港幣 8.44 億元，而毛利率由 12.9% 略增至 13.2%。

其他收入，淨額

於二零一九／二零年度錄得其他收入，淨額港幣 4,600 萬元(二零一八／一九年度：港幣 6,800 萬元)。減少主要由於按公允值列入損益處理之投資由二零一八／一九年度之收益港幣 100 萬元轉盈為虧至二零一九／二零年度之虧損港幣 3,200 萬元所致，惟部份被二零一九／二零年度之保險合約退款及保險業務活動增加所抵銷。

其他(虧損)／收益，淨額

於二零一九／二零年度錄得其他虧損，淨額港幣 4,800 萬元(二零一八／一九年度：其他收益港幣 1.82 億元)。收益減少主要由於長春待售物業之減值虧損、出售美國 Rosewell 一幢樓宇之虧損及不再錄得由待售物業轉為投資物業之重新計量收益，以及投資物業之公允值由增加轉為減少港幣 2,500 萬元(二零一八／一九年度：投資物業公允值增加港幣 1.66 億元)所致，惟被外匯收益及出售加拿大一部分土地之收益合共港幣 1,200 萬元所抵銷。

出售附屬公司收益

於二零一九／二零年度出售大業街之辦公室及商用物業、成業街之工業物業及爹核士街之住宅及商用物業之所有權益導致出售附屬公司收益合共港幣 2.80 億元(二零一八／一九年度：港幣零元)。

銷售及經銷成本

銷售及經銷成本由二零一八／一九年度港幣 1.57 億元減少至二零一九／二零年度港幣 1.48 億元。減少主要由於減少出售長春物業發展住宅單位所致。

FINANCIAL REVIEW

財務評述

Share of results of associates

The Group's share of results of associates increased from HK\$125 million in the year 2018/19 to HK\$151 million in the year 2019/20 mainly due to the increase in revenue and the absence of redundancy cost recognised by the associates.

Share of results of joint ventures

The Group's share of results of joint ventures recorded a profit of HK\$1 million in the year 2019/20 (2018/19: HK\$171 million). The decrease was mainly attributable to the joint ventures in the US under the Healthcare Investment segment.

Finance costs, net

Finance costs, net of HK\$53 million were recorded in the year 2019/20 (2018/19: HK\$80 million). Finance costs decreased by HK\$10 million to HK\$113 million (2018/19: HK\$123 million), while finance income increased by HK\$17 million to HK\$60 million (2018/19: HK\$43 million), mainly due to increase in bank deposit income.

Taxation

Taxation of HK\$76 million in the year 2019/20 (2018/19: HK\$140 million) was derived from the current tax expenses of HK\$97 million (2018/19: HK\$90 million) and the deferred tax income of HK\$21 million (2018/19: deferred tax expenses of HK\$50 million). The turnaround was mainly arising from deferred tax asset recognised in respect of tax losses by the Healthcare Investment segment.

Profit attributable to shareholders of the Company

Profit attributable to shareholders of the Company of HK\$533 million was achieved in the year 2019/20 (2018/19: HK\$655 million). Excluding the aforementioned disposals of entire interest in an office and commercial property in Tai Yip Street, an industrial property in Shing Yip Street, and a residential and commercial property in Davis Street totalling HK\$280 million in the year 2019/20, profit attributable to shareholders of the Company decreased.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Investment properties

The carrying value of investment properties decreased by HK\$338 million to HK\$3,432 million as at 31 March 2020 (2019: HK\$3,770 million) mainly due to the disposal of a property of HK\$206 million, decrease in fair value of HK\$25 million and exchange loss of HK\$108 million.

Property, plant and equipment

The carrying value of property, plant and equipment decreased by HK\$127 million to HK\$3,034 million as at 31 March 2020 (2019: HK\$3,161 million) which mainly resulted from the transfer of senior housing properties to assets held-for-sale.

所佔聯營公司業績

本集團所佔聯營公司業績由二零一八／一九年度港幣1.25億元增加至二零一九／二零年度港幣1.51億元，主要由於收入增加以及聯營公司不再錄得裁員成本所致。

所佔合營企業業績

本集團於二零一九／二零年度錄得所佔合營企業業績收益港幣100萬元(二零一八／一九年度：港幣1.71億元)。減少主要歸因於保健護理投資分類之美國合營企業。

財務費用，淨額

於二零一九／二零年度錄得財務費用，淨額港幣5,300萬元(二零一八／一九年度：港幣8,000萬元)。財務費用減少港幣1,000萬元至港幣1.13億元(二零一八／一九年度：港幣1.23億元)，而財務收入則增加港幣1,700萬元至港幣6,000萬元(二零一八／一九年度：港幣4,300萬元)，主要由於銀行存款收入增加。

稅項

於二零一九／二零年度之稅項港幣7,600萬元(二零一八／一九年度：港幣1.40億元)乃來自本年度稅項支出港幣9,700萬元(二零一八／一九年度：港幣9,000萬元)及遞延稅項收入港幣2,100萬元(二零一八／一九年度：遞延稅項支出港幣5,000萬元)。該轉變主要來自保健護理投資分類之稅務虧損確認為遞延稅項資產。

本公司股東應佔溢利

於二零一九／二零年度，本公司股東應佔溢利港幣5.33億元(二零一八／一九年度：港幣6.55億元)。不計及上述於二零一九／二零年度出售大業街之辦公室及商用物業、成業街之工業物業及爹核士街之住宅及商用物業之所有權益合共港幣2.80億元，本公司股東應佔溢利有所減少。

綜合財務狀況表

投資物業

投資物業賬面值減少港幣3.38億元至二零二零年三月三十一日之港幣34.32億元(二零一九年：港幣37.70億元)，主要由於出售一項價值港幣2.06億元之物業、公允值減少港幣2,500萬元及匯兌虧損港幣1.08億元。

物業、廠房及設備

物業、廠房及設備之賬面值減少港幣1.27億元至二零二零年三月三十一日之港幣30.34億元(二零一九年：港幣31.61億元)，主要由於轉撥安老院舍物業至持作出售資產所致。

Goodwill

The carrying value of goodwill slightly decreased to HK\$644 million as at 31 March 2020 (2019: \$684 million), mainly due to transfer of goodwill associated with seven senior housing properties from the Healthcare Investment segment to assets held-for-sale.

Interests in associates (under non-current assets) and amounts due from associates (under current assets)

Interests in associates consisted of interests in associates, including goodwill, of HK\$496 million (2019: HK\$472 million) and non-current portion of amount due from an associate of HK\$2 million (2019: HK\$3 million).

Interests in joint ventures (under non-current assets) and amounts due from joint ventures (under current assets)

Interests in joint ventures consisted of interests in joint ventures, including goodwill, of HK\$770 million (2019: HK\$829 million) and non-current portion of amounts due from joint ventures of HK\$264 million (2019: HK\$429 million).

The decrement of interests in joint ventures mainly resulted from the repayment from a joint venture of URA project and the dividend received from a joint venture of HK\$30 million of the Healthcare Investment segment in the US.

Properties under development (under non-current and current assets)

Properties under development (under non-current and current assets) increased by HK\$110 million to HK\$2,324 million (2019: HK\$2,214 million) mainly representing the development costs incurred for properties development projects in Hong Kong and Mainland China totalling HK\$155 million.

Properties for sale

The decrease in properties for sale of HK\$100 million to HK\$267 million (2019: HK\$367 million) was mainly due to sales of properties of a development project in Changchun.

Bank balances and cash

As at 31 March 2020, bank balances and cash increased to HK\$2,825 million (2019: HK\$1,833 million), of which 73.9% (2019: 46.2%) of bank balances and cash were denominated in Hong Kong and US dollars while 18.9% (2019: 44.2%) were denominated in Renminbi.

Bank and other borrowings (under current and non-current liabilities)

Bank and other borrowings decreased to HK\$3,368 million as at 31 March 2020 (2019: HK\$3,740 million) as a result of repayment of bank loan during the year. 63.2% and 33.3% of the balance as at 31 March 2020 (2019: 57.8% and 38.3%) were denominated in Hong Kong dollar and US dollar respectively.

商譽

商譽賬面值略微減少至二零二零年三月三十一日之港幣6.44億元(二零一九年：港幣6.84億元)，主要由於來自保健護理投資分類之七間安老院舍物業相關的商譽轉撥至持作出售資產所致。

聯營公司之權益(列為非流動資產)及應收聯營公司賬款(列為流動資產)

聯營公司之權益由聯營公司之權益(包括商譽)港幣4.96億元(二零一九年：港幣4.72億元)及應收一間聯營公司賬款之非流動部分港幣200萬元(二零一九年：港幣300萬元)組成。

合營企業之權益(列為非流動資產)及應收合營企業賬款(列為流動資產)

合營企業之權益由合營企業之權益(包括商譽)港幣770萬元(二零一九年：港幣8.29億元)及應收合營企業賬款之非流動部分港幣2.64億元(二零一九年：港幣4.29億元)組成。

合營企業之權益減少主要來自一項市建局項目之合營企業償還款項及已收一間美國保健護理投資分類合營企業股息港幣3,000萬元。

發展中物業(列為非流動及流動資產)

發展中物業(列為非流動及流動資產)增加港幣1.10億元至港幣23.24億元(二零一九年：港幣22.14億元)，主要相當於為香港及中國內地物業發展項目產生之發展成本合共港幣1.55億元。

待售物業

待售物業減少港幣1.00億元至港幣2.67億元(二零一九年：港幣3.67億元)，主要由於銷售長春發展項目的物業所致。

銀行結存及現金

於二零二零年三月三十一日，銀行結存及現金增加至港幣28.25億元(二零一九年：港幣18.33億元)，其中73.9%(二零一九年：46.2%)的銀行結存及現金以港幣及美元為單位，而18.9%(二零一九年：44.2%)以人民幣為單位。

銀行及其他借款(列為流動及非流動負債)

於二零二零年三月三十一日，銀行及其他借款減少至港幣33.68億元(二零一九年：港幣37.40億元)，此乃由於年內償還銀行貸款所致。於二零二零年三月三十一日，銀行及其他借款的63.2%及33.3%(二零一九年：57.8%及38.3%)分別以港幣及美元計值。

FINANCIAL REVIEW

財務評述

The Group's bank and other borrowings due within one year decreased from 29.7% as at 31 March 2019 to 26.3% as at 31 March 2020.

Majority of the borrowings in Hong Kong, the US and Mainland China carry floating interest rates, most of which are based on Hong Kong or London Interbank Offered Rates or the People's Bank of China Benchmark Loan Rate.

SHAREHOLDERS' EQUITY

As at 31 March 2020, the Group's net assets attributable to shareholders of the Company amounted to HK\$9,072 million, representing an increase of HK\$51 million when compared with 31 March 2019 of HK\$9,021 million. Such increase mainly resulted from the profit attributable to shareholders of the Company of HK\$533 million offset by exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures of HK\$302 million and dividend payment of HK\$166 million.

LEVERAGE RATIOS

The Group generally finances its operations with internally generated cash flow and credit facilities provided by its principal bankers in Hong Kong, Mainland China and the US.

As at 31 March 2020, of the Group's total debt which amounted to HK\$3,368 million (2019: HK\$3,740 million), HK\$1,120 million (2019: HK\$1,431 million) was attributable to the senior housing business, of which HK\$1,050 million (2019: HK\$1,360 million) was without recourse to the Company.

Analysis of the net debt is set out below:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Unsecured: – other business	無抵押： – 其他業務	<u>1,678,060</u>	<u>1,716,790</u>
		<u>1,678,060</u>	<u>1,716,790</u>
Secured: – senior housing business – other business	有抵押： – 安老院舍業務 – 其他業務	<u>1,120,087</u> <u>569,920</u>	<u>1,431,482</u> <u>591,938</u>
		<u>1,690,007</u>	<u>2,023,420</u>
Total debt	總債務	<u>3,368,067</u>	<u>3,740,210</u>
Bank balances and cash	銀行結存及現金	<u>(2,824,666)</u>	<u>(1,833,084)</u>
Net debt	淨債務	<u>543,401</u>	<u>1,907,126</u>

本集團於一年內到期之銀行及其他借款由二零一九年三月三十一日的29.7%減少至二零二零年三月三十一日的26.3%。

大多數於香港、美國及中國內地之借款按浮動利率計息，其中大部分根據香港或倫敦銀行同業拆息或中國人民銀行之貸款基準利率計息。

股東權益

於二零二零年三月三十一日，本公司股東應佔本集團的資產淨值為港幣90.72億元，較二零一九年三月三十一日的港幣90.21億元增加港幣5,100萬元。該增加主要是由於本公司股東應佔溢利港幣5.33億元，被換算海外附屬公司、聯營公司及合營企業之業務所產生之外匯兌換差額港幣3.02億元以及派付股息港幣1.66億元抵銷所致。

槓桿比率

本集團一般以內部產生之現金流量及其於香港、中國內地及美國的主要往來銀行提供之信貸融資撥付營運所需資金。

於二零二零年三月三十一日，本集團的總債務為港幣33.68億元(二零一九年：港幣37.40億元)，其中安老院舍業務佔港幣11.20億元(二零一九年：港幣14.31億元)，當中港幣10.50億元(二零一九年：港幣13.60億元)無向本公司追索的權利。

淨債務之分析載列如下：

As at 31 March 2020, with the decrease in bank and other borrowings, total debt to equity ratio decreased to 34.8% (2019: 38.8%), which was expressed as a percentage of bank and other borrowings over the Group's net assets of HK\$9,683 million (2019: HK\$9,642 million). Net debt to equity ratio decreased to 5.6% (2019: 19.8%), which was expressed as a percentage of net bank and other borrowings (representing total bank and other borrowings net of bank balances and cash) over the Group's net assets. Ratio of total debt to total assets of HK\$17,039 million (2019: HK\$17,093 million) decreased from 21.9% to 19.8% as at 31 March 2020.

With the existing banking facilities and the recurrent cash generation from its operations, the Group has sufficient financial resources to meet the funding requirements for its ongoing operations as well as its future expansion.

TREASURY POLICIES

The Group adopts conservative treasury policies in cash and financial management. The Group's treasury activities are centralised in order to achieve better risk control and minimise cost of funds. Cash is generally placed in short-term deposits with majority denominated in Hong Kong dollar, Renminbi or US dollar. The Group's liquidity and financing requirements are frequently reviewed. In anticipating new investments or maturity of bank and other borrowings, the Group will consider new financing while maintaining an appropriate level of gearing.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND INTEREST RATES

The major currencies used to operate the businesses are Hong Kong dollar, Renminbi and US dollar. As at 31 March 2020, the Group had arranged foreign currency swap contracts amounting to HK\$19 million (2019: HK\$9 million) to hedge part of its foreign currency risk from various foreign currencies used for business operations. The Group had no outstanding interest rate swap contract as at 31 March 2020 (2019: HK\$nil).

於二零二零年三月三十一日，隨著銀行及其他借款減少，總債務與權益比率下降至34.8%（二零一九年：38.8%），此乃按銀行及其他借款與本集團資產淨值港幣96.83億元（二零一九年：港幣96.42億元）之百分比列示。淨債務與權益比率下降至5.6%（二零一九年：19.8%），此乃按銀行及其他借款淨額（即銀行及其他借款總額扣除銀行結存及現金）與本集團資產淨值之百分比列示。總債務與總資產港幣170.39億元（二零一九年：港幣170.93億元）之比率由21.9%減少至二零二零年三月三十一日的19.8%。

憑藉現有之銀行信貸及經常性營運現金，本集團具備足夠之財務資源以應付日常營運及未來業務擴展之資金需求。

庫務政策

本集團對現金及財務管理採取審慎之庫務政策。為達到更好的風險管理及降低資金成本，本集團中央處理庫務事宜。目前現金一般會存放為主要以港幣、人民幣或美元為單位之短期存款。本集團經常檢討其流動性及融資要求，並不時因應新投資項目或銀行及其他借款之還款期，在維持恰當的負債比率下，考慮新的融資安排。

外匯匯率及利率浮動之風險

業務營運所用之主要貨幣為港幣、人民幣和美元。於二零二零年三月三十一日，本集團已安排外匯掉期合約港幣1,900萬元（二零一九年：港幣900萬元），以對沖來自經營業務所用各類外幣所產生之部分外幣風險。於二零二零年三月三十一日，本集團並未持有未到期利率掉期合約（二零一九年：港幣零元）。

FINANCIAL REVIEW

財務評述

CHARGE ON ASSETS

As at 31 March 2020, bank and other borrowings of HK\$1,690 million (2019: HK\$2,023 million) and other unutilised banking facilities were secured by charges on investment properties of HK\$1,294 million (2019: HK\$1,521 million), property, plant and equipment of HK\$1,320 million (2019: HK\$1,337 million), properties under development of HK\$1,210 million (2019: HK\$1,083 million), other non-current assets of HK\$22 million (2019: HK\$22 million), inventories of HK\$30 million (2019: HK\$91 million), debtors, contract assets, deposits and prepayments of HK\$83 million (2019: HK\$55 million) and deposits at bank of HK\$50 million (2019: HK\$55 million).

CONTINGENT LIABILITIES

Details of the contingent liabilities are set out in note 42 to the consolidated financial statements.

COMMITMENT

Details of the commitment are set out in note 43 to the consolidated financial statements. The commitment is to be financed by borrowings and internal funds.

資產抵押

於二零二零年三月三十一日，銀行及其他借款港幣16.90億元(二零一九年：港幣20.23億元)及其他未動用銀行信貸均以投資物業港幣12.94億元(二零一九年：港幣15.21億元)、物業、廠房及設備港幣13.20億元(二零一九年：港幣13.37億元)、發展中物業港幣12.10億元(二零一九年：港幣10.83億元)、其他非流動資產港幣2,200萬元(二零一九年：港幣2,200萬元)、存貨港幣3,000萬元(二零一九年：港幣9,100萬元)、應收賬款、合約資產、存出按金及預付款項港幣8,300萬元(二零一九年：港幣5,500萬元)，以及銀行存款港幣5,000萬元(二零一九年：港幣5,500萬元)之抵押作為擔保。

或然負債

或然負債之詳情載於綜合財務報表附註42。

承擔

承擔之詳情載於綜合財務報表附註43。承擔將通過借款及內部資金撥付。

MR. KUOK HOI SANG *M.H.*, Executive Director, Chairman and Managing Director, chairman of the Executive Committee and the Nomination Committee, a member of the Remuneration Committee, aged 70, joined Chevalier Group in 1972. He is also a director of certain companies of the Group. Mr. Kuok has extensive experience in business development and is responsible for the strategic planning and management of the operations of lift and escalator, building construction, building supplies, aluminium windows and curtain walls, electrical and mechanical engineering, civil engineering, property investment and development as well as investment projects of Chevalier Group. Mr. Kuok is the President of The Lift and Escalator Contractors Association in Hong Kong, the Chairman of the Hong Kong - China Branch of The International Association of Elevator Engineers, Vice President of The Hong Kong Federation of Electrical and Mechanical Contractors Limited, a Registered Lift and Escalator Engineer in Hong Kong and Chairman of Executive Board of The Hong Kong Real Property Federation.

Mr. Kuok has served on a number of the Government of the HKSAR Boards and Committees, including the Lift and Escalator Safety Advisory Committee as well as the Examination Committee of the Electrical and Mechanical Services Department for registration of lift engineers and escalator engineers. Mr. Kuok was awarded the Medal of Honour by the Government of the HKSAR in 2016 for his dedicated public service, particularly for his contributions to the development of the electrical and mechanical services industry. He was also a member of the Guangzhou Committee of the Chinese People's Political Consultative Conference from the 9th to 12th sessions and the Election Committee of the Chief Executive of the HKSAR.

MR. TAM KWOK WING, Executive Director, Deputy Managing Director and a member of the Executive Committee, aged 59, joined Chevalier Group in 1986. He is also a director of certain companies of the Group. Mr. Tam is responsible for the operations of cold storage and logistics; insurance services; property investment and development; property management; and travel agency businesses.

Mr. Tam holds a Bachelor Degree in Laws from Peking University of the People's Republic of China; a Master of Arts Degree from City University of Hong Kong; and a Postgraduate Diploma in Corporate Administration from the Hong Kong Polytechnic University. Mr. Tam is a Fellow Member of each of the Chartered Institute of Arbitrators; the Royal Institution of Chartered Surveyors; the Institute of Chartered Secretaries and Administrators in the UK; and the Hong Kong Institute of Chartered Secretaries. Mr. Tam is also a Chartered Member of the Chartered Institute of Housing.

郭海生先生*M.H.*，執行董事，主席兼董事總經理，並為執行委員會及提名委員會主席、薪酬委員會成員，現年七十歲，於一九七二年加入其士集團。彼亦為本集團若干公司之董事。郭先生對業務發展擁有豐富經驗，並負責其士集團升降機及電扶梯、樓宇建築、建材供應、鋁窗及幕牆、機電工程、土木工程、物業投資及發展及投資項目之策略性籌劃及營運管理。郭先生為香港電梯業協會會長、國際電梯工程師協會香港—中國分會主席及香港機電工程師商聯會副會長、香港註冊升降機及自動梯工程師，並為香港房地產協會執行委員會主席。

郭先生為香港特區政府轄下之理事會及委員會擔任公職，包括機電工程處轄下之升降機及自動梯安全諮詢委員會，以及註冊成為升降機工程師及自動梯工程師之考試委員會。郭先生於二零一六年獲香港特區政府頒授榮譽勳章以表揚彼積極參與公共服務，尤其致力推動機電業的發展。彼亦曾為中國人民政治協商會議廣州市委員會（由第九屆至第十二屆）及香港特區行政長官選舉委員會之委員。

譚國榮先生，執行董事，副董事總經理及執行委員會成員，現年五十九歲，於一九八六年加入其士集團。彼亦為本集團若干公司之董事。譚先生負責管理冷藏倉庫及物流、保險服務、物業投資及發展、物業管理及旅遊代理業務。

譚先生持有中國北京大學法律學士學位、香港城市大學文學碩士學位及香港理工大學企業管理深造文憑。譚先生為英國特許仲裁學會、英國皇家特許測量師學會、英國特許秘書及行政人員公會、以及香港特許秘書公會之資深會士。譚先生亦是英國特許房屋經理學會特許會員。

MANAGEMENT PROFILE

管理層簡介

At present, Mr. Tam is a Deputy Chairman of the General Insurance Council and a Member of the Governing Committee in the Hong Kong Federation of Insurers, and a Council Member and the Chairman of Membership Committee of the Hong Kong Association of Property Management Companies. He is also an appointed Member of each of the Property Management Services Authority; the Occupational Safety and Health Council; the Employees' Compensation Insurance Levies Management Board; the Property Management Industry Training Advisory Committee of the Education Bureau; the Advisory Committee on Water Supplies and the Steering Committee on the Promotion of Electric Vehicles of Environmental Protection Department. In addition, he is an Honorary Secretary of The Insurance Complaints Bureau and a member of The Board of Directors of Bao Minh Insurance Corporation in Vietnam. He is the Past President of the Hong Kong Institute of Chartered Secretaries.

Mr. Tam is also appointed as the Honorary Vice Consul of the Kingdom of Bahrain to Hong Kong. He also serves as the Secretary General of the Hong Kong Bahrain Business Association. In China, Mr. Tam is appointed as a Standing Committee Member of the 13th Changchun Committee of the Chinese People's Political Consultative Conference. Mr. Tam is also a Council Member of the Guangdong Chamber of Foreign Investors.

MR. HO CHUNG LEUNG, Executive Director and a member of the Executive Committee, aged 70, joined Chevalier Group in 1985. He is also a director of certain companies of the Group. He is responsible for the internal audit of the Group. Mr. Ho is a fellow member of the Association of Chartered Certified Accountants in the UK and a member of the Hong Kong Institute of Certified Public Accountants.

MR. MA CHI WING, Executive Director and a member of the Executive Committee, aged 51, joined Chevalier Group in 1993. He is also a director of certain companies of the Group. He is responsible for the human resources and general administration of the Group. Mr. Ma has extensive experience in project management and is currently in charge of the healthcare investment, car dealership, hotel investment and trading businesses of the Group. Mr. Ma holds a Master Degree in Business Administration from The University of Warwick, UK, a Bachelor Degree in International Business Studies from City University of Hong Kong, a Corporate Finance Certificate from UC Berkeley, US, and a Professional Certificate in China Construction from Tsinghua University, Mainland China.

MISS LILY CHOW, Executive Director and a member of the Executive Committee, aged 57, joined Chevalier Group in 1990. She is also a director of certain companies of the Group. She is responsible for strategic planning and business development of the Group. Miss Chow holds a Bachelor of Arts degree from the University of British Columbia, Canada. Miss Chow is currently a Standing Committee member of the Ningbo Committee of the Chinese People's Political Consultative Conference. She is also a Vice-chairman of Ladies' Committee of The Chinese General Chamber of Commerce, the Hong Kong non-voting member of the All-China Women's Federation and a member of the board of Governors of Hong Kong Sinfonietta. Miss Chow is the daughter of the late Dr. Chow Yei Ching, Chairman Emeritus of the Company, and a sister of Mr. Chow Vee Tsung, Oscar, Non-Executive Director of the Company.

譚先生為現任香港保險業聯會之一般保險總會副主席及管治委員會成員，及香港物業管理公司協會之理事及會務事務委員會主席。彼亦被委任為物業管理業監管局成員；職業安全健康局成員；僱員補償保險徵款管理局委員；教育局屬下物業管理業行業培訓諮詢委員會委員；水務諮詢委員會委員及環境保護署之推動使用電動車輛督導委員會委員。此外，彼為保險投訴局名譽顧問及越南 Bao Minh Insurance Corporation 董事會成員。彼為香港特許秘書公會之前會長。

譚先生獲委任為中東巴林王國駐香港名譽副領事，亦兼任香港巴林商會總幹事。在中國內地，譚先生為中國人民政治協商會議長春市第十三屆委員會常務委員。譚先生亦擔任中國廣東省外商公會理事之職務。

何宗樑先生，執行董事及執行委員會成員，現年七十歲，於一九八五年加入其士集團。彼亦為本集團若干公司之董事。彼負責本集團之內部審核事務。何先生為英國特許公認會計師公會資深會員及香港會計師公會會員。

馬志榮先生，執行董事及執行委員會成員，現年五十一歲，於一九九三年加入其士集團。彼亦為本集團若干公司之董事。彼負責本集團之人力資源及行政事務。馬先生擁有廣泛的項目管理經驗，現時並負責本集團之保健護理投資、汽車代理、酒店投資及貿易等業務。馬先生持有英國華威大學工商管理碩士學位、香港城市大學國際商業學士學位、美國加州大學柏克萊分校企業財務證書及中國內地清華大學中國建築業務專業證書。

周莉莉小姐，執行董事及執行委員會成員，現年五十七歲，於一九九零年加入其士集團。彼亦為本集團若干公司之董事。彼負責本集團之策略性籌劃及業務發展。周小姐持有加拿大溫哥華哥倫比亞大學頒授文學士學位。周小姐現為中國人民政治協商會議寧波市委員會常務委員。彼亦為香港中華總商會婦女委員會副主席、中華全國婦女聯合會之香港特邀代表及香港小交響樂團之監察委員會成員。周小姐為本公司已故榮譽主席周亦卿博士之千金及為本公司非執行董事周維正先生之姊。

DR. KO CHAN GOCK, WILLIAM *S.B.S., Ph.D.*, Non-Executive Director, aged 74, joined the Company in 2009. Dr. Ko graduated from The University of Hong Kong in 1968. He served in the Government of the HKSAR for more than 38 years, having worked in a wide range of departments including the Water Supplies Department, the Highways Department, the Civil Engineering and Development Department and the Works Branch. In 2001, he was appointed as the Director of Water Supplies. Dr. Ko retired from the civil service in January 2007.

MR. CHOW VEETSUNG, OSCAR, Non-Executive Director, aged 46, joined Chevalier Group in 2000. He is also a director of certain companies of the Group. He holds a degree in Master of Engineering from The University of Oxford, UK and is currently a Vice Chairman of General Committee of the Hong Kong General Chamber of Commerce and a General Committee Member of The Chinese Manufacturers' Association of Hong Kong. Mr. Chow is the Honorary Consul of the Kingdom of Bahrain in Hong Kong and currently the Chairman of Hong Kong Bahrain Business Association. He is also a member of the Shanghai Committee of the Chinese People's Political Consultative Conference. Mr. Chow is also a court member of The Hong Kong Polytechnic University. Mr. Chow is the son of the late Dr. Chow Yei Ching, Chairman Emeritus of the Company, and a brother of Miss Lily Chow, Executive Director of the Company.

MR. YANG CHUEN LIANG, CHARLES *B.B.S., J.P.*, Independent Non-Executive Director and chairman of the Audit Committee, a member of each of the Remuneration Committee and the Nomination Committee, aged 61, joined the Company in 2008. Mr. Yang obtained a Master Degree in Business Administration from Cass Business School London, UK in 1983 and is currently a sole proprietor at S. Y. Yang & Company, Practising firm of Accountants and member of the Institute of Chartered Accountants in England and Wales as well as the Hong Kong Institute of Certified Public Accountants. Mr. Yang holds directorship in various private companies. His community duties include the Vice Patron of the Community Chest, panel member of the Insurance Appeals Tribunal, an independent director of the Travel Industry Council of Hong Kong, member of Travel Industry Authority, member of Hospital Governing Committee of Yan Chai Hospital and member of the Council Committee of The Hong Kong Academy for Performing Arts. Mr. Yang was selected as "Outstanding Accountant Ambassador" by the Hong Kong Institute of Certified Public Accountants. He was appointed as a Justices of the Peace by the Government of the HKSAR in 2004 and awarded the Bronze Bauhinia Star by the Government of the HKSAR in 2011.

高贊覺博士 *S.B.S., Ph.D.*，非執行董事，現年七十四歲，於二零零九年加入本公司。高博士於一九六八年畢業於香港大學。彼曾服務於多個香港特區政府部門超過三十八年，包括水務署、路政署、土木工程拓展署及工務科。彼於二零零一年獲委任為水務署署長。高博士於二零零七年一月退任公務員。

周維正先生，非執行董事，現年四十六歲，於二零零零年加入其士集團。彼亦為本集團若干公司之董事。彼持有英國牛津大學工程碩士學位，現亦為香港總商會理事會副主席及香港中華廠商聯合會會董。周先生為巴林王國駐香港名譽領事及現任香港巴林商會會長。彼亦為中國人民政治協商會議上海市委員會委員。周先生亦為香港理工大學顧問委員會成員。周先生為本公司已故榮譽主席周亦卿博士之兒子及為本公司執行董事周莉莉小姐之弟。

楊傳亮先生 *B.B.S., J.P.*，獨立非執行董事，並為審核委員會主席、薪酬委員會及提名委員會成員，現年六十一歲，於二零零八年加入本公司。楊先生於一九八三年於英國倫敦 Cass Business School 獲工商管理碩士學位，現為楊錫禹會計師行之獨資擁有人，並為英格蘭及威爾斯特許會計師公會及香港會計師公會會員。楊先生於多家私人公司出任董事。彼亦擔任多項公職事務，包括公益金名譽副會長、保險事務上訴審裁處上訴委員會、香港旅遊業議會之政府委任獨立理事、旅遊業監管局成員、仁濟醫院管治委員會成員及香港演藝學校董會委員會之成員。楊先生曾獲選為香港會計師公會「傑出會計師大使」。彼於二零零四年獲香港特區政府委任為太平紳士，亦於二零一一年獲香港特區政府頒授銅紫荊星章。

MANAGEMENT PROFILE

管理層簡介

PROFESSOR POON CHUNG KWONG *G.B.S., J.P., Ph.D., D.Sc.*, Independent Non-Executive Director and chairman of the Remuneration Committee, a member of each of the Audit Committee and Nomination Committee, aged 80, joined the Company in 2012. Professor Poon obtained a Bachelor of Science (Honours) degree from the University of Hong Kong, a Doctor of Philosophy degree and a Higher Doctor of Science degree from the University of London, UK. He was a postdoctoral fellow at the California Institute of Technology and University of Southern California, US. He also held the Honorary Degree of Doctor of Humanities from The Hong Kong Polytechnic University in 2009. Professor Poon is currently the chairman of Virya Foundation Limited (a registered non-profit charitable organisation). He is an Emeritus Professor and the President Emeritus of The Hong Kong Polytechnic University and had devoted 40 years of his life to advancing university education in Hong Kong before he retired in January 2009 from his 18-year presidency at The Hong Kong Polytechnic University. Professor Poon was appointed a non-official Justice of the Peace in 1989 and received the OBE award in 1991, the Gold Bauhinia Star award in 2002, and the “Leader of the Year Awards 2008 (Education)”. In addition, Professor Poon was appointed as a member of the Legislative Council (1985-1991) and a member of the National Committee of the Chinese People’s Political Consultative Conference (1998-2013).

Professor Poon is a non-executive director of Lee & Man Paper Manufacturing Limited, an independent non-executive director and member of corporate governance committee of Henderson Land Development Company Limited, and an independent non-executive director, member of board audit and risk committee, remuneration committee and nomination committee of The Hong Kong and China Gas Company Limited. All of those companies are public companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

MR. IRONS SZE *B.B.S., J.P.*, Independent Non-Executive Director and a member of the Audit Committee, aged 58, joined the Company in 2016. Mr. Sze graduated with a Bachelor’s degree in Science from University of Wisconsin-La Crosse, US in 1985. Mr. Sze has extensive experience in investment and corporate management. Mr. Sze is an independent non-executive director, member of the audit committee and remuneration committee of Continental Holdings Limited, an independent non-executive director, chairman of the nomination committee and member of the audit committee of ST International Holdings Company Limited, and an independent non-executive director, chairman of the remuneration committee and member of the audit committee of Best Mart 360 Holdings Limited. He was appointed as an independent non-executive director, chairman of nomination committee, and member of the audit committee and remuneration committee of Jianzhong Construction Development Limited on 18 February 2020. He resigned as a non-executive director of China Weaving Materials Holdings Limited on 6 June 2019. All of the above mentioned companies are listed on the Stock Exchange. Mr. Sze is also an executive director of a private company, Hang Tung Resources Holding Limited and holds directorship in various private companies.

潘宗光教授 *G.B.S., J.P., Ph.D., D.Sc.*，獨立非執行董事，並為薪酬委員會主席、審核委員會及提名委員會成員，現年八十歲，於二零一二年加入本公司。潘教授早年考獲香港大學理學學士（榮譽）學位，英國倫敦大學哲學博士及高級理學博士，並在美國加州理工學院及南加州大學從事博士後研究。彼亦於二零零九年獲香港理工大學頒授榮譽人文博士學位。潘教授現為精進基金有限公司（註冊非牟利慈善組織）會長。彼為香港理工大學榮休教授及榮休校長，彼於二零零九年一月退休前，擔任香港理工大學校長之職達十八年，並在香港一直致力推動大學教育四十年。潘教授於一九八九年獲委任為非官守太平紳士、於一九九一年獲頒英國官佐勳章勳銜、於二零零二年獲香港特區政府頒授金紫荊星章及於二零零八年獲頒「傑出領袖獎（教育）」此外，潘教授曾於一九八五至一九九一年被委任為立法局議員，及於一九九八年至二零一三年擔任中國人民政治協商會議全國委員會委員。

潘教授現任理文造紙有限公司之非執行董事，恒基兆業地產有限公司之獨立非執行董事和企業管治委員會成員，及香港中華煤氣有限公司之獨立非執行董事、審核及風險委員會、薪酬委員會及提名委員會之成員。該等公司均為在香港聯合交易所有限公司（「聯交所」）主板上市之公眾公司。

施榮懷先生 *B.B.S., J.P.*，獨立非執行董事，並為審核委員會成員，現年五十八歲，於二零一六年加入本公司。施先生於一九八五年畢業於美國威斯康辛大學拉克羅斯分校，取得理學士學位。施先生於投資及企業管理方面擁有豐富經驗。施先生為恒和珠寶集團有限公司之獨立非執行董事、審核委員會及薪酬委員會成員，智紡國際控股有限公司之獨立非執行董事、提名委員會主席及審核委員會成員，及優品360控股有限公司之獨立非執行董事、薪酬委員會主席及審核委員會成員。彼於二零二零年二月十八日獲建中建設發展有限公司委任為獨立非執行董事、提名委員會主席、及審核委員會和薪酬委員會之成員。彼於二零一九年六月六日辭任中國織材控股有限公司之非執行董事。上述公司均於聯交所上市。施先生亦為私人公司恒通資源集團有限公司之執行董事，並於多家私人公司出任董事。

Mr. Sze is a Deputy Director of the Population Resources and Environment Committee of the 13th National Committee of the Chinese People's Political Consultative Conference and an executive member of the Beijing Municipal Standing Committee of the Chinese People's Political Consultative Conference, the Permanent Honorary President of The Chinese Manufacturers' Association of Hong Kong, and the Deputy Secretary General of the Hong Kong Coalition. He was also elected as a member of Election Committee of the Chief Executive of the HKSAR in 2016. Mr. Sze was appointed as a Justices of the Peace and awarded the Bronze Bauhinia Star by the Government of the HKSAR in 2011 and 2015 respectively.

MR. SUN LELAND LI HSUN, Independent Non-Executive Director and a member of the Audit Committee, aged 58, joined the Company in 2019. Mr. Sun obtained his Master of Business Administration in 1986 from the UCLA Anderson School of Business. Mr. Sun is an independent non-executive director, a member of remuneration committee and nomination committee of Quanzhou Huixin Micro-credit Co., Ltd.. He was an independent non-executive director of Chongqing Rural Commercial Bank Co., Ltd. and resigned on 6 June 2019. All of those companies are public companies listed on the Main Board of the Stock Exchange. He is also an independent non-executive director, chairman of the Audit Committee and a member of Remuneration Committee of Mizuho Securities Asia Limited. Mr. Sun is the founder and managing director of Pan Asian Mortgage Company Limited, an innovative non-banking financial services company specialising in residential mortgage financing in Hong Kong since 2001.

Mr. Sun is a Deputy Chairman of the General Committee of the Hong Kong General Chamber of Commerce, a Chairman of the Nominating Committee of English Schools Foundation and a member of the Executive Committee and Honorary Treasurer of the Servicemen's Guides Association.

Mr. Sun was elected as a member of Election Committee of the Chief Executive of the HKSAR in 2017. He was also appointed by the Financial Secretary of the Government of the HKSAR as the first Chief Operating Officer of The Hong Kong Mortgage Corporation Limited in 1997. Previously, he was a Senior Managing Director of Bear Stearns Asia Limited and an Executive Director of Goldman Sachs (Asia) LLC. Mr. Sun was also the President of The American Club Hong Kong and member of the Executive Committee (Treasurer) and Board of Governors of the American Chamber of Commerce in Hong Kong.

施先生為中國人民政治協商會議第十三屆全國委員會人口資源環境委員會副主任、中國人民政治協商會議北京市委員會常務委員，香港中華廠商聯合會永遠名譽會長，及香港再出發大聯盟副秘書長。彼亦於二零一六年獲選為香港特區行政長官選舉委員會委員。施先生分別於二零一一年及二零一五年獲香港特區政府委任為太平紳士及頒授銅紫荊星章。

孫立勳先生，獨立非執行董事，並為審核委員會成員，現年五十八歲，於二零一九年加入本公司。孫先生於一九八六年取得由加州大學洛杉磯分校的Anderson商學院頒授的工商管理碩士學位。孫先生現為泉州匯鑫小額貸款股份有限公司之獨立非執行董事、薪酬委員會和提名委員會之成員。彼曾為重慶農村商業銀行股份有限公司之獨立非執行董事，並於二零一九年六月六日起辭任。該等公司均為在聯交所主板上市之公眾公司。彼亦為瑞穗證券亞洲有限公司之獨立非執行董事，審核委員會主席及薪酬委員會成員。孫先生為宏亞按揭證券有限公司的創辦人及董事總經理，該公司為創新非銀行金融服務公司，自二零零一年起專門從事香港住宅按揭融資業務。

孫先生現為香港總商會理事會的常務副主席、英基學校協會提名委員會主席及軍人輔導會的執行委員會成員及榮譽司庫。

孫先生於二零一七年獲選為香港特區行政長官選舉委員會委員。彼亦於一九九七年獲香港特區政府財政司司長委任為香港按揭證券有限公司首位行政總監。此前，彼曾擔任貝爾斯登亞洲有限公司高級董事總經理及高盛(亞洲)有限責任公司之執行董事。孫先生亦曾為香港美國會主席及香港美國商會執行委員會(司庫)及理事會成員。

SCHEDULE OF MAJOR PROPERTIES

主要物業表

Particulars of major properties held by the Group as at the date of this report are as follows:

本集團於本報告日期之主要物業詳列如下：

(I) HELD AS INVESTMENT PROPERTIES/PROPERTIES FOR OWN USE

(II) 持作投資物業／自用物業

Location 地點	Usage 用途	Approximate gross floor area* 樓面面積約數* sq. ft. 平方呎	Lease term 契約年期	The Group's interest 本集團所佔權益 %
Hong Kong 香港				
Units 1011 to 1019 on 10th Floor, 19th to 23rd Floors and one-third interest in 201 car parking spaces of Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay 九龍灣宏開道八號其士商業中心十樓一零一一至一零一九室、十九至二十三樓及佔三分之一權益之201個停車位	Office premise and carpark 辦公室及停車場	174,600	Medium 中期	100
Chevalier Warehouse Building, 3 On Fuk Street, On Lok Tsuen, Fanling 粉嶺安樂邨安福街三號其士貨倉大廈	Industrial 工業	118,300	Medium 中期	100
29-33 Tsing Yi Road, Tsing Yi 青衣青衣路二十九至三十三號	Industrial 工業	253,500	Medium 中期	87.5
8 Kwai Hei Street, Kwai Chung 葵涌葵喜街八號	Cold storage warehouse 冷藏倉庫	380,000	Medium 中期	75
124-130 Kwok Shui Road and 79-85 Yau Ma Hom Road, Kwai Chung 葵涌國瑞路一百二十四至一百三十號及油麻磡路七十九至八十五號	Cold storage warehouse 冷藏倉庫	427,500	Medium 中期	75
No. 20, Shek O Road 石澳道二十號	Residential 住宅	5,300	Long 長期	100
Mainland China 中國內地				
Chevalier Place, 168 An Fu Road, Xuhui District, Shanghai 上海市徐匯區安福路一百六十八號亦園	Residential, shop and carpark 住宅、商舖及停車場	142,600	Long 長期	80
Units 3-9 of 18th Floor, Dongshan Plaza, 69 Xianlie Zhong Road, Guangzhou 廣州市先烈中路六十九號東山廣場十八樓三至九室	Office premise 辦公室	13,000	Medium 中期	100
Singapore 新加坡				
Chevalier House, 23 Genting Road, Singapore 349481	Industrial 工業	106,500	Freehold 永久業權	100
The Blue Building, 10 Genting Road, Singapore 349473	Industrial 工業	16,900	Freehold 永久業權	100

SCHEDULE OF MAJOR PROPERTIES

主要物業表

(I) HELD AS INVESTMENT PROPERTIES/PROPERTIES FOR OWN USE (CONTINUED) (II) 持作投資物業／自用物業(續)

Location 地點	Usage 用途	Approximate gross floor area* 樓面面積約數* sq. ft. 平方呎	Lease term 契約年期	The Group's interest 本集團所佔權益 %
US 美國				
430 East Grand Avenue, South San Francisco, CA 94080	Industrial/Warehouse 工業／倉庫	37,000	Freehold 永久業權	100
13258 Nelson Avenue, City of Industry, Los Angeles, CA 91746	Industrial/Warehouse 工業／倉庫	31,400	Freehold 永久業權	100
4510 Duraleigh Road, Raleigh, NC 27612	Senior Housing 安老院舍	52,700	Freehold 永久業權	98.6
1700 Montana Drive, Charlotte, NC 28216	Senior Housing 安老院舍	34,400	Freehold 永久業權	100
3060 SE Stark Street, Portland, OR 97214	Senior Housing 安老院舍	150,500	Freehold 永久業權	100
14420 SW, Farmington Road, Beaverton, OR 97005	Senior Housing 安老院舍	35,000	Freehold 永久業權	100
535 U.S Highway 158W, Yanceyville, NC 27379	Senior Housing 安老院舍	38,900	Freehold 永久業權	98.6
2560 Willard Road, Winston-Salem, NC 27107	Senior Housing 安老院舍	33,300	Freehold 永久業權	98.6
37501 Joy Road, Westland, Wayne County, MI 48185	Senior Housing 安老院舍	77,800	Freehold 永久業權	100
2725 N Pennsylvania Avenue, Roswell NM 88201	Senior Housing 安老院舍	66,000	Freehold 永久業權	100
6031 Cheyenne Avenue, Las Vegas, NV 89108	Senior Housing 安老院舍	109,100	Freehold 永久業權	100
Canada 加拿大				
838 Hamilton Street, Vancouver, B.C., V6B 6A2	Hotel 酒店	66,000	Freehold 永久業權	100
4334-4340 Kingston Road, Ontario, M1E 2M8	Office and workshop for automobile dealership 用作汽車經銷之辦公室 及工場	20,200	Freehold 永久業權	100
14535-14583 Yonge Street, Aurora, Ontario, L4G 6L1	Office and workshop for automobile dealership 用作汽車經銷之辦公室 及工場	25,000	Freehold 永久業權	100
Thailand 泰國				
Chevalier House, 540 Bamrungmuang Road, Debsirin Sub-district, Pomprab District, Bangkok Metropolis	Office premise and showroom 辦公室及陳列室	21,300	Freehold 永久業權	100

SCHEDULE OF MAJOR PROPERTIES

主要物業表

(II) PROPERTIES FOR SALE

(III) 待售物業

Location 地點	Approximate gross floor area* 樓面面積約數* sq. ft. 平方呎	Lease term 契約年期	The Group's interest 本集團所佔權益 %
Hong Kong 香港			
Units 1601–1603 on 16th Floor, Chevalier House, 45–51 Chatham Road South, Tsim Sha Tsui 尖沙咀漆咸道南四十五至五十一號其士大廈十六樓 一六零一至一六零三室	3,800	Medium 中期	100
Mainland China 中國內地			
Phase I of Chevalier City – 240 apartment units, 2 residential units and 100 shop units, Luyuan District, Changchun 長春市綠園區香港城1期240個公寓·2個住宅及100個商舖	470,700	Medium 中期	96
Phase II of Chevalier City – 6 residential units and 10 shop units, Luyuan District, Changchun 長春市綠園區香港城2期6個住宅及10個商舖	27,900	Medium 中期	96
My Villa – 6 villas and 6 shop units, Huairou District, Beijing 北京市懷柔區歐郡6個別墅單位及6個商舖	132,100	Medium 中期	44

(III) PROPERTIES UNDER DEVELOPMENT

(III) 發展中物業

Location 地點	Stage of completion 進度	Expected date of completion 預算完工日期	Major usage 主要用途	Approximate site area 地盤土地面積約數 sq. ft. 平方呎	Estimated gross floor area after completion* 完成後樓面面積約數+ sq. ft. 平方呎	The Group's interest 本集團所佔權益 %
Hong Kong 香港						
URA project at Fuk Chak Street/Li Tak Street, Tai Kok Tsui, Kowloon 九龍大角咀福澤街/利得街的 市建局項目	In progress 工程進行中	2021 二零二一年	Residential and commercial 住宅及商用	8,300	61,800	100
Nos. 292A–D Prince Edward Road West, Homantin, Kowloon 九龍何文田太子道西292A–D號	In progress 工程進行中	2022 二零二二年	Residential 住宅	7,800	39,200	100
No.5 Hang Lok Lane, Shatin 沙田恒樂里第五號	In progress 工程進行中	2023 二零二三年	Residential 住宅	47,900	28,800	100
Mainland China 中國內地						
Luyuan District, Changchun 長春市綠園區	In progress 工程進行中	2021 to 2027 二零二一年至 二零二七年	Residential and commercial 住宅及商用	1,921,000	4,607,000	96

* Excluding carparks

* 不包括停車場

+ Excluding the floor areas of basements, carparks, public amenities and resettlement buildings

+ 不包括地下室、停車場、公建配套及回遷建築之樓面面積

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is committed to maintaining a high standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining and promoting investors' confidence and maximising shareholders' returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of stakeholders and comply with regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Code on Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange sets out two levels of corporate governance code, namely code provisions that a listed company must comply with or explain its non-compliance, and recommended best practices that a listed company is encouraged to comply with but need not disclose in the case of non-compliance. The Company is in compliance with the code provisions of the CG Code except for the following deviations:

Code Provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same person. The Chairman is responsible for overseeing the Board while the Managing Director is responsible for managing the Group's businesses. Mr. Kuok Hoi Sang serves as both the Chairman and Managing Director of the Company. The Board believes that with Mr. Kuok's comprehensive knowledge in the history and various business segments, and his extensive experience in the operation of the Group, vesting the roles of both Chairman and Managing Director in Mr. Kuok provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's business strategies which is in the best interest of the Company.

Code Provision A.4.1 stipulates that Non-Executive Directors should be appointed for a specific term and subject to re-election. All the Non-Executive Directors of the Company are not appointed for a specific term but are instead subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Company's Bye-Laws.

BOARD OF DIRECTORS

The Board is charged with providing effective and responsible leadership for the Company. The Directors, individually and collectively, must act in good faith and in the best interests of the Company and its shareholders. The Board sets the Group's overall objectives and strategies, monitors and evaluates its operating and financial performance and reviews the corporate governance standard of the Company. It also decides on matters such as annual and interim results, notifiable transactions, director appointments or re-appointments, and dividend and accounting policies. Management profile of the Company as at the date of this report is set out on pages 21 to 25.

董事會致力維持高水平的企業管治常規及商業道德標準的承諾，並堅信此對於維持及提高投資者的信心和增加股東的回報至為重要。為了達到與持份者對企業管治常規水平不斷提升的期望和符合法規要求，以及實踐董事會對堅守優越企業管治的承諾，董事會不時檢討企業管治常規。

聯交所證券上市規則（「上市規則」）附錄十四所載《企業管治守則》（「企業管治守則」）訂明兩個層次的企業管治守則，包括：守則條文 — 上市公司必須遵守，或對任何偏離守則條文的情況作出解釋；及建議最佳常規 — 鼓勵上市公司加以遵守但毋需披露偏離常規的情況。本公司已遵守企業管治守則中的守則條文，惟以下之守則條文除外：

第A.2.1之條文規定主席及行政總裁之角色應有區分，且不應由一人同時兼任。主席負責監督董事會職能運作，董事總經理則負責管理本集團的業務。郭海生先生身兼本公司主席及董事總經理的職位。董事會認為，郭先生憑藉於過往及對各項業務分類有全面的認識，及其豐富的經驗有助本集團業務營運，由郭先生同時擔任主席及董事總經理的職位將為本公司提供強大而貫徹的領導，有利於本集團業務策略的實施及執行，符合本公司的最佳利益。

第A.4.1之條文規定非執行董事的委任應有指定任期，並須接受重新選舉。本公司所有非執行董事均沒有指定任期，惟須根據本公司細則於本公司股東週年大會上輪值告退，並膺選連任。

董事會

董事會肩負向本公司整體提供有效率和負責任的領導。各董事，無論個別地及共同地，都必須真誠及以本公司及其股東的最佳利益為前提行事。董事會訂立本集團之整體目標和策略、監管和評估本集團在營運與財務上之表現並檢討本公司之企業管治水平。董事會亦須決定各項事宜，其中包括全年及中期業績、須予公佈的交易、董事聘任或續聘、及股息與會計政策。於本報告之日，本公司管理層簡介載於第21頁至25頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (CONTINUED)

The Board comprises five Executive Directors, two Non-Executive Directors and four Independent Non-Executive Directors. The Board met four times during the year under review. The attendance of Directors at the Board Meetings, the Board Committees Meetings and General Meeting is set out in the table below:

Directors 董事	Meetings Attended/Held 會議出席/舉行次數				
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	General Meeting 股東大會
Executive Directors 執行董事					
Mr. Kuok Hoi Sang (Chairman and Managing Director) 郭海生先生(主席兼董事總經理)	4/4	–	1/1	1/1	1/1
Mr. Tam Kwok Wing (Deputy Managing Director) 譚國榮先生(副董事總經理)	4/4	–	–	–	1/1
Mr. Ho Chung Leung 何宗樑先生	4/4	–	–	–	1/1
Mr. Ma Chi Wing 馬志榮先生	4/4	–	–	–	1/1
Miss Lily Chow 周莉莉小姐	4/4	–	–	–	1/1
Non-Executive Directors 非執行董事					
Dr. Ko Chan Gock, William 高贊覺博士	4/4	–	–	–	1/1
Mr. Chow Vee Tsung, Oscar 周維正先生	3/4	–	–	–	1/1
Independent Non-Executive Directors 獨立非執行董事					
Mr. Yang Chuen Liang, Charles 楊傳亮先生	4/4	3/3	1/1	1/1	1/1
Professor Poon Chung Kwong 潘宗光教授	4/4	3/3	1/1	1/1	1/1
Mr. Irons Sze 施榮懷先生	4/4	2/3	–	–	1/1
Mr. Sun Leland Li Hsun 孫立勳先生	4/4	3/3	–	–	1/1

The Board members have no financial, business, family or other material/relevant relationships with each other except that Mr. Chow Vee Tsung, Oscar, Non-Executive Director of the Company, is a brother of Miss Lily Chow, an Executive Director of the Company.

Throughout the year ended 31 March 2020, the Company met at all times the requirements of the Listing Rules to have at least three Independent Non-Executive Directors or representing at least one-third of the Board and with at least one Independent Non-Executive Director possessing appropriate accounting and financial management expertise and professional qualifications.

董事會(續)

董事會由五名執行董事、兩名非執行董事及四名獨立非執行董事組成。董事會於回顧年內共舉行了四次會議，各董事在董事會會議、董事委員會會議及股東大會的出席率如下：

除周維正先生(本公司之非執行董事)為周莉莉小姐(本公司之執行董事)之胞弟外，各董事會成員之間概無財務、業務、家屬或其他重大/相關的關係。

於截至二零二零年三月三十一日止年度，本公司一直遵守上市規則內訂明上市公司須至少設有三名獨立非執行董事或至少佔董事會人數三分之一，且其中至少一名獨立非執行董事須具備會計及財務方面的適當管理專長及專業資格之規定。

BOARD OF DIRECTORS (CONTINUED)

The Company received from its Independent Non-Executive Directors annual confirmation of independence in accordance with Rule 3.13 of the Listing Rules. The Board assessed their independence and concluded that all the Independent Non-Executive Directors are independent.

Pursuant to Code Provision A.6.5, all directors should participate in continuous professional development to refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company also provides reading materials and updates to the Directors on the latest developments and changes to the Listing Rules, applicable laws and regulations relating to directors' duties and responsibilities.

During the year under review, the Company arranged a seminar for the Directors on matters relating to inside information disclosure obligation and dealing restriction/insider dealing. All Directors received the training materials after the seminar. Directors' training is an ongoing process and all Directors are encouraged to attend relevant training courses at the Company's expenses. Directors are requested to provide records of training they received to the Company Secretary of the Company for records.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Board shall have power to appoint any person as a director either to fill a vacancy or for expansion of the Board. The Company has set up a Nomination Committee for formulating nomination policy for consideration by the Board and making recommendations to the Board on the selection, appointment and re-appointment of directors. 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.

In accordance with the Bye-Laws of the Company, all Directors are subject to retirement by rotation and re-election at annual general meetings of the Company. New directors appointed by the Board during the year are required to retire and submit themselves for re-election at the annual general meeting or general meeting immediately following their appointments. Further, at each annual general meeting, one-third of the Directors, or, if their number is not a multiple of three, then the number nearest to but not less than one-third are required to retire from office by rotation and no later than the third annual general meeting since the last re-election or appointment of such Director.

Messrs Tam Kwok Wing, Ma Chi Wing, Yang Chuen Liang, Charles and Irons Sze shall retire from office at the forthcoming annual general meeting of the Company to be held on Friday, 28 August 2020 (the "AGM") in accordance with the Company's Bye-Laws. All the retiring Directors, being eligible, shall offer themselves for re-election at the AGM.

董事會(續)

本公司接獲獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。董事會評估彼等之獨立性，並確定全體獨立非執行董事均屬獨立人士。

根據第A.6.5之條文，所有董事應參加持續專業發展以更新其知識及技能，以確保彼等能向董事會作出知情及恰當之貢獻。本公司亦向董事提供閱讀材料並向彼等提供有關上市規則、董事職責及責任相關適用法律及法規的最新發展及變動之資訊。

於回顧年內，本公司為董事提供有關內幕訊息披露責任及交易限制/內幕交易的研討班。全體董事均已取得研討班的材料。董事培訓將持續舉行並鼓勵所有董事參加相關培訓課程，費用由本公司支付。董事須向本公司之公司秘書提供其接受培訓的記錄以供存檔。

董事之委任及重選

董事會有權委任任何人士為董事以填補空缺或增加董事會人數。本公司設立提名委員會負責制定提名政策給予董事會作考慮以及就董事挑選、委任及續聘向董事會提出建議。所有候選人均須符合上市規則第3.08及3.09條之要求，而在委任獨立非執行董事時，候選人亦必須符合上市規則第3.13條所載指引之獨立性。

根據本公司細則，所有董事須於本公司之股東週年大會上輪值告退並膺選連任。於年內獲董事會委任之新董事亦須在獲委任後之首屆股東週年大會或股東大會上退任，並可膺選連任。再者，於每屆股東週年大會上須有三分之一(如董事退任人數不是三的倍數)或最接近但不少於三分之一的董事退任，而每位董事均須在其上次當選或重選後不超過三屆之股東週年大會上退任。

根據本公司細則，譚國榮先生、馬志榮先生、楊傳亮先生及施榮懷先生須於即將於二零二零年八月二十八日(星期五)召開之本公司股東週年大會(「股東週年大會」)上告退。所有退任董事符合資格，願於股東週年大會上膺選連任。

AUDIT COMMITTEE

Written terms of reference, which describe the authority and duties of the Audit Committee, have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board. Mr. Yang Chuen Liang, Charles, Independent Non-Executive Director, is the chairman of the committee. He has extensive experience in financial reporting and controls. Other members include the remaining Independent Non-Executive Directors, namely Professor Poon Chung Kwong, Mr. Irons Sze and Mr. Sun Leland Li Hsun. The Audit Committee is responsible for, among others, reviewing the nature and scope of audit performed by external auditors and their appointments, reviewing the Group's financial information and overseeing the Group's financial reporting system, risk management and internal control systems, and reviewing and monitoring the effectiveness of the internal audit function. It is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval.

The Audit Committee held three meetings during the year ended 31 March 2020. At the meetings, they reviewed the connected transactions (if any), last year's final results and accounts for the year ended 31 March 2019, the interim results and financial statements for the six months ended 30 September 2019 and reviewed with management the accounting policies and practices adopted by the Group and discussed the auditing, financial reporting, risk management and internal control systems of the Group. The final results and financial statements for the year ended 31 March 2020 were reviewed by the Audit Committee in the meeting held on 22 June 2020. They also reviewed and approved the engagement of external auditors for providing non-audit services, the remuneration in respect of audit and non-audit services provided by external auditors, risk management and internal control systems and the effectiveness of the internal audit function.

REMUNERATION COMMITTEE

Written terms of reference, which describe the authority and duties of the Remuneration Committee, have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board. The Remuneration Committee currently comprises two Independent Non-Executive Directors, namely Professor Poon Chung Kwong (chairman of the committee) and Mr. Yang Chuen Liang, Charles; and one Executive Director, namely Mr. Kuok Hoi Sang. The Remuneration Committee is responsible for making recommendations to the Board based on the Company's policy and structure on the remuneration for all Directors of the Company, and on the establishment of a formal and transparent procedure for developing remuneration policy for approval by the Board. The Remuneration Committee has adopted the operation model where it has the responsibility, powers and discretion to determine, with delegated responsibility, the remuneration packages of individual Executive Directors of the Company.

The Remuneration Committee held a meeting during the year ended 31 March 2020 to review the remuneration packages paid to Directors for the year ended 31 March 2020. Details of the emoluments of Directors by bands are set out in note 41 to the consolidated financial statements.

審核委員會

本公司採納的書面職權範圍列明審核委員會的職權，並已載於本公司及聯交所網站，而董事會亦會定期審議及更新。獨立非執行董事楊傳亮先生為該委員會之主席。彼於處理財務報告及監控方面具資深經驗。其他成員包括其餘獨立非執行董事潘宗光教授、施榮懷先生及孫立勳先生。審核委員會負責（其中包括）審議外聘核數師進行審核的性質和範圍及其委任、審閱本集團之財務資料及監察本集團之財務報告系統、風險管理及內部監控系統，以及監管內部審核職能的有效性。該委員會並負責審閱本集團中期及末期業績後予董事會批核。

審核委員會於截至二零二零年三月三十一日止年度內共舉行了三次會議，並於會上審閱關連交易（如有）、截至二零一九年三月三十一日止年度的去年末期業績及賬目、截至二零一九年九月三十日止六個月的中期業績及財務報表、與管理層審閱本集團所採納的會計政策及實務及討論本集團之核數、財務報告、風險管理及內部監控系統等事宜。截至二零二零年三月三十一日止年度之末期業績及賬目已經由審核委員會於二零二零年六月二十二日召開之會議上審閱。彼等亦審議及批准外聘核數師提供非審核服務的委聘、外聘核數師提供審核及非審核服務的薪酬、風險管理及內部監控系統，以及內部審核職能的有效性。

薪酬委員會

本公司採納的書面職權範圍列明薪酬委員會的職權，並已載於本公司及聯交所網站，而董事會亦會定期審議及更新。薪酬委員會現時由兩名獨立非執行董事潘宗光教授（委員會主席）及楊傳亮先生，及一名執行董事郭海生先生組成。薪酬委員會負責就本公司全體董事按照本公司的薪酬政策及結構，以及為薪酬政策的發展制訂正式及具透明度的程序，提供意見以予董事會批准。薪酬委員會已採納一套運作模式，薪酬委員會有責任、權力及酌情權決定本公司個別執行董事的薪酬待遇。

薪酬委員會於截至二零二零年三月三十一日止年度內舉行了一次會議，並審閱截至二零二零年三月三十一日止年度支付予董事之薪酬待遇。董事按等級劃分的酬金詳情載於綜合財務報表附註41。

NOMINATION COMMITTEE

Written terms of reference, which describe the authority and duties of the Nomination Committee, have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board. The Nomination Committee currently comprises Mr. Kuok Hoi Sang (chairman of the committee) and two Independent Non-Executive Directors, namely Professor Poon Chung Kwong and Mr. Yang Chuen Liang, Charles. The Nomination Committee is responsible for reviewing and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive. The Nomination Committee has the responsibility to consider and identify individuals suitably qualified to become Board members, and select or make recommendations to the Board on the selection of individuals nominated for directorships. The Nomination Committee discusses and reviews annually the structure, size and composition of the Board and agrees on measurable objectives for achieving diversity of the Board and makes relevant recommendations to the Board for adoption with reference to the Board Diversity Policy of the Company.

The Nomination Committee held a meeting during the year ended 31 March 2020 to review the structure, size and composition of the Board, assess the independence of Independent Non-Executive Directors, recommend the re-election of retiring directors and make recommendation on new appointment or any proposed changes to the Board to complement the Company's corporate strategy.

BOARD DIVERSITY POLICY

The Board adopted a Board Diversity Policy in August 2017. The aim of this policy is to set out the approach to achieve diversity on the Board. The Company recognises and embraces the benefits of diversity in Board. The Nomination Committee will discuss and agree annually measurable objectives for implementing diversity on the Board and recommend them to the Board for adoption.

The Company aims to build and maintain a Board with a diversity of Directors based on a range of diversity perspectives, for example skills, experience, knowledge, expertise, culture, independence, age, gender, race and length of services. The Nomination Committee will monitor the implementation of the policy from time to time with a view to enhancing the Board's performance. The Nomination Committee will review the policy periodically and amend it as appropriate to ensure its continued effectiveness. The Nomination Committee will discuss any revisions that may be required, and recommend any proposed changes to the Board for consideration and approval.

提名委員會

本公司採納的書面職權範圍列明提名委員會的職權，並已載於本公司及聯交所網站，而董事會亦會定期審議及更新。提名委員會現時由郭海生先生（委員會主席）及兩名獨立非執行董事潘宗光教授及楊傳亮先生組成。提名委員會負責審議有關董事的委任或續聘，以及董事繼任計劃（尤其是主席及行政總裁）的相關事宜，並向董事會作出推薦。提名委員會負責考慮及識別合資格人士成為董事會成員，並甄選或向董事會推薦其甄選提名出任董事職務的人士。經參考本公司董事會多元化政策後，提名委員會將每年討論及檢討董事會的架構、人數及組成以及同意董事會多元化而制定的可計量目標，並向董事會提出有關建議以供採納。

提名委員會於截至二零二零年三月三十一日止年度內舉行了一次會議，以審閱董事會的架構、人數及組成、評估獨立非執行董事的獨立性、推薦膺選連任的退任董事人選，並就任何為配合本公司的企業策略而作出的新委任或擬對董事會作出的任何變動提出建議。

董事會多元化政策

董事會於二零一七年八月採納董事會多元化政策。該政策的目的是列出達致董事會多元化之方案。本公司認同並接受董事會多元化的益處。提名委員會將每年商討並同意實施董事會多元化的可計量目標並提出建議予董事會採納。

本公司旨在根據多元化範疇為基準建立及維持董事會多元化，例如技能、經驗、知識、專長、文化、獨立性、年齡、性別、種族及服務年期。提名委員會將不時監察該政策的執行以提升董事會的表現。提名委員會將定期檢討該政策，並在適當時予以修訂以確保其持續有效。提名委員會將討論任何可能需作出的修訂，並向董事會提出修訂建議以供董事會考慮及審批。

NOMINATION POLICY

The Board adopted a Nomination Policy in November 2018. The aim of this policy is to assist the Nomination Committee in identifying individuals suitably qualified to become Board members and select and make recommendations to the Board on the selection of individuals for directorship, for the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the Managing Director. The Nomination Committee shall consider the following criteria in assessing the suitability of a proposed candidate:

- **Essence:** The proposed candidate shall possess high ethical standards, good character, and act with integrity.
- **Availability:** The proposed candidate should be able to devote time to understand the affairs of the Company in order to enable him/her to make value-added contributions to the Board.
- **Qualification, expertise and experience:** The proposed candidate shall have ascertained qualification, expertise and experience in an area of business or public affairs in line with the Company's corporate strategy.
- **Diversity:** The diversity of the Board will be considered including but not limited to gender, age, cultural and educational background, race, skills, knowledge, religion, industry and professional experience and length of service in accordance with the Diversity Policy of the Company.

Additional criteria are required for assessing the independence of the proposed candidate of Independent Non-Executive Director as appropriate:

- **Independence:** comply with the independence requirements set under the Listing Rules.
- **Time commitment:** ensure that sufficient time can be devoted to discharge the duties/responsibilities as Independent Non-Executive Directors. For Independent Non-Executive Directors who serve more than seven listed companies' directorship, the Board will need to satisfy that the proposed candidate can devote sufficient time to the Board. The Nomination Committee will consider the following factors which can affect the individual's time commitment to the Company:
 1. whether at the time of nomination the Company is undergoing a period of particularly increased activity, such as an acquisition or takeover;
 2. the frequency of having to chair the Board and/or the committee(s);
 3. being multiple members of committees;

提名政策

董事會於二零一八年十一月採納提名政策。該政策的目的是協助提名委員會識別合資格的人士成為董事會成員，並就甄選及提名擔任董事之人選向董事會提出建議董事的委任或續聘和董事的繼任計劃，特別是主席及董事總經理。提名委員會在評估候選人的適合性時，將考慮以下準則：

- **個人特質：**建議的候選人應具有高道德標準，良好品格，和真誠處事。
- **可投放時間：**建議的候選人應能投放時間了解公司的事務，使他／她能夠向董事會提供具增值的貢獻。
- **履歷、專長和經驗：**為貫徹公司的企業策略，建議的候選人應為擁有在商界或公共事務領域的履歷、專長和經驗。
- **多元化：**根據本公司的多元化政策考慮董事會的多元化，當中應包括但不限於性別、年齡、文化及教育背景、種族、技能、知識、宗教、行業和專業經驗以及服務年期。

若所建議的候選人為獨立非執行董事則應按以下的額外標準以評估其獨立性：

- **獨立性：**符合上市規則所規定的獨立性要求。
- **須付出的時間：**確保有足夠的時間於履行作為獨立非執行董事的職責／責任。對於為超過七家上市公司的董事職位提供服務的獨立非執行董事，董事會需要確定建議的候選人可以為董事會投入足夠的時間。提名委員會將考慮以下因素，這些因素可能影響個人對公司所須付出的時間：
 1. 在提名時公司是否正處於特別活躍期間，例如收購或全面收購；
 2. 主持董事會和／或委員會的次數；
 3. 已為多個委員會成員；

NOMINATION POLICY (CONTINUED)

- whether the candidate is a chief executive officer or full-time executive director of another listed issuer; and
- whether the candidate is an Independent Non-Executive Director for multiple boards and the number of significant commitments at government or non-profit making bodies.

The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for re-election at any general meeting. This policy shall be reviewed on a continuous basis and, when necessary, can be revised by the Board from time to time.

EXECUTIVE COMMITTEE

The Board has delegated the authority and responsibility for implementing business strategies and managing the daily operations of the Group's business to an Executive Committee which was established in 1991. The terms of reference of the Executive Committee were revised on 26 June 2017 so as to incorporate governance function as stipulated in the CG Code. Written terms of reference, which describe the authority and duties of the Executive Committee, have been adopted and are regularly reviewed and updated by the Board. Members of the Executive Committee comprise five Executive Directors, namely Messrs Kuok Hoi Sang (chairman of the committee), Tam Kwok Wing, Ho Chung Leung, Ma Chi Wing and Miss Lily Chow.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems and reviewing their effectiveness. The Board is also responsible for overseeing the design, implementation and monitoring of the risk management and internal control systems. The risk management and internal control systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage, rather than eliminate, risks of failure in operating systems or in achievement of the Group's business objectives.

The Board, through the Audit Committee, conducts a review of the effectiveness of the Group's risk management and internal control systems, which covers all material controls, including financial, operational and compliance controls, on an annual basis. It also considers the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting function. Significant issues in the management letters from both internal and external auditors will be brought to the attention of the Audit Committee to ensure that prompt remedial action is taken. All recommendations will be properly followed up to ensure they are implemented within a reasonable period of time.

提名政策(續)

- 候選人是否為另一上市發行人的行政總裁或全職執行董事；及
- 候選人是否擔任多個董事會的獨立非執行董事以及政府或非牟利機構的多項重大委任。

董事會應在任何有關建議候選人於任何股東大會上重選連任之所有事上作出最終決定。該政策將持續檢討，並在必要時由董事會不時修訂。

執行委員會

董事會已授權於一九九一年成立之執行委員會負責推行本集團的商業策略及管理日常業務運作。本公司採納的書面職權範圍於二零一七年六月二十六日修訂，用以納入企業管治守則所載的治理職能，其中列明執行委員會的職責，而董事會亦會定期審議及更新。執行委員會成員由郭海生先生(委員會主席)、譚國榮先生、何宗樑先生、馬志榮先生及周莉莉小姐五位執行董事所組成。

風險管理及內部監控

董事會負責評估及釐定在達致本集團的策略目標時其願意承擔的風險性質及程度，以及確保本集團建立及維持合適且有效的風險管理及內部監控系統並檢討其有效性。董事會亦負責監督風險管理及內部監控系統的設計、執行及監察情況。風險管理及內部監控系統旨在提供對重大錯誤陳述或虧損的合理(但並非絕對)保證，並管理(而非消除)營運系統失效或為達致本集團業務目標時所產生的風險。

董事會透過審核委員會每年檢討本集團涵蓋所有重大監控措施的風險管理及內部監控系統的有效性，包括財務、營運及合規監控措施；亦會考慮資源是否充足、員工的資歷及經驗、訓練計劃及本集團會計、內部審核及財務報告職能的預算。內部及外部核數師管理函件內的重事項須提呈審核委員會垂注，以確保採取及時的補救行動。所有建議將會妥善跟進，以確保於合理時間內執行。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

Under the enterprise risk management framework, policies and procedures are in place to identify, assess, manage, control and report risks. Such risks include strategic, credit, operational (administrative, system, human resources, tangible assets and reputation), market, liquidity, legal and regulatory risks. Exposure to these risks is continuously monitored by the Board through the Audit Committee.

The internal control system includes a defined management structure with specified limits of authority. The Board has clearly defined the authorities and key responsibilities of each division to ensure adequate checks and balances. The internal control system has been designed to safeguard the Group's assets against unauthorised use or disposition, to ensure the maintenance of proper accounting records for producing reliable financial information; and to ensure compliance with applicable laws, regulations and industry standard.

During the year under review, there were no major issue but areas for improvement have been identified by the Audit Committee and both the internal and external auditors with appropriate measures taken. The Board is of the view that the risk management and internal control systems in place for the year and up to the date of issuance of the annual report is effective and adequate.

The Company's Internal Audit Department monitors the Group's internal governance and strives to provide objective assurance to the Board that appropriate, adequate and effective risk management and internal control systems are in place. It has unrestricted access to review all aspects of the Group's activities and internal controls. It also conducts special audits of areas of concern identified by management or the Audit Committee. The Internal Audit Department adopts a risk-based audit approach. All audit reports are circulated to the Audit Committee and key management. The Internal Audit Department is also responsible for following up the implementation of recommendations and corrective actions.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the consolidated financial statements for the year ended 31 March 2020, which give a true and fair view of the financial position of the Group and of the Group's financial performance and cash flows. In preparing the consolidated financial statements, the Directors have adopted generally accepted accounting standards in Hong Kong and suitable accounting policies and applied them consistently, made judgments and estimates that are fair and reasonable and prepared the consolidated financial statements on a going concern basis. The Auditor of the Company acknowledge their reporting responsibilities in the Independent Auditor's Report on the consolidated financial statements for the year ended 31 March 2020 as set out in the Independent Auditor's Report on pages 66 to 74.

風險管理及內部監控(續)

根據企業風險管理框架，現時設有識別、評估、管理、控制及報告風險的政策及程序。有關風險包括策略、信貸、營運(行政、系統、人力資源、有形資產及聲譽)、市場、流動資金、法律及監管風險。董事會透過審核委員會持續監察該等風險。

內部監控系統包括以特定的權限範圍界定管理架構。董事會已清晰界定各部門的權限及主要職責，確保有足夠的檢查及平衡。內部監控系統旨在保障本集團的資產不受未經授權使用及處置；確保存置恰當的會計記錄，以供編製可靠的財務資料；及確保遵守適用法律、法規及行業標準。

於回顧年內，審核委員會概無發現任何重大事件，但發現可改進的範疇，而內部及外部核數師已採取適當的措施。董事會認為年內及截至年度報告發行日期的風險管理及內部監控系統均屬有效及足夠。

本公司的內部審核部門監察本集團的內部管治，並致力向董事會確保設有合適、足夠及有效的風險管理及內部監控系統。該部門可不受限制地取得本集團活動及內部監控事宜，亦會就審核委員會的管理層識別的特別範圍進行審核。內部審核部門採納以風險為基準的方法。所有審核報告均會交予審核委員會及主要管理人員傳閱。內部審核部門亦會負責跟進推薦建議及糾正行動的執行情況。

董事和核數師對綜合財務報表的責任

董事知悉彼等須負責編製截至二零二零年三月三十一日止年度綜合財務報表，以真實及公平地反映本集團之財務狀況以及本集團之財務表現及現金流量。編製綜合財務報表時，董事已採納並持續應用香港公認會計準則及適當之會計政策，作出公平及合理之判斷及評估，並按持續經營基準編製綜合財務報表。本公司之核數師確認彼等對本公司截至二零二零年三月三十一日止年度綜合財務報表獨立核數師報告的申報責任載於第66頁至74頁的獨立核數師報告中。

AUDITORS' REMUNERATION

For the year ended 31 March 2020, the fees paid/payable to the auditors in respect of the audit and non-audit services provided by the auditors to the Group were as follows:

Nature of services 服務性質		Amount (HK\$'000) 金額(港幣千元)
Audit services 核數服務	- PricewaterhouseCoopers and other firms of the worldwide network of PricewaterhouseCoopers 羅兵咸永道會計師事務所及其他屬於羅兵咸永道全球網絡中的事務所	7,547
	- other auditors 其他核數師	7,837
Non-audit services 非核數服務	- PricewaterhouseCoopers and other firms of the worldwide network of PricewaterhouseCoopers 羅兵咸永道會計師事務所及其他屬於羅兵咸永道全球網絡中的事務所	90
	- other auditors 其他核數師	2,527

核數師之酬金

截至二零二零年三月三十一日止，就本集團核數師提供之核數及非核數服務已支付／應付核數師酬金如下：

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 of the Listing Rules. Following a specific enquiry of all Directors, each of the Directors confirmed that he/she has complied with the Model Code throughout the year.

證券交易的標準守則

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)。經向所有董事作出具體查詢後，各董事均確認於整個年度內已遵守標準守則的規定。

COMPANY SECRETARY

The Company Secretary is a full-time employee of the Company and has day-to-day knowledge of the Company's affairs. During the year under review, the Company Secretary had duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

公司秘書

公司秘書為本公司之全職僱員並熟悉本公司之日常事務。於回顧年內，公司秘書已符合上市規則第3.29條有關專業培訓的要求。

SHAREHOLDERS' RIGHTS

Convening a general meeting

Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. The requisition must be signed by the requisitionist(s) and deposited at the principal place of business of the Company in Hong Kong.

股東權利

召開股東大會

於遞呈要求日期持有不少於本公司繳足股本(附有於本公司股東大會投票之權利)十分之一之任何股東隨時有權透過向董事會或公司秘書發出書面要求，要求董事會召開特別股東大會，以處理有關要求中指明之任何事項。該等要求須由呈請者簽署並交回本公司於香港之主要營業地點。

The meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) themselves, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

大會應於遞呈該要求後兩個月內舉行。倘遞呈後二十一日期內，董事會未有召開該大會，則呈請者或持有超過全部呈請者總投票權半數的任何呈請者，可自行召開該大會，惟任何由此召開的會議不能於所述日期屆滿三個月後召開。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (CONTINUED)

Putting enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary and deposit the same at the Company's principal place of business in Hong Kong or by e-mail to enquiry@chevalier.com.

Putting forward proposals at general meetings ("GM")

Shareholders can submit a written requisition to move a resolution at a GM. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the GM, or shall not be less than one hundred shareholders.

The written requisition must state the resolution, accompanied by a statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at the GM. It must also be signed by all of the shareholders concerned and be deposited at the Company's principal place of business in Hong Kong for the attention of the Company Secretary.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in giving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

The procedures for shareholders of the Company to propose a person for election as a director is posted on the website of the Company.

INVESTOR AND SHAREHOLDER RELATIONS

The Group's Board and senior management maintains close communications with investors and the media through various channels including individual interviews and meetings. The Group also responds promptly to request for information and queries (if any) from investors.

The Board welcomes the views of shareholders on matters affecting the Group and encourages them to attend shareholders' meetings to communicate any concerns they might have with the Board or senior management directly.

The Company provides extensive information of the Group to its shareholders and the public through the publication of interim and annual reports, circulars, notices and announcements. The financial and other information relating to the Group is disclosed on the Company's website at <http://www.chevalier.com>.

股東權利(續)

向董事會作出查詢

股東可透過向公司秘書寄發郵件至本公司於香港之主要營業地點或發送電郵至 enquiry@chevalier.com 向董事會作出查詢及提問。

於股東大會(「股東大會」)提呈建議

股東可提出書面請求於股東大會上動議決議案。於提出請求日期，有權於股東大會上投票之股東人數須佔所有股東之總投票權不少於二十分之一，或不少於一百名股東。

有關書面請求須列明相關決議案，連同一份聲明，內容有關任何所建議決議案提述之事宜或將在股東大會上處理之事務。該書面請求亦須由全體有關股東簽署，並交回本公司於香港之主要營業地點，註明收件人為公司秘書。

有關股東須寄存一筆合理及足夠的款項，用以支付本公司根據適用法例及規則發出決議案通知及傳閱有關股東提交之聲明所需之開支。

本公司股東提名候選董事之程序已刊登於本公司網站。

與投資者及股東之關係

本集團董事會及高級管理人員透過各種渠道，包括個人訪談和會議與投資者及傳媒保持緊密溝通。本集團亦即時回應投資者就索取資料及查詢(如有)之要求。

董事會歡迎股東對影響本集團的事項提出意見，並鼓勵彼等出席股東大會，藉以直接向董事會或管理層反映彼等關注的事項。

本公司透過刊發中期及年度報告、通函、通告及公告致力為股東及公眾人士提供本集團的全面資料，而有關本集團的財務及其他資料亦載於本公司網站 <http://www.chevalier.com> 內。

DIVIDEND POLICY

The Board adopted a dividend policy in November 2018 in accordance with the applicable laws and regulations as well as the Bye-Laws of the Company. The aim of this policy is to establish the parameters for the Board of the Company when they make decision on the declaration or recommendation of the dividend. It also allows shareholders of the Company to participate in the Company's profits whilst preserving the Company's liquidity to capture future growth opportunities. This policy shall be reviewed on continuous basis, and when necessary, and can be revised by the Board from time to time.

MEMORANDUM OF ASSOCIATION AND BYE-LAWS OF THE COMPANY

During the reporting period, no amendment had been made to the Memorandum of Association and Bye-Laws of the Company.

股息政策

董事會於二零一八年十一月根據適用法律及法規以及本公司之公司細則採納股息政策。該政策的目的是在決定股息的宣佈或建議時為公司董事會確定參數。該政策亦允許公司股東參與公司利潤的同時保留公司的流動資金以捕捉未來的增長機會。該政策將持續審視，並在必要時由董事會不時修訂。

本公司組織章程大綱及細則

於報告期內，本公司之組織章程大綱及細則並無作出修訂。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

This is the Environmental, Social and Governance Report (“ESG Report”) prepared by the Group pursuant to the Environmental, Social and Governance Reporting Guide provided in Appendix 27 to the Listing Rules of the Stock Exchange.

The Group has varied business operations in Hong Kong and other countries. Due to the differences in reporting standards across regions and given our main operations remain in Hong Kong, this report only covers the business operations of the Group in Hong Kong.

The Group believes that communication with its stakeholders helps the Group gain a better understanding of their needs, expectations and concerns which in turn enables us to attain sustainable development in economic, environmental and social terms. The table below shows how we communicate with our key stakeholders.

緒言

此乃由本集團根據聯交所上市規則附錄二十七所載之環境、社會及管治報告指引所編製的環境、社會及管治報告（「環境、社會及管治報告」）。

本集團業務遍佈香港及其他國家。由於不同地區有不同報告準則，以及本集團經營業務以香港為主，這報告只涵蓋本集團於香港之業務。

本集團相信，與其持份者溝通有助於本集團更好地了解彼等的需求、期望及關注，從而可令我們在經濟、環境及社會方面實現可持續發展。下表列出我們與主要持份者的溝通方式。

Stakeholders 持份者	Needs, expectations and concerns 需求、期望及關注	Communication Channels 溝通渠道
Shareholders and investors 股東及投資者	<ul style="list-style-type: none"> Return on investments Corporate strategy and governance 	<ul style="list-style-type: none"> Company website Interim and annual reports Annual General Meeting Announcements, notices of meetings, circulars 公司網站 中期及年度報告 股東週年大會 公告、會議通告、通函
Employees 僱員	<ul style="list-style-type: none"> Compensation and benefits Career development opportunities Occupational health and safety 	<ul style="list-style-type: none"> Employee activities Staff newsletter and intranet In-house training programmes Job performance reviews and appraisals Regular meetings/training sessions 僱員活動 員工通訊及內聯網 內部培訓計劃 工作表現評核及評估 定期會議／培訓課程
Sub-contractors 分包商	<ul style="list-style-type: none"> Effective project management Occupational health and safety Ethical business practices Sub-contractors assessment criteria 	<ul style="list-style-type: none"> Training sessions Health, safety and environment committee Regular operation meetings Audits and assessments 培訓課程 健康、安全及環境委員會 定期營運會議 審核及評估
Suppliers 供應商	<ul style="list-style-type: none"> Long-term relationship Ethical business practices Supplier assessment criteria 	<ul style="list-style-type: none"> Procurement processes Regular review and assessment 採購流程 定期審閱及評估
General public and community 公眾及社區	<ul style="list-style-type: none"> Environmental issues Community participation 	<ul style="list-style-type: none"> Corporate news Volunteer community work Sponsorships and donations 公司新聞 義工社區服務 贊助及捐贈

INTRODUCTION (CONTINUED)

Sustainability is essential to the Group’s development, as well as for the viability of its business and for the benefit of the community. We are dedicated to offering premium products and services to achieve all round customer satisfaction. The Group believes in environmental protection and cares for the community through engaging in various charitable initiatives to make positive contributions to society. We also nurture our staff and offer career development opportunities to further ensure business continuity. During the year under review, the Group committed itself to a high standard of corporate social responsibility and strictly complied with relevant laws and regulations reporting. The two key subject areas for reporting are: (A) Environmental, and (B) Social.

(A) ENVIRONMENTAL

Emissions

During the year, the Group recorded carbon emissions mainly from its construction sites. Please refer to the table below which sets out the Group’s total carbon emissions, by category, for the year.

Greenhouse gas emissions

Carbon Emissions	碳排放	Tonnes of CO ₂ e 二氧化碳當量(噸)
Scope 1: Direct greenhouse gas emissions	範圍1：直接溫室氣體排放	1,041.83
Scope 2: Energy indirect greenhouse gas emissions	範圍2：能源間接溫室氣體排放	1,865.74
Scope 3: Other indirect greenhouse gas emissions	範圍3：其他間接溫室氣體排放	83.46
Total greenhouse gas emission	溫室氣體排放總量	2,991.03

Scope 2 covers carbon emissions generated by the electricity purchased by our construction sites, and is the largest carbon emissions for the Group. Due to the large demand for machineries and equipment, and the size of the construction sites, 1,865.74 tonnes of carbon emissions was recorded, representing over 60% of the total recorded greenhouse gas emissions. Electricity is also used for air-conditioners and lighting of construction work sites and other workplaces.

The second largest carbon emissions under scope 1 came from the consumption of fuel used for the operation of generators at our construction sites and for our corporate motor vehicles which recorded 1,041.83 tonnes of carbon emissions.

緒言(續)

可持續發展對本集團之發展、業務可行性及社區利益而言尤為重要。本集團致力提供優質產品及服務以全面滿足客戶需求。本集團注重環境保護與社區關愛，透過參與各種慈善活動為社會作出正面貢獻。本集團亦培育員工及提供事業發展機會，以進一步確保業務的可延續性。於回顧年內，本集團致力實踐高水平企業社會責任，並嚴格遵守相關法律及法規報告，所報告的兩項主要範疇包括：(A) 環境及(B) 社會。

(A) 環境

排放物

於年內，本集團錄得的碳排放量主要來自其建築地盤。有關本集團按類別劃分的本年度總碳排放量，請參閱下表。

溫室氣體排放

範圍2涵蓋來自建築地盤購買的電力之碳排放，並為本集團產生最多碳排放。因建築地盤對機械及設備的大量需求及建築地盤的面積所需用電，錄得1,865.74噸之碳排放，佔錄得溫室氣體排放總量超過60%。電力亦為建築地盤及其他辦工地方的空調及照明所用。

第二大碳排放來自範圍1，建築地盤燃料消耗用以操作發電機以及本集團的公司汽車，錄得碳排放達1,041.83噸。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

(A) ENVIRONMENTAL (CONTINUED)

Emissions (continued)

In general, the key air pollutants generated include nitrogen oxides (NOx), sulphur oxides (SOx), and respiratory suspended particles (also known as Particulate Matter (“PM”)).

Air emissions

Type of Air Pollutants	空氣污染物的類型	Emissions (kg) 排放量(千克)
Nitrogen oxides (NOx)	氮氧化物 (NOx)	2,127.79
Sulphur oxides (SOx)	硫氧化物 (SOx)	3.45
Particulate Matter (PM)	顆粒物 (PM)	156.18

Waste is generated mainly from the disposal of materials from our construction sites and the disposal of papers. All wastes are non-hazardous and have been properly disposed of. The total amount of waste generated is set out in the table below:

Waste

Type of Non-hazardous Waste	無害廢物類型	Tonnes 噸
Landfill	垃圾堆	2,093.41
Papers	廢紙	114.03

During the year under review, the Group did not violate any laws and regulations in relation to emissions.

Nevertheless, we have implemented various energy saving measures to help reduce our carbon emissions (please refer to the “The Environment and Natural Resources” below).

Use of Resources

Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in all business practices. During the year, resources consumed by the Group are listed in the table below:

Type of Resources	資源類型	Consumption 消耗量
Electricity	電	262,573.00 kWh 千瓦時
Water	水	2,053.30 m ³ 立方米
Paper	紙張	51.59 tonnes 噸

We implemented various energy saving measures to help reduce our resources consumption (please refer to the “The Environment and Natural Resources” below).

(A) 環境(續)

排放物(續)

通常，產生的主要空氣污染物包括氮氧化物(NOx)、硫氧化物(SOx)及懸浮顆粒(亦稱為顆粒物(「PM」))。

氣體排放

Type of Air Pollutants	空氣污染物的類型	Emissions (kg) 排放量(千克)
Nitrogen oxides (NOx)	氮氧化物 (NOx)	2,127.79
Sulphur oxides (SOx)	硫氧化物 (SOx)	3.45
Particulate Matter (PM)	顆粒物 (PM)	156.18

廢物產生主要來自建築工地的材料及紙張處置。所有廢物均屬無害且已妥善處置。下表列出所產生的廢物總量：

廢物

Type of Non-hazardous Waste	無害廢物類型	Tonnes 噸
Landfill	垃圾堆	2,093.41
Papers	廢紙	114.03

於回顧年內，本集團並無違反有關排放的任何法律及法規。

然而，我們已實施各種節能措施，以協助減低碳排放(請參閱下述「環境及天然資源」)。

資源使用

本集團對環境保護的承諾在整體業務運作中所提倡的環保措施及意識中得以持續充分反映。於年內，本集團消耗的資源載列於下表：

Type of Resources	資源類型	Consumption 消耗量
Electricity	電	262,573.00 kWh 千瓦時
Water	水	2,053.30 m ³ 立方米
Paper	紙張	51.59 tonnes 噸

我們實施了各種節能措施，以幫助減少我們的資源消耗(請參閱下文所述的「環境及天然資源」)。

(A) ENVIRONMENTAL (CONTINUED)

The Environment and Natural Resources

The Group recognises the importance of enhancing the awareness about environmental protection among staff with the aim of saving energy, fully utilising resources and recycling wastes in our daily office operation. The mission of maintaining environmental sustainability is engrained in all levels of staff members and is a long-term commitment driven by our top management.

The Group took measures to reduce paper usage including the promotion of the use of electronic devices, and encouraged the use of websites and online versions of corporate communications. Since 2008, Forest Stewardship Council-certified papers have been used for the production of our annual and interim reports to reduce the impact on the environment. The Group also engaged recyclers to collect regularly waste papers for recycling. In order to facilitate the collection of waste papers, recycle bags are placed beside photocopiers to collect waste papers.

In line with the Group's promotion of environmental protection and to save energy consumption, devices such as occupancy and motion sensor which automatically turn lights off when the office is not occupied, daylight sensor which reduces electric lighting inside the building when it is daylight; and other measures such as, the adoption of light-emitting diode (LED) type high energy efficiency lamps, the reduction of the number of light tubes by replacing them with T5 florescent tube in the lighting basins in some offices one adopted. Most of our office equipment carries the Energy Label issued by the Electrical and Mechanical Services Department which further helps decrease energy consumption in our offices.

Our construction and engineering division puts much effort into protecting the environment and uses energy in the most efficient, cost-effective, and environmentally responsible manner possible for new equipment, major work and new design at project sites. Measures implemented, to name a few, include noise control, waste water discharge, dust control, controlled chemical waste disposal, use of recyclable waste materials and prevention of chemical leakage. Another example was the use of biodiesel in some of our machineries on site. Environmental protection policies and plans as well as energy policies and energy management system manuals were set up for different projects. Some of our group companies have obtained the ISO 14001 and ISO 50001 certifications which also demonstrate our commitment to environmental protection and energy management.

Our property management business has obtained the ISO 14001 certification since 2006 and is committed to enhancing environmental awareness and promoting various recycling activities through its managed estates. Activities were held for recycling and for the promotion of green living lifestyle for residents and tenants of properties managed by the Group. During the year, the property management division participated in the Renewable Energy Feed-in Tariff (FiT) Scheme launched by CLP Power Hong Kong Limited ("CLP") by installing solar power renewable energy system at roof top of buildings managed by the Group to generate electricity supply to public electricity network of the estates or to sell the generated electricity back to CLP to reduce the emission of carbon dioxide and to contribute to building a sustainable future. In addition, one of the managed sites was awarded the "Wastewi\$e Certificate" (Excellence Level) in the "Hong Kong Green Organisation Certification" led by the Environmental Campaign Committee, which demonstrates its endeavor to promote environmental awareness and green living lifestyle.

(A) 環境(續)

環境及天然資源

本集團認同以節約能源、充分利用資源及於日常辦公室運作中將廢物循環使用為目標，提升員工環保意識之重要性。保持環境可持續性的使命需要各級員工的努力，這亦為高層管理人員的長期承諾。

本集團已採取措施減少用紙量，包括推廣使用電子設備以及鼓勵使用網站及在網上發佈公司資訊。自二零零八年以來，本集團一直使用森林管理委員會認證的紙張印製年報及中期報告以降低對環境的影響。本集團亦有聘用回收商定期收集廢紙循環再用。為配合廢紙回收，環保袋已放置在影印機旁以收集廢紙。

為貫徹本集團推廣環保意識及節能措施，已安裝了佔用及運動傳感器等設備在辦公室未被佔用時會自動關燈；日光傳感器在有日光時會減少建築物內的電燈；及採用發光二極管(LED)型高效能燈以減少光管數量及以T5光管替換舊光管。本集團的大部份辦公室設備擁有機電工程署頒發的能源效益標籤，以助進一步減低辦公室能源消耗。

建築及機械工程部門已付出相當努力保護工地的環境，並以最有效、最具成本效益和環保的方式在工地的新設備、主要工序和新項目設計上使用能源。所實施的多項控制措施包括噪音、污水排放、塵埃及化工廢物處置；並使用可循環再用的廢料及防止化學品洩漏等。而另一例子是在工地部份機械採用生物柴油。已因應不同項目制定環保政策及計劃與能源政策及管理系統手冊。本集團旗下部份公司已取得ISO 14001及ISO 50001認證，此亦為本集團承諾致力於環境保護及能源管理的憑證。

物業管理業務自二零零六年起已取得ISO 14001認證，致力於提升環保意識及透過其管理的物業推廣各種回收活動。本集團為住戶及租戶舉辦多項回收及推廣綠色生活的活動。於年內，旗下管理屋苑陸續參加了中電控股有限公司(「中電」)之「可再生能源上網電價」計劃，於集團管理之建築物的天台安裝太陽能發電光伏板，以太陽能發電供應苑廈公共電力使用或把電力上傳回中電之電力網絡，減輕碳排放，踏出低碳生活第一步。此外，其中一個管理屋苑獲環境運動委員會頒發「香港綠色機構認證」-「減廢證書」(卓越級別)。其顯示本集團於推廣綠色生活方面不遺餘力。

(B) SOCIAL

Employment and Labour Practices

Employment and Labour Standards

To attract, develop and retain qualified employees, the Group is committed to offering professional development opportunities and a healthy working environment for all employees and onsite staff. In addition, we have implemented equal opportunity employment practices.

As at 31 March 2020, the Group had a total of approximately 4,000 full-time employees globally. Below is an analysis of the Group's Hong Kong workforce by employment type, gender and age group, and employee turnover rate by gender and age group.

(B) 社會

僱傭及勞工常規

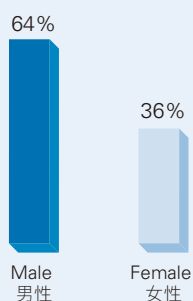
僱傭及勞工準則

為吸引、培養及挽留合資格僱員，本集團致力於為全體僱員及地盤工作人員提供專業發展機會及健康的工作環境。此外，我們已奉行平等機會的僱傭原則。

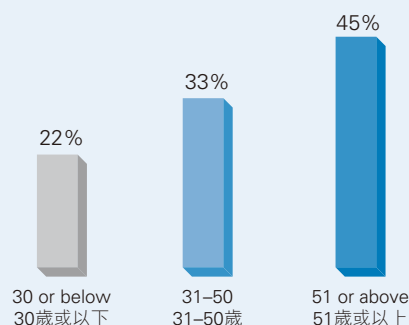
於二零二零年三月三十一日，本集團於全球僱用合共約4,000名全職僱員。按僱傭類型、性別及年齡組別劃分本集團於香港的勞動力分析，以及按性別及年齡組別劃分的流失比率分析如下。

Workforce by employment type, gender and age group 按僱傭類型、性別及年齡組別劃分的員工人數						
	Total 總計	Gender 性別		Age Group 年齡組別		
		Male 男性	Female 女性	30 or below 30歲或以下	31-50 31-50歲	51 or above 51歲或以上
Full-time 全職	1,823	1286	537	301	707	815
Part-time 兼職	8	3	5	0	5	3
Total 總計	1,831	1,289	542	301	712	818

**Employee Turnover Rate
By Gender**
按性別劃分的僱員流失比率



**Employee Turnover Rate
By Age Group**
按年齡組別劃分的僱員流失比率



(B) SOCIAL (CONTINUED)

Employment and Labour Practices (continued)

Employment and Labour Standards (continued)

Gender diversity is challenging to the Group, especially for the construction and engineering segment. During the year, male employees make up over 70% of the total workforce. The largest group of employees falls in the age category of 51 or above while the highest turnover rate of employees also falls in the age category of 51 or above due to contract terminations.

The Group reviews its compensation and benefits programs regularly to ensure that its compensation and benefits packages remain competitive. In addition, the Group continues to conduct annual review of its pay and benefits packages including its medical scheme, health check programmes, travel insurance, training subsidies and retirement benefits to align them with prevailing offers in the market. Different recreational activities were also arranged by our Human Resources Department. Interest classes, workshops and language classes were organised during the year under review to increase the sense of belonging of our employees. The Group also strives to help our employees maintain a work life balance. A Chevalier Staff Recreation Centre and a lactation room provides staff members and working mothers with a place to rest, relax and socialise, enabling them to balance work and personal life.

The Group advocates a community spirit that thrives on mutual respect and equal opportunities. The Group complies strictly to equal opportunities legislation, such as the Sex Discrimination Ordinance, Race Discrimination Ordinance, Disability Discrimination Ordinance and Family Status Discrimination Ordinance. To ensure diversity and equality, we recruit, remunerate and promote employees based on their experience, skills and performance, without prejudice to age, race, disability, gender or family status. In addition, the Group is strongly committed to compliance with relevant laws and regulations and forbid to use forced or child labour.

The Group upholds high standards of business ethics and promotes good personal conduct of its employees. Our Personal Conduct and Staff Conduct Code in the Human Resources Policies and Procedures Manual can be easily accessed by staff members through our intranet.

(B) 社會(續)

僱傭及勞工常規(續)

僱傭及勞工準則(續)

本集團存在性別多元的情況，尤其是建築及機械工程分類。於年內，男性僱員佔員工總數超過70%。年齡51歲或以上的僱員人數最多，因僱傭合約之完結，亦以51歲或以上的年齡組別的流失率最高。

本集團定期檢討薪酬及福利計劃以確保該等薪酬福利仍具競爭力。此外，本集團每年亦不斷進行檢討，跟隨當時市況調整薪酬待遇與其他福利，包括醫療計劃、健康檢查、外地公幹保險、培訓津貼及退休福利。人力資源部門亦安排了各項休閒活動，於回顧年內舉辦興趣班、工作坊及外語班，以增強僱員的歸屬感。本集團致力幫助僱員在維持工作和生活之間取得平衡。其士員工康樂中心及授乳室為員工和在職媽媽提供了休息、放鬆及聯誼的地方，使他們能夠平衡工作和個人生活。

本集團致力提倡互相尊重及平等機會的群體精神。本集團嚴格遵守各項平等機會法例，包括性別歧視條例、種族歧視條例、殘疾歧視條例及家庭崗位歧視條例。為確保提供多元和平等的就業機會，本集團的招聘、薪酬及晉升原則乃基於僱員的工作經驗、技能和工作表現，員工不會因年齡、種族、殘疾、性別或家庭崗位而受到任何歧視。此外，本集團嚴格遵守相關法律及法規並禁止使用強制勞工或童工。

本集團要求僱員擁有高標準的商業道德及推廣良好的個人操守。人力資源政策及程序手冊內載有個人操守及員工行為守則，員工可透過內聯網輕易獲取。

(B) SOCIAL (CONTINUED)

Employment and Labour Practices (continued)

Health and Safety

The Group is committed to providing a safe and healthy working environment to all employees and on-site staff. We regularly monitor our work environment and staff facilities. The Group has stringent guidelines for employees who are assigned to work on construction sites to minimise and prevent exposure to occupational hazards and to ensure a high standard of occupational safety. Safety and health care trainings are provided from time to time for newcomers and relevant personnel at our construction sites so as to improve their awareness of safety in a working environment. Moreover, we offer, and it is mandatory for our colleagues on sites to use, special safety equipment such as safety helmets, ear plugs, dust masks, goggles and safety shoes. Additional rest periods and shelters, ventilation facilities and potable water for workers are also provided during hot weather. Further, two of our group companies subscribed to the "Charter on Preferential Appointment of OSH Star Enterprise", accredited by the Occupational Safety and Health Council and are determined to improve the standard of occupational safety and health. In response to the outbreak of COVID-19, the Group has adopted a series of preventive measures, including the setting up of case reporting mechanisms, strengthening disinfection and cleaning of offices and construction sites, implementing the requirement for daily temperature check for employees, distributing surgical masks and alcohol-based hand-rub to employees, and installing hand disinfectant dispensers in lift lobby and antibacterial fluid diffusers in meeting rooms.

Occupational Health and Safety Committee

Our property management business has obtained the OHSAS 18001 recognition for its compliance with occupational health and safety requirements since 2006. We have also obtained the ISO 45001 accreditation in early 2020 which recognises the standard of our safety requirements. Head office and selected sites are audited periodically by the British Standards Institution for renewal of the certificates. We have a Safety Committee which consists of property management staff members from head office and site level operation staff which formulates site safety measures and policies. Regular meetings are scheduled every 3 months for post-implementation review of audited sites, as well as information exchange on accidents or injuries and precautionary measures that can be taken for other sites to follow. Trainings are organised every 3 months in various districts of audited sites and the Group encourages staff of non-audited sites to participate to promote the occupational health and safety culture.

(B) 社會(續)

僱傭及勞工常規(續)

健康及安全

本集團致力為全體僱員及地盤工作人員提供安全及健康的工作環境，並對工作環境及員工設施進行定期監察。本集團對被委派至建築地盤的工作僱員具有嚴格指引，預防及把職業損害減至最低，以確保高標準職業安全。本集團亦會不時在建築地盤向新入職員工及有關人員提供安全健康培訓，以提高彼等對工作環境的安全意識。此外，本集團提供特殊安全設備，僱員乃強制性於地盤使用，如安全帽、耳塞、防塵面具、護目鏡及安全鞋。在炎熱天氣下，職員可獲額外休息時間並於具有通風設備及飲用水供應的遮蔭地點休息。此外，旗下其中兩間的集團公司參與了由職業安全健康局舉辦之「優先選用職安健星級企業約章」，以提高職業安全與健康標準。為應對2019新型冠狀病毒病的爆發，本集團採取了一系列預防措施，包括建立病例申報機制、加強辦公室和建築工地的消毒和清潔、實施員工日常體溫檢測要求、為員工分發外科口罩和酒精搓手液，並在電梯大堂安裝自動感應消毒手機及在會議室設置除菌空氣淨化器。

職業健康及安全委員會

物業管理業務自二零零六年起已獲得 OHSAS 18001 認可以確認其遵守職業健康及安全規定，更於二零二零年初獲取 ISO 45001 的證書，安全要求之標準得以認可。總部及選定苑廈由英國標準學會定期審核以更新認證證書。本集團設有安全委員會，由總部物業管理員工及地盤操作員工組成，以制定地盤安全措施及政策。每三個月舉行一次定期會議，對經審核苑廈進行檢討及交換意外受傷個案資料，讓各經審核苑廈及其他非認證苑廈參考作出預防措施。每三個月一次於不同區域的經審核苑廈進行培訓，讓鄰近非認證苑廈的員工也可參與以積極推廣職業安全健康文化。

(B) SOCIAL (CONTINUED)

Employment and Labour Practices (continued)

Health and Safety (continued)

Site Safety Subgroup

Our construction and engineering colleagues ensure site safety inspections are carried out on a regular basis and any finding of major breaches and unsafe condition are rectified promptly. The site safety subgroup comprising representatives from our project companies and subcontractors, held operation meetings frequently. During the year under review, no work related fatalities was recorded.

(B) 社會(續)

僱傭及勞工常規(續)

健康及安全(續)

地盤安全小組

建築及機械工程同事均定期進行地盤安全檢查，以便及時糾正重大違規及不安全情況。地盤安全小組由本集團項目公司及分包商代表組成，並經常舉行營運會議。於回顧年內，並無錄得與工作有關的死亡事故。

Occupational Health and Safety

職業健康及安全

Work related fatalities	與工作有關的死亡事故	0 cases 宗	0 %
Lost days due to work injury	因工傷損失工作日數	39 cases 宗	4,092.5 days 日

Development and Training

The Group recognises that the knowledge and skills of our employees are vital to the Group's business development and success, we, therefore, encourage our staff to pursue further with their professional development. The Group nominates staff to attend internal and external training programs from time to time and when appropriate. Our training programs also range from professional and technical training to personal development skills. The Group also provides education subsidies to encourage staff to further develop their skills and broaden their knowledge. To continuously attract new talents, the Group also organises apprenticeship programs and provides apprentices with on-the-job training.

發展及培訓

本集團認為僱員的知識及技能對本集團的業務發展及成功十分重要，本集團因此鼓勵員工不斷尋求更多專業發展。本集團不定期提名員工參加內部及外部培訓課程。培訓課程涵蓋專業及技術培訓以至個人技能發展。本集團亦提供教育津貼，以鼓勵員工進一步發展技能及擴闊知識。為持續吸引新進人才，本集團亦開辦學徒計劃，並向學徒提供在職培訓。

(B) SOCIAL (CONTINUED)

Employment and Labour Practices (continued)

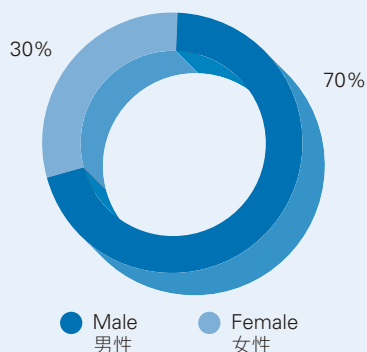
Development and Training (continued)

(B) 社會 (續)

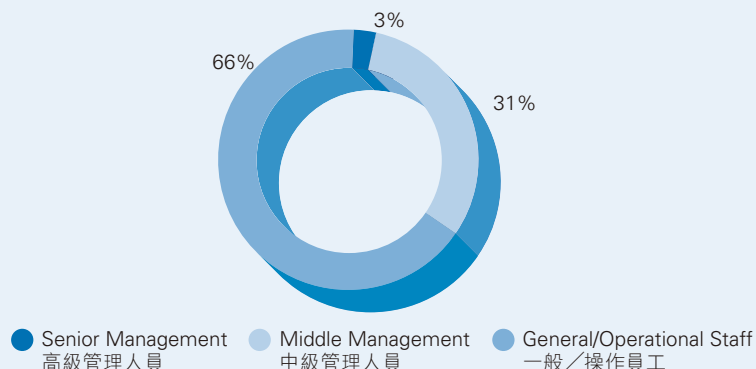
僱傭及勞工常規 (續)

發展及培訓 (續)

The percentage of employees trained by gender
 按性別劃分的受訓僱員百分比



The percentage of employees trained by employee category
 按僱員類別劃分的受訓僱員百分比



The average training hours completed per employee by gender
 按性別劃分，每名僱員完成受訓的平均時數

	Unit 單位	2020 二零二零年
Male 男性	hours 小時	11.5
Female 女性	hours 小時	6.1

The average training hours completed per employee by employee category
 按僱員類別劃分，每名僱員完成受訓的平均時數

	Unit 單位	2020 二零二零年
Senior Management 高級管理人員	hours 小時	6.6
Middle Management 中級管理人員	hours 小時	9.3
General/Operational Staff 一般/操作員工	hours 小時	10.3

(B) SOCIAL (CONTINUED)

Operating Practices

Supply Chain Management

The Group carefully selects qualified suppliers to ensure that the entire production process is in line with our standards and rules. We not only require our new suppliers to submit all relevant documents for review, but also conduct rigorous checks to ensure their reliability. We carry out inspections and assessments regularly to review our suppliers' standards and terminate collaboration with unqualified suppliers.

The Group upholds fair operating practices in its relationship with subcontractors and suppliers through an efficient procurement system. We have also adopted systems for competitive tendering and subcontractors' performance monitoring and reporting. The Group conducts regular reviews of terms and conditions of subcontracts and supply contracts between the Group and our subcontractors and suppliers which enables the development of effective and strong partnerships. Such reviews cover the potential enhancement of social, ethical, environmental and gender equality criteria in subcontracts and supply contracts.

Product Responsibility

The Group recognises that good customer and after-sales services are keys to the success and sustainability of the Group. In order to cater for prompt response in meeting with the needs of our customers, the Group has, therefore, set up customer service teams for its different business units to handle customers' queries efficiently.

The Group respects the privacy of personal data and has developed policies on the collection and usage of personal data. Review and revision of the personal data and privacy policy are carried out to ensure its effectiveness and compliance with relevant laws.

Since the Group is a customer-focused organisation, its environmental project team commits to make every effort to achieve customer satisfaction through continual improvement in our quality management system in accordance with the requirements of ISO 9001:2015. The project team has a quality policy statement which serves as a guideline to its team.

For our property management business, the Group discusses issues with site managers and members of the Safety Committee, and regularly provides updates to site managers and/or person-in-charge for maintaining the recognition of ISO 9001, ISO 14001, OHSAS 18001/ISO 45001 or to fulfil statutory requirements. The Group also reminds site managers to regularly review existing contractors' terms and take necessary precaution measures whenever applicable.

(B) 社會(續)

營運慣例

供應鏈管理

本集團仔細甄選合資格供應商以確保整個生產過程符合本集團的標準及規則。本集團不僅要求新供應商提交所有有關文件以供審閱，亦會實施嚴格查核以確保其可靠性。本集團定期進行檢驗及評估以審閱供應商的水平，並終止與不合資格的供應商合作。

本集團透過與分包商和供應商的關係，採取高效的採購系統以秉持公平的營運慣例。本集團亦採納具競爭力的投標系統，並監控及呈報分包商表現。為確保本集團能有效地促進與其分包商及供應商之間穩固的合作關係，本集團會定期檢討分包合約及供應合約的條款和條件。該檢討亦涵蓋分包合約及供應合約在加強潛在之社會、道德、環境及性別公平方面的準則。

產品責任

本集團認同良好的客戶及售後服務乃集團取得成功及實現可持續發展的關鍵。為能迅速回應客戶的需求，本集團因此在不同業務單位設立客戶服務團隊以有效地解決客戶查詢。

本集團尊重個人資料私隱，並制定關於收集及使用個人資料的政策。個人資料及私隱政策會進行檢討並作出修訂以確保其有效且遵守有關法例。

由於本集團為一間以客為尊的企業，其環保項目團隊致力根據 ISO 9001:2015 的規定透過持續改善我們的質量管理體系以滿足客戶需求。項目團隊已制定質量政策書，作為其團隊的指南。

就物業管理業務而言，本集團將與苑廈經理及安全委員會成員討論，且定期向苑廈經理及／或負責人提供最新消息，以維持 ISO 9001、ISO 14001、OHSAS 18001／ISO 45001 的認可或履行法定要求。本集團亦會提醒苑廈經理定期檢討現有承包商的條款並於適當時採取必要預防措施。

(B) SOCIAL (CONTINUED)

Operating Practices (continued)

Product Responsibility (continued)

Customers' needs and satisfaction have always been the priorities of the Group. Our information technology related businesses provide comprehensive order processing, fulfilment and back office services to consumers. Our customer service centre provides a wide range of information and assistance to answer customers' inquiries and to offer repair and maintenance services to consumers.

Intellectual properties are our Company's vital assets, as such, we have exercised our utmost endeavours to safeguard our intellectual properties rights and interests. The Group has also in place certain procedures and safeguards to protect customers' information from unauthorised access, usage and leakage and to maintain their data privacy.

Anti-Corruption

The Group has in place a series of corporate governance policies which ensure that the Group has a sound corporate governance system. Anti-corruption, business gifts and entertainment, conflict of interest and data protection are some of the areas covered. The corporate governance policies assures the adoption of standard procedures across the Group and provides guidelines, and the anti-corruption, business gifts and entertainment policy spells out the Group's position in relation to these issues clearly. The Group has a whistle-blower policy to provide channels for employees to raise concerns and define a way to handle these concerns. All reports are confidential to protect employees from retaliation. As part of the Group's orientation training, new employees receive anti-corruption training handbook and such policies are also made available to staff members in the course of their execution of duties. During the year, the Company also arranged for Independent Commission Against Corruption ("ICAC") to provide online training materials for staff members taking into consideration the nature of and the different needs of our various business units. No cases of corruption were reported within the Group during the year under review.

(B) 社會(續)

營運慣例(續)

產品責任(續)

滿足客戶所需一直是本集團的首要目標。資訊科技相關業務向客戶提供全面的訂單處理、執行及後勤支援服務。客戶服務中心提供廣泛的資訊及協助，以解答客戶查詢，並向客戶提供維修及保養服務。

知識產權為本公司的重要資產，因此，我們已盡最大努力維護我們的知識產權之權利及利益。本集團亦已製定若干程序及保障措施，保護客戶資料免受未經授權的讀取、使用及洩漏，以維護其數據私隱。

反貪污

本集團已製定一系列企業管治政策，以確保本集團建立健全的企業管治制度。當中涉及的內容包括反貪污、商業饋贈及款待，利益衝突及資料保障。企業管治政策可確保本集團能採用標準程序並提供指引，而反貪污、商業饋贈及款待政策則明確闡述了本集團在這些問題上的立場。本集團制定了舉報政策，為員工提供了舉報渠道並說明處理的方法，所有報告均屬機密，以保護員工免受報復。作為本集團定向培訓的一部份，新入職僱員會收到反貪污培訓手冊，並且在履行職責過程中亦會向員工提供相關政策。於年內，本公司亦安排了廉政公署考慮各業務部門的性質和需求，為員工提供在線培訓材料。於回顧年內，本集團並無發生任何貪污案件。

(B) SOCIAL (CONTINUED)

Community

Community Investment

Year 2020 marks the 50th Anniversary of Chevalier Group. Taking roots in Hong Kong for half a century, Chevalier Group is committed to corporate social responsibility with a strong belief in “giving back to society”. It strives to serve the community by actively participating in community services, charitable sponsorships, education programs, cultural and sports activities, environmental protection initiatives and corporate volunteer activities.

The Group sponsored a diverse range of charitable events during the year under review, including the “HKGCC Free Ride Day” organised by the Hong Kong General Chamber of Commerce and “Chevalier Blood Donation Day” which was co-organised with the Hong Kong Red Cross. In response to the outbreak of COVID-19, the Group made a donation to the “Construction Industry Caring Campaign for Fight against Novel Coronavirus” so as to provide monetary assistance and caring support to registered construction workers affected by the pandemic. In recognition of our contribution to the community, the Group has been conferred the award of “Caring Company Logo” by the Hong Kong Council of Social Service since 2011.

Education and Culture

To cultivate young talents and unleash their full potential, the Group has established “Chevalier Culture & Education Foundation” in 1998 with an aim to foster cultural, academic and educational exchanges amongst Hong Kong and other countries. The Group has long demonstrated its full support for promoting local arts and culture development. To further bring classical music closer to the community and raise public appreciation of opera, the Group was a Platinum Sponsor of Opera Hong Kong and exclusively sponsored “McDull • my very very very best” Concert hosted by the Hong Kong Sinfonietta. In addition, the Group was the Main Sponsor of the 8th “Argentina Festival Hong Kong” which was organised by the Consulate General of the Argentine Republic in Hong Kong with the aim to promote Argentinian culture and traditions in Hong Kong and Macau.

Sports and Environment

The Group has been a long-time patron of the Hong Kong Jockey Club’s “Chevalier Cup Race Day”. Moreover, the Group also supported other sports activities, such as “The Community Chest Corporate Challenge 2020” and “Pok Oi x Old Master Q Hong Kong Charity Run”, to encourage healthy lifestyle, as well as to raise fund for the needy.

As a responsible corporate citizen, the Group strives to build a greener and sustainable community. It gave full support to various green advocates to promote public awareness of environmental protection. It has a committed partnership with WWF and is the Silver Member of WWF-Hong Kong Corporate Membership Programme for 2019-2020.

(B) 社會(續)

社區

社區投資

二零二零年為其士集團成立五十週年，紮根香港半個世紀，其士集團一直秉承「回饋社會」的理念，積極履行企業社會責任。本集團透過廣泛參與公益事務、慈善贊助、教育、文化及體育活動、環保項目和企業義工隊活動，致力服務社區。

本集團於回顧年內贊助了各類慈善活動，包括由香港總商會舉辦的「香港總商會全程為您」及與香港紅十字會聯合舉辦的「其士捐血日」。本集團關心社會各界的需要，特別是本港建造業界的從業員。因應2019新型冠狀病毒病疫情，本集團向「建造業抗疫關愛行動」捐款，為受疫情影響的註冊建造業工人提供經濟及關愛支援。為肯定我們對社區的貢獻，本集團自二零一一年起獲香港社會服務聯會授予「商界展關懷」標誌。

教育及文化

為培育年青人才及助他們盡展潛能，本集團自一九九八年起創立「其士文教基金會」，以推動香港與其他國家之間的文化、學術及教育交流。本集團一直全力支持本地藝術及文化的發展。為進一步將古典音樂帶入社區以及提高大眾對歌劇的認識及鑑賞力，本集團獨家贊助由香港小交響樂團主辦的「麥兜·最靚豬腩肉」音樂會，並且成為香港歌劇院的白金贊助人。此外，本集團亦為阿根廷共和國駐港總領事館舉辦的第八屆「香港阿根廷節」的主要贊助商，於香港及澳門推廣阿根廷的文化和傳統。

體育及環境

本集團是香港賽馬會「其士盃賽馬日」的長期贊助商，並支持其他體育活動，包括「公益慈善馬拉松2020」及「博愛x老夫子香港慈善跑」，推廣健康生活方式之餘，亦為有需要人士籌款。

作為負責任的企業公民，本集團致力建立綠色及可持續社區，並全力支持各種綠色倡導活動，以提高公眾的環保意識。本集團與世界自然基金會建立長久的夥伴關係，並為二零一九年至二零二零年世界自然基金會香港分會一公司會員計劃的純銀會員。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

(B) SOCIAL (CONTINUED)

Community (continued)

Community Investment (continued)

Volunteering

The Group has in place a volunteer team - “Chevalier Cares” since 2011. During the year under review, “Chevalier Cares” arranged various visits with non-profit organisations such as the Hong Kong Young Women’s Christian Association, Evangelical Lutheran Church of Hong Kong and Hong Kong PHAB Association. It participated in different volunteer programs and served those in need including the elderly, children, disabled and low income families. The volunteer team contributed nearly 500 hours of voluntary work for the aforementioned events during the year.

(B) 社會(續)

社區(續)

社區投資(續)

義工活動

本集團自二零一一年起組成了「愛心騎士」義工隊。於回顧年內，「愛心騎士」夥拍香港基督教女青年會、基督教香港信義會及香港傷健協會等非牟利組織安排了多項探訪活動。該義工隊參與了不同的義工活動，為有需要人士服務，當中對象包括長者、兒童、殘障人士和低收入家庭。於年內，義工隊為上述活動貢獻了接近500小時的義務工作。

KPIs 關鍵績效指標	HKEx ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》規定	Section/Remarks 章節/備註
A. Environmental		
A. 環境		
Aspect A1 層面 A1	Emissions 排放物	
General disclosure 一般披露	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的政策及遵守對發行人有重大影響的相關法律及規例的資料。	Emissions 排放物
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions 排放物
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions 排放物

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KPIs 關鍵績效指標	HKEx ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》規定	Section/Remarks 章節／備註
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	No hazardous waste was produced. 並無產生有害廢棄物。
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions 排放物
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	The Environment and Natural Resources 環境及天然資源
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Emissions; The Environment and Natural Resources 排放物；環境及天然資源
Aspect A2 層面 A2	Use of resources 資源使用	
General disclosure 一般披露	Policies on efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	The Environment and Natural Resources 環境及天然資源
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Use of Resources 資源使用
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	Use of Resources 資源使用
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	The Environment and Natural Resources 環境及天然資源
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	It is not a major issue for our business. 這並非我們業務的主要問題。

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環境、社會及管治報告

KPIs 關鍵績效指標	HKEx ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》規定	Section/Remarks 章節／備註
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Our operation does not involve significant use of packaging material. 我們的營運不涉及大量使用包裝材料。
關鍵績效指標 A2.5	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	
Aspect A3 層面 A3	The environment and natural resources 環境及天然資源	
General disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	The Environment and Natural Resources 環境及天然資源
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources 環境及天然資源
關鍵績效指標 A3.1	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	
B. Social		
B. 社會		
Employment and Labour Practices 僱傭及勞工常規		
Aspect B1 層面 B1	Employment 僱傭	
General disclosure 一般披露	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的政策；及遵守對發行人有重大影響的相關法律及規例的資料。	Employment and Labour Standards 僱傭及勞工準則
KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, employment type, age group and geographical region. 按僱傭類型、性別及年齡組別劃分的僱員總數。	Employment and Labour Standards 僱傭及勞工準則
KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	Employment and Labour Standards 僱傭及勞工準則

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KPIs 關鍵績效指標	HKEx ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》規定	Section/Remarks 章節／備註
Aspect B2 層面 B2	Health and safety 健康與安全	
General disclosure 一般披露	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的政策及遵守對發行人有重大影響的相關法律及規例的資料。	Health and Safety 健康及安全
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	Health and Safety 健康及安全
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。	Health and Safety 健康及安全
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Health and Safety 健康及安全
Aspect B3 層面 B3	Development and training 發展及培訓	
General disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Development and Training 發展及培訓
KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	Development and Training 發展及培訓
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Development and Training 發展及培訓
Aspect B4 層面 B4	Labour standards 勞工準則	
General disclosure 一般披露	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的政策及遵守對發行人有重大影響的相關法律及規例的資料。	Employment and Labour Standards 僱傭及勞工準則
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	Employment and Labour Standards 僱傭及勞工準則
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Employment and Labour Standards 僱傭及勞工準則

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環境、社會及管治報告

KPIs 關鍵績效指標	HKEx ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》規定	Section/Remarks 章節／備註
Operating Practices 營運慣例		
Aspect B5 層面 B5	Supply chain management 供應鏈管理	
General disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Not applicable 不適用
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Supply Chain Management 供應鏈管理
Aspect B6 層面 B6	Product responsibility 產品責任	
General disclosure 一般披露	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的政策及遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	Not applicable 不適用
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Product Responsibility 產品責任
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Product Responsibility 產品責任
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	Not applicable 不適用
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Product Responsibility 產品責任

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

KPIs 關鍵績效指標	HKEx ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》規定	Section/Remarks 章節／備註
Aspect B7 層面 B7	Anti-corruption 反貪污	
General disclosure 一般披露	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的政策及遵守對發行人有重大影響的相關法律及規例的資料。	Anti-Corruption 反貪污
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	During the year, no cases of corruption reported 於年內，並無發生貪污案件。
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-Corruption 反貪污
Community 社區		
Aspect B8 層面 B8	Community investment 社區投資	
General disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	Community Investment 社區投資
KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	Community Investment 社區投資

REPORT OF THE DIRECTORS

董事會報告

The Board presents to shareholders their annual report together with the audited financial statements of the Company and of the Group for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Group are construction and engineering, property investment, property development and operations, healthcare investment, and car dealership. Other ancillary and supporting businesses of principal subsidiaries, associates and joint ventures that are integrated with the main businesses of the Group are shown on pages 188 to 196.

The Group's revenue and results for the year ended 31 March 2020, analysed by operating segments, are set out in note 6 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the businesses of the Group during the year, particulars of important events affecting the Group that have occurred subsequent to the year ended 31 March 2020 (if any), a description of principal risks and uncertainties facing the Group and discussion on the Group's prospects are provided in the Letter to Shareholders on pages 8 to 9, Management Discussion and Analysis on pages 10 to 14, Financial Review on pages 15 to 20 and note 4 to the consolidated financial statements. In addition, discussions on the Group's compliance with relevant laws and regulations which have a significant impact on the Group, relationships with its key stakeholders and environmental policy are provided in the Corporate Governance Report and Environmental, Social and Governance Report on pages 29 to 39 and pages 40 to 57, respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2020 are set out in the consolidated income statement on page 76. The Board now recommends the payment of a final dividend of HK\$0.32 (2019: HK\$0.35) per share payable in cash to shareholders whose names appear on the Register of Members of the Company on Friday, 11 September 2020. Together with an interim dividend of HK\$0.20 (2019: HK\$0.15) per share paid on Friday, 20 December 2019, the total dividends for the year amounted to HK\$0.52 (2019: HK\$0.50) per share. Subject to the approval by shareholders at the AGM, the proposed final dividend will be payable in cash to shareholders on or about Friday, 18 September 2020.

董事會提呈本公司及本集團截至二零二零年三月三十一日止年度年報及經審核財務報表供各股東閱覽。

主要業務

本公司之主要業務為投資控股，而本集團之主要業務為建築及機械工程、物業投資、物業發展及營運、保健護理投資及汽車代理。其他輔助及支援性業務已歸入本集團主要業務並載於第188頁至196頁之主要附屬公司、聯營公司及合營企業內。

本集團截至二零二零年三月三十一日止年度（以營運分類）之收入及業績載於綜合財務報表附註6。

業務審視

本集團業務於年內的持平審視，尤其是於截至二零二零年三月三十一日止年度之後影響本集團的重大事件（如有）、本集團面對的主要風險及不明朗因素以及本集團前景的討論載於致股東之函件第8頁至9頁、管理層討論及分析第10頁至14頁、財務評述第15頁至20頁及綜合財務報表附註4。此外，對本集團有重大影響的相關法律及法規的討論、與主要持份者的關係及環境政策分別載於企業管治報告第29頁至39頁及環境、社會及管治報告第40頁至57頁。

業績及撥用

本集團截至二零二零年三月三十一日止年度之業績載於第76頁之綜合收益表。董事會現建議以現金派發末期股息每股港幣0.32元（二零一九年：港幣0.35元）予於二零二零年九月十一日（星期五）名列本公司股東名冊之股東。連同已於二零一九年十二月二十日（星期五）派付之中期股息每股港幣0.20元（二零一九年：港幣0.15元），本年度合共派發股息每股港幣0.52元（二零一九年：港幣0.50元）。待股東週年大會獲股東批准後，建議末期股息將約於二零二零年九月十八日（星期五）以現金支付。

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from Friday, 21 August 2020 to Friday, 28 August 2020, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 20 August 2020.

For determining entitlement to the proposed final dividend (subject to the passing of an ordinary resolution by the shareholders of the Company at the AGM), the Register of Members of the Company will be closed from Monday, 7 September 2020 to Friday, 11 September 2020, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 4 September 2020.

SHARES ISSUED

Details of the shares issued by the Company during the year are set out in note 36 to the consolidated financial statements.

RESERVES

Movements in reserves of the Group and the Company during the year are set out in note 37 and note 49 to the consolidated financial statements.

As at 31 March 2020, the Company's reserves available for distribution to shareholders amounted to HK\$1,552,302,000 (2019: HK\$1,533,178,000).

INVESTMENT PROPERTIES

Movements in investment properties of the Group during the year are set out in note 15 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

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

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group as at 31 March 2020 are set out in note 35 to the consolidated financial statements.

暫停辦理股份過戶登記

為確定股東有權出席股東週年大會及於會上投票，本公司將於二零二零年八月二十一日（星期五）至二零二零年八月二十八日（星期五）（首尾兩天包括在內），暫停辦理股份過戶登記手續。為確保符合資格出席股東週年大會及於會上投票，所有股份過戶文件連同有關股票必須於二零二零年八月二十日（星期四）下午四時三十分前，一併送達本公司於香港之股份過戶登記分處卓佳標準有限公司，地址為香港皇后大道東183號合和中心54樓，以便辦理過戶登記手續。

為確定股東有權收取建議末期股息，待本公司股東於股東週年大會通過該普通決議案後，本公司將於二零二零年九月七日（星期一）至二零二零年九月十一日（星期五）（首尾兩天包括在內），暫停辦理股份過戶登記手續。為確保符合資格獲派發建議末期股息，所有股份過戶文件連同有關股票必須於二零二零年九月四日（星期五）下午四時三十分前，一併送達本公司於香港之股份過戶登記分處卓佳標準有限公司，地址為香港皇后大道東183號合和中心54樓，以便辦理過戶登記手續。

已發行股本

本公司於年內已發行股份的詳情載於綜合財務報表附註36。

儲備

本集團及本公司於年內之儲備變動載於綜合財務報表附註37及附註49。

於二零二零年三月三十一日，本公司可向股東分派之儲備為港幣1,552,302,000元（二零一九年：港幣1,533,178,000元）。

投資物業

本集團於年內之投資物業變動載於綜合財務報表附註15。

物業、廠房及設備

本集團於年內之物業、廠房及設備變動載於綜合財務報表附註16。

銀行及其他借款

本集團於二零二零年三月三十一日銀行及其他借款之詳情載於綜合財務報表附註35。

REPORT OF THE DIRECTORS

董事會報告

FINANCIAL SUMMARY/FINANCIAL REVIEW

Financial summary and financial review of the Group are shown on pages 2 to 5 and on pages 15 to 20, respectively.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's revenue and purchases for the year attributable to the Group's five largest customers and suppliers were less than 30% respectively. None of the Directors, their respective close associates (as defined in the Listing Rules) or any shareholder (whom to the knowledge of the Directors owns 5% or more of the issued share capital of the Company) as at 31 March 2020 had any interest in the Group's five largest customers and suppliers.

MAJOR PROPERTIES

Particulars of major properties of the Group as at 31 March 2020 are set out on pages 26 to 28.

EMPLOYEES AND REMUNERATION POLICIES

The Group employed approximately 4,000 full-time staff under its subsidiaries globally as at 31 March 2020. Total staff costs amounted to HK\$1,258 million for the year ended 31 March 2020. The remuneration policies of the Group are reviewed periodically on the basis of the nature of job, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes and retirement schemes.

The remuneration package of the Directors and the senior management is based on their contribution to the performance of the Group and is supervised by the Remuneration Committee of the Company.

Details of the Directors' remuneration are set out in note 41 to the consolidated financial statements.

DONATIONS

During the year, the Group made donations of HK\$3,137,500 to charitable bodies.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws although there is no restriction against such rights under the laws in Bermuda where the Company is incorporated.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of listed securities of the Company by the Company or any of its subsidiaries during the year.

財務概要／財務評述

本集團之財務概要及財務評述分別載於第2頁至5頁及第15頁至20頁。

主要客戶及供應商

本集團於年度內之五大客戶及供應商分別佔本集團收入及購貨額不足30%。於二零二零年三月三十一日，各董事、其各自緊密聯繫人士(定議見上市規則)或任何股東(就董事所知其擁有本公司已發行股本5%或以上)概無於本集團之五大客戶及供應商有任何權益。

主要物業

本集團於二零二零年三月三十一日之主要物業資料載於第26頁至28頁。

僱員及薪酬政策

於二零二零年三月三十一日，本集團旗下附屬公司於全球僱用約4,000名全職員工。截至二零二零年三月三十一日止年度，員工總開支為港幣12.58億元。本集團之薪酬政策乃根據僱員之工作性質、市場趨勢、公司業績及個別員工之表現而定期作出評估。其他員工福利包括酌情發放花紅獎賞、醫療計劃及退休金計劃等。

董事及高級管理人員的薪酬待遇乃根據其對本集團表現的貢獻釐定並由本公司薪酬委員會監管。

董事薪酬的詳情載於綜合財務報表附註41。

捐款

於年內，本集團捐款予慈善機構為港幣3,137,500元。

優先承讓權

本公司細則並無優先承讓權之條款，雖然根據本公司之註冊地百慕達之法例，對此並無作出任何限制。

購買、出售或贖回上市證券

本公司或其任何附屬公司於年內並無購買、出售或贖回本公司之任何上市證券。

PERMITTED INDEMNITY

Pursuant to the Company's Bye-Laws, every Director shall be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in the execution of his/her office or otherwise in relation thereto. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against the Directors of the Group.

DIRECTORS

The Directors who held office during the year and up to the date of this report were:

Executive Directors

Mr. KUOK Hoi Sang (Chairman and Managing Director)
Mr. TAM Kwok Wing (Deputy Managing Director)
Mr. HO Chung Leung
Mr. MA Chi Wing
Miss Lily CHOW

Non-Executive Directors

Dr. KO Chan Gock, William
Mr. CHOW Vee Tsung, Oscar

Independent Non-Executive Directors

Mr. YANG Chuen Liang, Charles
Professor POON Chung Kwong
Mr. Irons SZE
Mr. SUN Leland Li Hsun

In accordance with the Company's Bye-Laws, Messrs Tam Kwok Wing, Ma Chi Wing, Yang Chuen Liang, Charles and Irons Sze shall retire from office at the AGM and, being eligible, may offer themselves for re-election. The Non-Executive Directors are subject to the same retirement requirements as the Executive Directors. The biographical details of the Directors of the Company as at the date of this report are set out in the "Management Profile" section on pages 21 to 25.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the sections headed "Related Party Transactions" in note 46 to the consolidated financial statements, no other transactions, arrangements or contracts of significance in relation to the Company's business to which the Company's subsidiaries was a party or were parties and in which a director of the Company or his or her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors have an interest in any business constituting a competing business to the Group.

獲准許的彌償

根據本公司細則，每位董事有權就其因執行職務或與其有關的其他事宜所引致或蒙受之一切損失或法律責任從本公司資產中獲得彌償。本公司已就本集團董事可能在法律程序中進行抗辯所招致的法律責任及費用購買保險。

董事

於年內及截至本報告日期止之在任董事如下：

執行董事

郭海生先生(主席兼董事總經理)
譚國榮先生(副董事總經理)
何宗樑先生
馬志榮先生
周莉莉小姐

非執行董事

高贊覺博士
周維正先生

獨立非執行董事

楊傳亮先生
潘宗光教授
施榮懷先生
孫立勳先生

根據本公司細則，譚國榮先生、馬志榮先生、楊傳亮先生及施榮懷先生須於股東週年大會上告退，並願膺選連任。各非執行董事之告退規定與各執行董事相同。本公司董事於本報告日期的簡歷詳情刊載於第21頁至25頁「管理層簡介」一節。

董事於交易、安排或合約之重大權益

除下文綜合財務報表附註46「有關連人士之交易」一節所披露者外，本公司董事或其關連實體並無其他在本公司之附屬公司所訂立對本公司業務而言屬於重大之交易、安排或合約中(在年終或年內任何時間仍然有效)，直接或間接擁有任何重大權益。

董事於競爭性業務之權益

於年內，概無董事於任何與本集團構成競爭之業務中有任何權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 March 2020, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

董事及主要行政人員之證券權益

於二零二零年三月三十一日，董事及本公司主要行政人員於本公司及其相聯公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中所擁有已根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及短倉(包括彼等根據上述證券及期貨條例條文被列為或視作擁有之權益及短倉)，或必須並已記錄於本公司根據證券及期貨條例第352條規定須予備存之登記冊內之權益及短倉，或根據標準守則須知會本公司及聯交所之權益及短倉如下：

Name of Directors 董事名稱	Capacity 身份	Numbers of ordinary shares held 所持普通股股份數目			Approximate percentage of interest (%) 權益概約 (%)
		Personal interests 個人權益	Family interests 家族權益	Total 總數	
KUOK Hoi Sang 郭海生	Beneficial owner 實益擁有人	173,460	-	173,460	0.06
TAM Kwok Wing 譚國榮	Beneficial owner 實益擁有人	209,583	40,265	249,848	0.08
HO Chung Leung 何宗樑	Beneficial owner 實益擁有人	40,000	-	40,000	0.01

As at 31 March 2020, so far as is known to the Directors and the chief executive of the Company, no other person had interests or short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have taken under such provisions of the SFO); or were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

於二零二零年三月三十一日，就本公司董事及主要行政人員所知，概無其他人士於本公司或其任何相聯公司(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益或短倉(包括彼等根據上述證券及期貨條例條文被列為或視作擁有之權益及短倉)，或須根據證券及期貨條例第352條規定記錄於該條所述登記冊內之權益或短倉；或須根據標準守則知會本公司及聯交所之權益或短倉。

DIRECTORS' SERVICE CONTRACTS

No Director offering for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

董事服務合約

概無任何於股東週年大會膺選連任的董事與本公司簽訂不可在一年內不作補償(法定賠償除外)而可予以終止之服務合約。

MANAGEMENT CONTRACTS

No contract of significance concerning the management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries was entered into or subsisted during the year.

RETIREMENT SCHEMES

The Group has established various retirement benefit schemes for the benefit of its staff in Hong Kong and overseas.

In Hong Kong, the Group participates in both defined contribution schemes which are registered under the Occupational Retirement Schemes Ordinance (the "ORSO Schemes") and Mandatory Provident Fund Schemes (the "MPF Schemes") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The ORSO Schemes are funded by monthly contributions from both employees and the Group at rates ranging from 5% to 7.5% of the employee's basic salary, depending on the length of service with the Group. For members of the MPF Schemes, the Group contributes 5% of the relevant payroll costs per employee, at a maximum of HK\$1,500 per month for the year ended 31 March 2020, to the mandatory contribution of the MPF Schemes.

The Group also participates in the employee pension schemes in countries or locations where the Group operates. The Group is required to make defined contributions at rates calculated as a certain percentage or sum of the monthly payroll.

The Group's total contributions to these schemes charged to the consolidated income statement during the year amounted to HK\$30 million against which no forfeited contributions had been deducted.

Particulars of the retirement benefit schemes are set out in note 45 to the consolidated financial statements.

管理合約

於年內並無簽署有關管理及經營本公司或其任何附屬公司全部或大部份業務之重要合約。

退休金計劃

本集團為其香港及海外員工設立多項退休福利計劃。

於香港，本集團參與按《職業退休計劃條例》註冊之界定供款計劃（「公積金計劃」）及於二零零零年十二月按《強制性公積金計劃條例》設立之強制性公積金計劃（「強積金計劃」）。就公積金計劃，僱員及本集團每月按僱員底薪之5%至7.5%為供款額，視乎僱員於本集團之年資而定。本集團為強積金計劃之成員，按僱員有關每月入息之5%計算（截至二零零零年三月三十一日止年度內每月最多為港幣1,500元）就強積金計劃作出強制性供款。

本集團亦參與其經營業務之國家或地區之僱員退休金計劃。本集團須按既定供款金額以每月薪酬之若干百分比或數目計算。

本集團於年內在該等計劃已計入綜合收益表之總供款為港幣3,000萬元，並無已扣除之已沒收供款。

退休福利計劃詳情載於綜合財務報表附註45。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 March 2020, so far as is known to the Directors and the chief executive of the Company, the interests and short positions of the persons or corporations in the shares or underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Substantial shareholders 主要股東	Capacity 身份	Number of ordinary shares held 所持普通股 股份數目	Approximate percentage of interest (%) 權益概約 (%)
CHOW Yei Ching® (Deceased) 周亦卿®(辭世)	Beneficial owner 實益擁有人	189,490,248	62.76
MIYAKAWA Michiko 宮川美智子	Beneficial owner 實益擁有人	189,490,248*	62.76

@ The executrices of the estate of the late Dr. Chow Yei Ching ("the late Dr. Chow") are Ms. Miyakawa Michiko, Ms. Chow Wai Wai, Violet and Ms. Chow Vi Vi. Ms. Miyakawa Michiko, Ms. Chow Wai Wai, Violet and Ms. Chow Vi Vi have each reported that they have interest in the shares of the late Dr. Chow and in addition, Ms. Chow Wai Wai, Violet has also reported to have interests in 14,551,162 shares (held as to 104,607 shares as beneficial owner, and as to 14,446,555 shares through wholly-owned corporations) of the Company.

* Under Part XV of the SFO, Ms. Miyakawa Michiko, the spouse of the late Dr. Chow, is deemed to be interested in the same parcel of 189,490,248 shares held by the late Dr. Chow.

Save as disclosed above, as at 31 March 2020, so far as is known to the Directors and the chief executive of the Company, no other person had interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company under Section 336 of the SFO, or, were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

ARRANGEMENT FOR ACQUISITION OF SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangement 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.

主要股東之證券權益

於二零二零年三月三十一日，就本公司董事及主要行政人員所知，下列人士或法團於本公司股份或相關股份中所擁有須根據證券及期貨條例第XV部第2及3分部的條文向本公司披露，及須記錄於本公司根據證券及期貨條例第336條備存之登記冊內之權益及短倉如下：

@ 已故周亦卿博士(「已故周博士」)的遺產執行人是宮川美智子女士、周蕙蕙女士及周薇薇女士。宮川美智子女士、周蕙蕙女士及周薇薇女士各自已通知其股份為已故周博士之股份權益，以及周蕙蕙女士已通知其持有本公司14,551,162股股份之權益(作為實益擁有人持有104,607股股份之權益及透過全資擁有之公司持有14,446,555股股份之權益)。

* 根據證券及期貨條例第XV部，已故周博士之配偶宮川美智子女士被視為擁有該等由已故周博士持有之189,490,248股股份之權益。

除上文所披露者外，於二零二零年三月三十一日，就本公司董事及主要行政人員所知，概無任何其他人士於本公司或其任何相聯公司之股份、相關股份及債券中擁有須根據證券及期貨條例第XV部第2及第3分部向本公司披露之權益或短倉，及須記錄於本公司根據證券及期貨條例第336條備存之登記冊內，或直接或間接持有任何類別股本(附有權利在任何情況下可於本公司之股東大會上投票之股本)面值5%或以上權益。

購買股份或債券之安排

於本年任何時間內，本公司或其任何附屬公司並無參與任何安排，使本公司董事透過購買本公司或任何其他公司之股份或債券而獲得利益。

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance. In the opinion of the Directors, the Company has complied with the code provisions as set out in the CG Code contained in Appendix 14 of the Listing Rules throughout the year ended 31 March 2020, with deviations from code provisions A.2.1 and A.4.1 of the Listing Rules which have already been stated in the Corporate Governance Report of the Annual Report. Detailed information on the Company's corporate governance practices is set out in the Corporate Governance Report on pages 29 to 39.

CHANGES IN DIRECTORS' BIOGRAPHICAL DETAILS

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of Directors' biographical details since the date of the Company's Interim Report 2019-2020 is set out as follows:

Mr. Irons Sze was appointed as an independent non-executive director, chairman of the nomination committee, and member of the audit committee and remuneration committee of Jianzhong Construction Development Limited on 18 February 2020.

Save as disclosed above, there is no other change of Directors' biographical details required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, the percentage of the Company's share which is in the hands of the public exceeds 25% of the Company's total number of issued shares as at 26 June 2020, the latest practicable date to ascertain such information prior to the issue of this Annual Report.

AUDITOR

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

On behalf of the Board

KUOK Hoi Sang
Chairman and Managing Director
Hong Kong, 26 June 2020

企業管治

董事會致力維持高水平之企業管治。董事認為本公司截至二零二零年三月三十一日止整個年度一直遵守上市規則附錄十四所載企業管治守則的守則條文，惟對守則第A.2.1條及A.4.1條之偏離除外；而該偏離已列載於本年報之企業管治報告內。有關本公司之企業管治常規已詳載於企業管治報告第29頁至39頁。

董事個人資料變動

根據上市規則第13.51B(1)條自二零一九至二零二零年中期報告內的董事個人資料變動載列如下：

施榮懷先生於二零二零年二月十八日獲建中建設發展有限公司委任為獨立非執行董事、提名委員會主席，及審核委員會和薪酬委員會成員。

除上文所披露者外，概無其他董事個人資料變動須根據上市規則第13.51B(1)條予以披露。

足夠公眾持股量

根據本公司獲得之公開資料及據董事會所知，於二零二零年六月二十六日（即本年報刊發前確定該等資料的最後實際可行日期），公眾人士所持有本公司股份超過本公司已發行股份總數25%。

核數師

本綜合財務報表由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將會告退，並符合資格，願在本公司應屆股東週年大會續聘。

承董事會命

主席兼董事總經理
郭海生
香港，二零二零年六月二十六日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF CHEVALIER INTERNATIONAL HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of Chevalier International Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 76 to 196, which comprise:

- the consolidated statement of financial position as at 31 March 2020;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, 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.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

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

Independence

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

致其士國際集團有限公司股東
(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

其士國際集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第76至196頁的綜合財務報表,包括:

- 於二零二零年三月三十一日的綜合財務狀況表;
- 截至該日止年度的綜合收益表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

我們的意見

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零二零年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

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

我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

KEY AUDIT MATTERS

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

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

- revenue recognition from construction works;
- valuation of investment properties;
- recoverability of properties under development and properties for sale; and
- impairment assessment of goodwill relating to senior housing business in the United States of America.

Key audit matter	How our audit addressed the Key audit matter
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Revenue recognition from construction works

Refer to notes 5(g) and 7 to the consolidated financial statements

For the year ended 31 March 2020, the Group recognised revenue from the construction works of HK\$2,259 million.

Our procedures in relation to management's recognition of revenue from construction works included:

- tested the key controls around the construction cycle;

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 建築工程的收入確認；
- 投資物業的估值；
- 發展中物業及待售物業的可取回性；及
- 與於美利堅合眾國的安老院舍業務相關的商譽減值評估。

關鍵審計事項	我們的審計如何處理關鍵審計事項
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建築工程的收入確認

請參考綜合財務報表附註5(g)及7

截至二零二零年三月三十一日止年度，貴集團確認建築工程的收入港幣22.59億元。

我們針對管理層就建築工程的收入確認的程序包括：

- 測試建設週期中的主要控制；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Key audit matter

How our audit addressed the Key audit matter

Revenue recognition from construction works (continued)

The recognition of revenue from the construction works involves a high degree of management judgement in relation to the determination of gross profit margin of each construction contract, which is determined based on the estimated total construction costs, estimated total construction contract sum (including variation orders and claims), as well as the progress of construction works. Most of the construction works take more than one year to complete during which the project scope may change from time to time. Management estimates the contract revenue and budgeted cost at the commencement of the contracts and regularly reassesses these amounts and the financial impact with reference to the progress of construction works.

Due to the existence of significant management judgement required to determine the amount and timing of revenue recognised from the construction works, we considered it a key audit matter.

- in our testing of management's estimation on gross profit margin of each construction contract, which is determined based on the total construction costs, total construction contract sum and the progress of construction works at the end of the reporting period, we selected a number of construction works on a sample basis and:
 - discussed with management and the respective project teams on the progress of the projects;
 - assessed management's estimates in relation to matters that may impact the estimated contract sum and contract costs arising from the variation to the original contracts, such as claims, disputes, variation orders and liquidation damages with reference to the correspondence between the Group, subcontractors and suppliers which support management's estimate of changes to construction works;
 - tested the contract costs incurred on construction works during the reporting period by tracing to supporting documents including architect's certificates issued to subcontractors and invoices from subcontractors and suppliers;
 - tested the value of work done to architect's certificates or other correspondence as appropriate and recalculated the progress of construction works based on the latest management budget.

We consider management's estimates in determining the budgeted revenue and costs and the progress of construction works and revenue recognised to be supported by the available evidence.

關鍵審計事項 (續)

關鍵審計事項

我們的審計如何處理關鍵審計事項

建築工程的收入確認 (續)

建築工程的收入確認涉及管理層就每筆建築合約毛利率的釐定作出高度判斷，乃基於估計建築總成本、估計建築合約總額(包括變動訂單及索償)以及建築工程進度予以釐定。大部份建築工程需耗時超過一年完工，於該期間項目範圍或會不時變動。管理層於合約開始生效時估計合約收入及預算成本，並參考建築工程的進度定期重估該等金額及財務影響。

由於釐定建築工程所確認收入的金額及時間安排需管理層作出重大判斷，我們將該事項視為關鍵審計事項。

- 於測試管理層就每筆建築合約的毛利率(基於建築總成本、建築合約總額以及於報告期末的建築工程進度予以釐定)所作估計時，我們按抽樣方式選取若干建築工程，並：
 - 與管理層及各項目團隊討論項目進度；
 - 參考 貴集團、分包商與供應商之間的通訊(支持管理層估計建築工程的變動)，評估管理層就因原合約變動(如索償、糾紛、變動訂單及損害賠償金)而可能影響估計合約金額及合約成本的事宜所作估計；
 - 透過追蹤支持文件(包括向分包商發出的建築師證書以及分包商及供應商所提供的發票)測試報告期間建築工程所產生的合約成本；
 - 測試與建築師證書或其他合適信函相關所完成的工作價值以及基於最新管理層預算重新計算建築工程進度。

我們認為，管理層於釐定建築工程的預算收入及成本與建築工程進度以及所確認收入時所作估計有可得證據支持。

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the Key audit matter
<p>Valuation of investment properties</p> <p>Refer to notes 5(a) and 15 to the consolidated financial statements</p> <p>The Group's investment properties were carried at HK\$3,432 million as at 31 March 2020 and a fair value loss of HK\$25 million was recognised in the consolidated income statement as part of other losses, net. The Group's investment property portfolio comprises of commercial, residential and industrial properties in Hong Kong, Mainland China and overseas.</p> <p>Management has engaged independent external valuers, to estimate the fair value of the Group's investment properties as at 31 March 2020 based on the income capitalisation approach and where appropriate, direct comparison approach.</p> <p>The valuation of investment properties depends on certain key assumptions that require significant management judgement, including capitalisation rates and prevailing market rents.</p> <p>Due to the existence of significant management judgement in assumptions used in the valuation of investment properties, we considered it a key audit matter.</p>	<p>Our procedures in relation to management's valuation of investment properties included:</p> <ul style="list-style-type: none"> evaluated the independent valuers' competence, capabilities and objectivity; obtained the valuation reports including the market comparable data used and meeting with independent valuers to discuss the valuation methodologies; checked the accuracy of input data, on a sample basis, used by the independent valuers including rental income and occupancy rates by agreeing them back to management's records, historical actual information or other supporting documentation including key terms of lease agreements and rental income schedules; and involved our internal valuation experts to assess the methodologies used and the appropriateness of the key assumptions used in the valuation of sample of properties by comparing the data used by the independent valuers against the published market yields for capitalisation rates, prevailing market rents of leasing transactions of comparable properties and recent market transaction prices of properties with comparable conditions and locations, where appropriate. <p>We consider management's valuation of investment properties to be supported by the available evidence.</p>

關鍵審計事項 (續)

關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>投資物業的估值</p> <p>請參考綜合財務報表附註5(a)及15</p> <p>於二零二零年三月三十一日，貴集團的投資物業按港幣34.32億元列賬，並於綜合收益表確認公允價值虧損港幣2,500萬元作為其他虧損，淨額的一部份。貴集團的投資物業組合包括於香港、中國內地及海外的商用、住宅及工業物業。</p> <p>管理層已聘請獨立外部估值師，採用收益資本化方法以及於適時採用直接比較法估計貴集團投資物業於二零二零年三月三十一日的公允值。</p> <p>投資物業的估值取決於由管理層作出重大判斷的某些關鍵假設，包括資本化率及現行市場租金。</p> <p>由於在投資物業的估值中採用的假設需管理層作出重大判斷，我們將該事項視為關鍵審計事項。</p>	<p>我們針對管理層就投資物業的估值的程序包括：</p> <ul style="list-style-type: none"> 評估獨立估值師的資歷、能力及客觀性； 獲取估值報告(包括所使用之市場比較數據)並與獨立估值師會面以討論估值方法； 抽樣選取獨立估值師使用的輸入數據(包括租金收入及入住率)，與管理層的記錄、實際歷史資料或其他支持文件(包括租賃協議的關鍵條款及租金收入表)進行對比來檢查其準確性；及 通過比較獨立估值師使用的數據與公佈的資本化率／市場收益率，最近可類比物業租賃交易的市場租金及具有可類比條件及地段的物業的近期市場交易價格(如適用)，讓我們的內部估值專家評估抽樣選取物業估值中使用的方法以及關鍵假設的適當性。 <p>我們認為，管理層對投資物業所作估值有可得證據支持。</p>

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the Key audit matter
Recoverability of properties under development and properties for sale	
Refer to notes 5(e), 25 and 28 to the consolidated financial statements	Our procedures in relation to management's assessment on the recoverability of properties under development and properties for sale included:
The Group had HK\$2,324 million and HK\$267 million of properties under development and properties for sale respectively as at 31 March 2020. The Group's development property portfolio comprises of completed properties and properties under development in Hong Kong and Mainland China.	<ul style="list-style-type: none">• tested the key controls around the property construction cycle with particular focus on, but not limited to, controls over cost budgeting for estimated costs to completion;• evaluated the independent valuer's competence, capabilities and objectivity;• obtained the valuation report and met with the independent valuer to discuss the valuation methodologies for certain properties; and• assessed the reasonableness of key assumptions used/adopted in management's assessment, on a sample of properties selected, including:<ul style="list-style-type: none">• expected future sales prices which we compared to the contracted sales price of the underlying properties or current market prices of properties with similar or comparable standards and locations (adjusted to reflect any differences), where applicable;• anticipated cost to completion and committed contracts, for which we compared total construction costs to latest approved budgets and checked those budgets to supporting documentations such as signed contracts.
Management assessed the recoverability of properties under development and properties for sale based on an estimation of the net realisable value of the underlying properties which involves considerable analyses of the current market price of properties of similar or comparable standards and locations (adjusted to reflect any differences), construction costs to be incurred to complete the development and a forecast of future selling price or reference to the valuation report from the independent valuer, if applicable.	
If the actual net realisable values of the underlying stock of properties are more or less than expected as a result of changes in market condition and/or significant variation in the budgeted development cost, material reversal of or provision for impairment losses may result.	
Due to the existence of estimation uncertainty and management judgement in assessing the recoverability of properties under development and properties for sale, we considered it a key audit matter.	We found that management's assessment on recoverability of properties under development and properties for sale is supportable in light of available evidence.

關鍵審計事項 (續)

關鍵審計事項	我們的審計如何處理關鍵審計事項
發展中物業及待售物業的可取回性	
請參考綜合財務報表附註5(e)、25及28	我們針對管理層就評估發展中物業及待售物業的可取回性的程序包括：
於二零二零年三月三十一日，貴集團擁有價值港幣23.24億元的發展中物業及價值港幣2.67億元的待售物業。貴集團的物業發展項目組合包括於香港及中國內地的已完工物業及發展中物業。	<ul style="list-style-type: none">• 重點關注但不限於測試建設週期中對估計完工成本的成本預算的控制；• 評估獨立估值師的資質、能力及客觀性；• 獲取估值報告並與獨立估值師會面討論若干物業的估值方法；及• 抽樣選取物業使用／採納的關鍵假設來評估管理層評估中的合理性，包括：<ul style="list-style-type: none">• 就預期未來銷售價格與相關物業的合約銷售價格或具有可類比標準及地段（經調整以反映任何差額）物業的當前市場價格（如適用）進行比較；• 就預計完工成本及已訂合約的建築總成本與最新批准的建築總成本預算進行比較，並對照支持文件（如已簽立的合約）查證該等預算。
管理層基於對發展中物業及待售物業可變現淨值的估計評估相關物業的可取回性，當中涉及對類似或可類比標準及地段（經調整以反映任何差額）物業的當前市場價格、完成發展項目將產生的建築成本及未來售價預測所進行的大量分析或參考獨立估值師的估值報告（如適用）。	
如相關物業庫存的實際可變現淨值因市場狀況變化及／或預算發展成本大幅變動而超過或低於預期，可能需進行重大減值虧損撥回撥或撥備。	
由於評估發展中物業及待售物業的可取回性存在估計不確定性及管理層的判斷，我們將該事項視為關鍵審計事項。	我們發現，管理層對發展中物業及待售物業的可取回性的評估有可得證據支持。

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the Key audit matter
<p>Impairment assessment of goodwill relating to senior housing business in the United States of America</p> <p>Refer to notes 5(c) and 40 to the consolidated financial statements</p> <p>The Group had HK\$571 million of goodwill as at 31 March 2020 relating to the senior housing business in the United States of America.</p> <p>Management assessed whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2(c) to the consolidated financial statements. The recoverable amounts of cash generating units ("CGU") have been determined by management with assistance from an independent professional valuer (where appropriate) based on value-in-use calculations. The value-in-use calculations use cash flow projections based on financial budgets approved by management which involve the use of judgement applied by management such as determining discount rate and net operating income.</p> <p>Due to the existence of estimation uncertainty and management judgement in assessing the potential impairment of goodwill, we considered it a key audit matter.</p>	<p>The procedures performed to assess the methodologies and assumptions used by management in the impairment assessment of goodwill are summarised below:</p> <ul style="list-style-type: none"> evaluated the independent valuer's competence, capabilities and objectivity; tested the key controls surrounding the impairment assessment process; evaluated the valuation methodologies used in the impairment assessment prepared by management; agreed the input data used by management to supporting evidence such as actual results, financial budgets approved by management and other supporting documents; and assessed the reasonableness of key assumptions such as discount rate and net operating income applied by management, including discussion with management to understand and evaluate management's basis for selecting the assumptions, compared the current year actual results with the prior year forecast and benchmarked to available market information to assess the reasonableness of management forecasts. <p>We considered the assumptions used by management in the impairment assessment of goodwill to be supported by available evidence.</p>

關鍵審計事項 (續)

關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>與於美利堅合眾國的安老院舍業務相關的商譽減值評估</p> <p>請參考綜合財務報表附註5(c)及40</p> <p>於二零二零年三月三十一日，貴集團就於美利堅合眾國的安老院舍業務產生商譽港幣5.71億元。</p> <p>管理層根據綜合財務報表附註2(c)所載會計政策評估商譽是否已出現任何減值。現金產生單位(「現金產生單位」)的可收回金額已由管理層在獨立專業估值師(倘適用)之協助下基於使用價值計算予以釐定。使用價值計算方法使用按管理層批准的財政預算進行的現金流量預測，當中涉及使用管理層所應用的在釐定貼現率及淨營運收入等方面的判斷。</p> <p>由於評估商譽的可能減值存在估計不確定性及管理層的判斷，我們將該事項視為關鍵審計事項。</p>	<p>我們對管理層於評估商譽減值時所使用的方法及假設進行評估所進行的程序概述如下：</p> <ul style="list-style-type: none"> 評估獨立估值師的資質、能力及客觀性； 測試減值評估過程的關鍵控制； 評估管理層進行減值評估時所使用的估值方法； 將管理層所使用的輸入數據與管理層所批准的實際業績、財務預算等支持文件進行印證；及 評估管理層所應用的貼現率及淨營運收入等關鍵假設的合理性，包括與管理層討論以瞭解及評估管理層選擇有關假設的基準，以及將本年度實際業績與過往年度預測作比較，並以可得市場資料為基準，以評估管理層預測的合理性。 <p>我們認為，管理層對商譽作減值評估時所使用的假設有可得證據支持。</p>

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

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

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

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

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

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

The audit committee is responsible for overseeing the Group's financial reporting process.

其他信息

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

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

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

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

董事及審核委員會就綜合財務報表須承擔的責任

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

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 貴集團清盤或停止營運，或別無其他實際的替代方案。

審核委員會須負責監督 貴集團的財務報告過程。

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

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chu Ho Kwan Raphael.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 June 2020

核數師就審計綜合財務報表承擔的責任(續)

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

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

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

從與審核委員會溝通的事項中，我們確定哪些事項對本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，除非法律或法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是朱皓琨。

羅兵咸永道會計師事務所
執業會計師

香港，二零二零年六月二十六日

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CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue	收入	7	6,381,262	6,892,714
Cost of sales	銷售成本		(5,537,293)	(6,005,433)
Gross profit	毛利		843,969	887,281
Other income, net	其他收入，淨額	8	45,867	68,327
Other (losses)/gains, net	其他(虧損)/收益，淨額	9	(47,985)	182,400
Gain on disposals of subsidiaries	出售附屬公司收益	9	279,678	231
Selling and distribution costs	銷售及經銷成本		(148,226)	(157,438)
Administrative expenses	行政支出		(428,789)	(357,347)
Operating profit	經營溢利		544,514	623,454
Share of results of associates	所佔聯營公司業績	19	150,965	125,003
Share of results of joint ventures	所佔合營企業業績	20	840	171,448
			696,319	919,905
Finance income	財務收入	10	60,167	43,216
Finance costs	財務費用	10	(113,345)	(123,239)
Finance costs, net	財務費用，淨額	10	(53,178)	(80,023)
Profit before taxation	除稅前溢利	11	643,141	839,882
Taxation	稅項	12	(75,701)	(140,480)
Profit for the year	年度溢利		567,440	699,402
Attributable to:	應佔方：			
Shareholders of the Company	本公司股東		533,081	654,561
Non-controlling interests	非控股權益		34,359	44,841
			567,440	699,402
Earnings per share	每股盈利			
– basic and diluted (HK\$ per share)	– 基本及攤薄(每股港幣)	13	1.77	2.17

The notes on pages 84 to 196 are integral parts of these consolidated financial statements.

第84頁至196頁之附註乃此等綜合財務報表之組成部份。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit for the year	年度溢利	567,440	699,402
Other comprehensive (expenses)/income for the year	年度其他全面(支出)/收益		
Items that will not be reclassified to profit or loss	不會重新歸類至損益的項目		
Exchange difference attributable to non-controlling interests on translation of operations of overseas subsidiaries	換算海外附屬公司之業務對非控股權益所產生之外匯兌換差額	(18,132)	-
Change in fair value of investments at fair value through other comprehensive income	按公允價值列入其他全面收益處理之投資之公允價值變動	(13,705)	(16,154)
Fair value gain of properties for own use	自用物業之公允價值收益	143	1,447
Items that may be reclassified subsequently to profit or loss	其後可能重新歸類至損益的項目		
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	換算海外附屬公司、聯營公司及合營企業之業務所產生之外匯兌換差額	(302,106)	(251,026)
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	指定為現金流量對沖的衍生財務工具的公允價值調整	(777)	162
Other comprehensive expenses for the year, net of tax	年度其他全面支出，除稅後	(334,577)	(265,571)
Total comprehensive income for the year	年度全面收益總額	232,863	433,831
Attributable to:	應佔方：		
Shareholders of the Company	本公司股東	216,636	406,960
Non-controlling interests	非控股權益	16,227	26,871
		232,863	433,831

Note:

Items shown within other comprehensive (expenses)/income are disclosed net of tax.

附註：

於其他全面(支出)/收益所示之項目乃按扣除稅項後披露。

The notes on pages 84 to 196 are integral parts of these consolidated financial statements.

第84頁至196頁之附註乃此等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2020
於二零二零年三月三十一日

	Note	2020	2019
	附註	二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Non-current assets			
Investment properties	15	3,431,894	3,769,835
Property, plant and equipment	16, 30	3,034,454	3,161,325
Goodwill	17	643,979	684,138
Other intangible assets	18	36,286	63,521
Interests in associates	19	497,752	474,452
Interests in joint ventures	20	1,033,798	1,258,318
Investments at fair value through other comprehensive income	22	34,317	47,404
Investments at fair value through profit or loss	23	465,907	331,013
Investments at amortised cost	24	23,003	30,851
Properties under development	25	404,528	434,051
Deferred tax assets	38	45,102	29,916
Other non-current assets	26	138,354	107,615
		9,789,374	10,392,439
Current assets			
Amounts due from associates	19	20,971	18,371
Amounts due from joint ventures	20	46,694	56
Amounts due from non-controlling interests	21	41,250	41,382
Investments at fair value through profit or loss	23	287,406	415,261
Investments at amortised cost	24	7,778	3,970
Inventories	27	275,037	326,865
Properties for sale	28	267,131	366,619
Properties under development	25	1,919,611	1,779,646
Debtors, contract assets, deposits and prepayments	29	1,352,348	1,375,643
Derivative financial instruments	31	242	397
Prepaid tax		31,221	23,069
Bank balances and cash	32	2,824,666	1,833,084
		7,074,355	6,184,363
Assets held-for-sale	47	175,489	516,549
		7,249,844	6,700,912
Current liabilities			
Amounts due to joint ventures	20	6,050	6,490
Amount due to a non-controlling interest	21	257,900	259,713
Derivative financial instruments	31	399	66
Creditors, bills payable, deposits, contract liabilities and accruals	33	2,530,774	2,523,047
Unearned insurance premiums and unexpired risk reserves		98,158	47,028
Outstanding insurance claims	34	209,444	237,913
Current income tax liabilities		54,980	66,276
Bank and other borrowings	35	885,078	1,109,840
Lease liabilities	30	17,159	-
		4,059,942	4,250,373
Liabilities directly associated with assets held-for-sale	47	128,350	34
		4,188,292	4,250,407
Net current assets		3,061,552	2,450,505
Total assets less current liabilities		12,850,926	12,842,944

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2020
於二零二零年三月三十一日

		Note	2020	2019
		附註	二零二零年	二零一九年
			HK\$'000	HK\$'000
			港幣千元	港幣千元
Capital and reserves	股本及儲備			
Share capital	股本	36	377,411	377,411
Reserves	儲備	37	8,694,648	8,644,073
Shareholders' funds	股東資金		9,072,059	9,021,484
Non-controlling interests	非控股權益		611,012	620,589
Total equity	總權益		9,683,071	9,642,073
Non-current liabilities	非流動負債			
Amount due to a non-controlling interest	應付一間非控股權益賬款	21	169,880	118,137
Unearned insurance premiums	遞延保險費		128,437	89,500
Bank and other borrowings	銀行及其他借款	35	2,482,989	2,630,370
Lease liabilities	租賃負債	30	45,664	–
Deferred tax liabilities	遞延稅項負債	38	340,885	362,864
			3,167,855	3,200,871
Total equity and non-current liabilities	總權益及非流動負債		12,850,926	12,842,944

Approved by the Board of Directors on 26 June 2020 and signed on its behalf by:

經董事會於二零二零年六月二十六日批准，並由下列董事代表簽署：

KUOK Hoi Sang
郭海生
Director
董事

HO Chung Leung
何宗樑
Director
董事

The notes on pages 84 to 196 are integral parts of these consolidated financial statements.

第84頁至196頁之附註乃此等綜合財務報表之組成部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Equity attributable to shareholders of the Company 本公司股東 應佔權益 HK\$'000 港幣千元	Non-controlling interests 非控股權益 HK\$'000 港幣千元	Total equity 總權益 HK\$'000 港幣千元
At 1 April 2019	於二零一九年四月一日	9,021,484	620,589	9,642,073
Profit for the year	年度溢利	533,081	34,359	567,440
Change in fair value of investments at fair value through other comprehensive income	按公允價值列入其他全面收益 處理之投資的公允價值變動	(13,705)	-	(13,705)
Fair value gain of properties for own use	自用物業之公允價值收益	143	-	143
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	換算海外附屬公司、聯營公司 及合營企業之業務所產生之 外匯兌換差額	(302,106)	(18,132)	(320,238)
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	指定為現金流量對沖的衍生 財務工具的公允價值調整	(777)	-	(777)
Total comprehensive income for the year	年度全面收益總額	216,636	16,227	232,863
Dividends paid	已付股息	(166,061)	-	(166,061)
Dividends paid to non-controlling interests	已付予非控股權益股息	-	(25,804)	(25,804)
At 31 March 2020	於二零二零年三月三十一日	9,072,059	611,012	9,683,071

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Equity attributable to shareholders of the Company 本公司股東 應佔權益 HK\$'000 港幣千元	Non-controlling interests 非控股權益 HK\$'000 港幣千元	Total equity 總權益 HK\$'000 港幣千元
At 1 April 2018	於二零一八年四月一日	8,738,737	603,005	9,341,742
Profit for the year	年度溢利	654,561	44,841	699,402
Change in fair value of investments at fair value through other comprehensive income	按公允價值列入其他全面收益 處理之投資的公允價值變動	(16,154)	–	(16,154)
Fair value gain of properties for own use	自用物業之公允價值收益	1,447	–	1,447
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	換算海外附屬公司、聯營公司 及合營企業之業務所產生之 外匯兌換差額	(233,056)	(17,970)	(251,026)
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	指定為現金流量對沖的衍生 財務工具的公允價值調整	162	–	162
Total comprehensive income for the year	年度全面收益總額	406,960	26,871	433,831
Dividends paid	已付股息	(120,771)	–	(120,771)
Dividends paid to non-controlling interests	已付予非控股權益股息	–	(18,092)	(18,092)
Change in ownership interests in a subsidiary without loss of control	並無失去控制權之一間附屬公司 的擁有權權益變動	(3,442)	3,442	–
Acquisition of a subsidiary	收購一間附屬公司	–	3,360	3,360
Capital contributions by non-controlling interests	非控股權益資本投入	–	2,003	2,003
At 31 March 2019	於二零一九年三月三十一日	9,021,484	620,589	9,642,073

The notes on pages 84 to 196 are integral parts of these consolidated financial statements.

第84頁至196頁之附註乃此等綜合財務報表之組成部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

	Note	2020	2019
	附註	二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元
Operating activities			
Cash generated from operations	39(a)	538,234	603,918
Interest paid on bank overdrafts and bank and other borrowings		(110,577)	(123,239)
Interest paid on lease liabilities		(2,860)	–
Profits tax paid		(96,917)	(109,553)
Profits tax refunded		3,024	2,688
Net cash from operating activities		330,904	373,814
Investing activities			
Interest received		60,167	43,216
Dividends received from associates		111,608	109,896
Dividends received from joint ventures		32,785	19,191
Purchase of investment properties		(470)	–
Proceeds from disposal of an investment property		291	–
Purchase of property, plant and equipment		(177,652)	(94,736)
Proceeds from disposals of property, plant and equipment		29,775	8,588
Purchase of intangible assets		(20)	(118)
Net cash outflows from acquisitions of			
– Star Trading		(2,872)	–
– senior housing properties	39(b)(i)	–	(509,600)
– other subsidiaries		–	(694)
Net cash inflows from disposals of			
– Moon Colour Group	39(b)(ii)	537,275	–
– New Rise	39(b)(iii)	184,699	–
– Jumbo Rainbow Group	39(b)(iv)	276,606	–
Capital contributions by non-controlling interests		–	2,003
Advances to associates		(1,961)	(3,407)
Repayments from associates		–	891
Proceeds from disposal of an associate		203	49
Advances to joint ventures		–	(13,979)
Repayments from joint ventures		118,780	9,018
Payments for investments		(618)	(42,287)
Proceeds from disposals of investments		–	16,571
Decrease in unpledged bank deposits maturing after three months		–	56,066
Net cash from/(used in) investing activities		1,168,596	(399,332)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

	Note	2020	2019
	附註	二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Financing activities	融資業務		
Dividends paid	已付股息	(166,061)	(120,771)
Dividends paid to non-controlling interests	已付予非控股權益之股息	(25,804)	(18,092)
Drawn down of bank and other borrowings	提取銀行及其他借款	2,131,900	8,130,395
Repayments of bank and other borrowings	償還銀行及其他借款	(2,362,218)	(7,766,434)
Payment of lease liabilities	租賃負債付款	(13,940)	–
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少/(增加)	5,165	(550)
Net cash (used in)/from financing activities	(用於)/來自融資業務之現金淨額	(430,958)	224,548
Increase in cash and cash equivalents	現金及現金等價物增加	1,068,542	199,030
Cash and cash equivalents at beginning of the year	年初之現金及現金等價物	1,778,171	1,613,023
Effect of changes in foreign exchange rates	外匯匯率變動之影響	(71,795)	(33,882)
Cash and cash equivalents at end of the year	年末之現金及現金等價物	2,774,918	1,778,171
Analysis of balances of cash and cash equivalents	現金及現金等價物之結存分析		
Bank balances and cash	銀行結存及現金	2,824,666	1,833,084
Less: Pledged bank deposits	減：已抵押銀行存款	(49,748)	(54,913)
		2,774,918	1,778,171

The notes on pages 84 to 196 are integral parts of these consolidated financial statements.

第84頁至196頁之附註乃此等綜合財務報表之組成部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

1 GENERAL INFORMATION

Chevalier International Holdings Limited (the “Company”) is a public listed company incorporated in Bermuda with limited liability. The addresses of the registered office and principal place of business of the Company are Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and 22nd Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Hong Kong respectively. The Company has its shares listed on The Stock Exchange of Hong Kong Limited.

The principal activity of the Company is investment holding while the activities of its principal subsidiaries are set out in note 50 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollar, which is the same as the functional currency of the Company. The consolidated financial statements have been approved for issue by the Board of Directors on 26 June 2020.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (together, the “Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). These financial statements also complied with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, staff quarters (and related right-of-use assets), investments at fair value through other comprehensive income (“FVOCI”) and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss (“FVPL”).

The outbreak of the Novel Coronavirus (“COVID-19”) since January 2020, followed by declaration by the World Health Organisation as a “Global Pandemic” on the 11 March 2020, to a certain extent, brought challenges to the Group’s business performance during the year and ahead. The Group’s businesses are diversified which enabled the Group to have a strong resilience to the impact of economic downturns. The Directors have considered the existing and potential impact arising from the outbreak of COVID-19 in the preparation of the consolidated financial statements. The Directors will remain cautious on the ongoing development of COVID-19 that may cause further volatility and uncertainty in the global financial market and economy, and will take necessary measures to address the impact arising therefrom.

1 一般資料

其士國際集團有限公司(「本公司」)為一間公開上市並在百慕達註冊成立之有限公司。本公司註冊辦事處及主要營業地點之地址分別為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda及香港九龍灣宏開道8號其士商業中心22樓。其股份於香港聯合交易所有限公司上市。

本公司之主要業務為投資控股，而其主要附屬公司之業務載於綜合財務報表附註50。

此等綜合財務報表以港幣呈列，與本公司之功能貨幣相同。本綜合財務報表已於二零二零年六月二十六日經董事會批准發佈。

2 重大會計政策概要

編製本綜合財務報表所採用之主要會計政策載列如下。除另有說明外，此等政策已持續應用於報表呈列之各年度。

(a) 編製基準

本公司及其附屬公司(統稱「本集團」)之綜合財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則(「香港財務報告準則」)編製。此等財務報表亦符合香港《公司條例》(第622章)之披露規定及香港聯合交易所有限公司證券上市規則之適用披露規定。此等綜合財務報表乃按歷史成本慣例編製，並因應投資物業、員工宿舍(及相關使用權資產)、按公允值列入其他全面收益(「按公允值列入其他全面收益」)處理之投資以及按公允值列入損益(「按公允值列入損益」)處理之財務資產及財務負債(包括衍生財務工具)之重估而修訂。

自二零二零年一月起爆發新型冠狀病毒(「2019冠狀病毒病」)以來，隨著世界衛生組織於二零二零年三月十一日宣佈為「全球大流行」後，對本集團於年內及未來之業務表現帶來一定程度挑戰。本集團已將業務多元化，有助本集團應對經濟低迷之影響。董事在編製綜合財務報表時已考慮了2019冠狀病毒病爆發所產生的現在和潛在影響。董事將對2019冠狀病毒病的持續發展情況保持謹慎，這可能會導致全球金融市場和經濟的進一步動盪和不確定性，並將採取必要措施應對由此產生的影響。

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綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 5 to the consolidated financial statements.

(i) New standard, amendments, interpretation and improvements to existing standards that are effective for the Group's financial year beginning on 1 April 2019

The HKICPA has issued the following new standard which is effective for accounting period beginning on 1 April 2019:

- HKFRS 16, "Leases" ("HKFRS 16")

The impact of the adoption of this standard and the new accounting policies are disclosed in note 3 below.

The following amendments, interpretation and improvements to existing standards, that are relevant to the Group's operation, are also mandatory for the financial year of the Group beginning on 1 April 2019:

- HKAS 19 (amendment), "Plan Amendment, Curtailment or Settlement"
- HKAS 28 (amendment), "Long-term Interests in Associates and Joint Ventures"
- HKFRS 9 (amendment), "Prepayment Features with Negative Compensation"
- HK(IFRIC)-Int 23, "Uncertainty over Income Tax Treatments"
- Annual Improvements Project – Annual Improvements to HKFRSs 2015 – 2017 Cycle

The adoption of these amendments, interpretation and improvements to existing standards neither have significant impact on the Group's consolidated results and financial position nor any substantial changes in the Group's accounting policies and the presentation of the consolidated financial statements.

2 重大會計政策概要(續)

(a) 編製基準(續)

根據香港財務報告準則編製之綜合財務報表要求使用某些關鍵會計估計，並要求管理層在執行本集團會計政策之過程中運用其判斷。綜合財務報表附註5披露了涉及重大判斷或複雜性之處，或需要對綜合財務報表作出重大假設及估計之處。

(i) 在本集團於二零一九年四月一日開始之財政年度生效之新訂準則、現有準則之修訂本、詮釋及改進

香港會計師公會已頒佈以下於二零一九年四月一日開始之會計期間生效的新訂準則：

- 香港財務報告準則第16號，「租賃」(「香港財務報告準則第16號」)

採納該準則及新訂會計政策之影響於下文附註3披露。

下列現有準則之修訂本、詮釋及改進與本集團營運有關，且於二零一九年四月一日開始之本集團財政年度強制生效：

- 香港會計準則第19號(修訂本)，「計劃修訂、縮減或結算」
- 香港會計準則第28號(修訂本)，「於聯營公司及合營企業之長期權益」
- 香港財務報告準則第9號(修訂本)，「具有負補償之提前還款特性」
- 香港(國際財務報告詮釋委員會) – 詮釋第23號，「所得稅處理之不確定性」
- 年度改進項目 – 二零一五年至二零一七年週期香港財務報告準則之年度改進

採納現有準則之該等修訂本、詮釋及改進對本集團之綜合業績及財務狀況並無重大影響，亦無對本集團之會計政策及綜合財務報表之呈報方式造成重大變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(ii) New standard and amendments to existing standards that have been issued but not yet effective and have not been early adopted by the Group

The following new standard and amendments to existing standards, that are relevant to the Group's operation, have been issued but not yet effective for the financial year of the Group beginning on 1 April 2019 and have not been early adopted:

- HKAS 1 and HKAS 8 (amendment), "Definition of Material"¹
- HKFRS 3 (amendment), "Definition of a Business"¹
- HKFRS 9, HKAS 39 and HKFRS 7 (amendments), "Interest Rate Benchmark Reform"¹
- HKFRS 10 and HKAS 28 (amendment), "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"³
- HKFRS 16 (amendment), "Leases, Related Rent Concessions"¹
- HKFRS 17, "Insurance Contracts"²
- Conceptual Framework for Financial Reporting 2018 – "Revised Conceptual Framework for Financial Reporting"¹

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ Effective for annual periods beginning on or after a date to be determined

2 重大會計政策概要(續)

(a) 編製基準(續)

(ii) 已頒佈尚未生效且本集團並無提前採納之新訂準則及現有準則之修訂本

下列與本集團營運有關之新訂準則及現有準則之修訂本已經頒佈，惟在本集團於二零一九年四月一日開始之財政年度尚未生效，亦無提前採納：

- 香港會計準則第1號及香港會計準則第8號(修訂本)，「重大之定義」¹
- 香港財務報告準則第3號(修訂本)，「業務之定義」¹
- 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)，「利率基準改革」¹
- 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出售或注入資產」³
- 香港財務報告準則第16號(修訂本)，「租賃，相關租金減免」¹
- 香港財務報告準則第17號，「保險合約」²
- 二零一八年財務報告概念框架－「經修訂財務報告概念框架」¹

¹ 於二零二零年一月一日或之後開始的年度期間生效

² 於二零二一年一月一日或之後開始的年度期間生效

³ 於待定日期或之後開始的年度期間生效

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綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(ii) New standard and amendments to existing standards that have been issued but not yet effective and have not been early adopted by the Group (continued)

HKFRS 17, "Insurance Contracts" ("HKFRS 17")

HKFRS 17 will replace the current HKFRS 4, "Insurance Contracts". HKFRS 17 includes some fundamental differences to current accounting in both insurance contract measurement and profit recognition. The general model is based on a discounted cash flow model with a risk adjustment and deferral of unearned profits. A separate approach applies to insurance contracts that are linked to returns on underlying items and meet certain requirements. Additionally, HKFRS 17 requires more granular information and a new presentation format for the consolidated statement of comprehensive income as well as extensive disclosures. The Group is yet to undertake a detailed assessment of the new standard. The standard is mandatorily effective for financial periods beginning on or after 1 January 2021.

Other than the above, the Group anticipates that the application of amendments to existing standards that have been issued but are not yet effective may have no material impact on the results of operations and financial position.

(b) Basis of consolidation

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

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

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

Acquisition-related costs are expensed as incurred.

2 重大會計政策概要(續)

(a) 編製基準(續)

(ii) 已頒佈尚未生效且本集團並無提前採納之新訂準則及現有準則之修訂本(續)

香港財務報告準則第17號「保險合約」(「香港財務報告準則第17號」)

香港財務報告準則第17號將取代現行的香港財務報告準則第4號「保險合約」。香港財務報告準則第17號包括保險合約計量及溢利確認的現行會計處理的若干基本區別。一般模式乃基於具備風險調整及遞延處理未賺取溢利功能的貼現現金流量模式。一項單獨的方法適用於與相關項目的回報掛鉤且符合若干規定的保險合約。此外，香港財務報告準則第17號規定綜合全面收益表須載列更多細節的資料，採用新的呈報格式，並擴大披露範圍。本集團尚未對新訂準則進行詳細評估。該準則目前於二零二一年一月一日或之後開始的財政期間強制生效。

除上述事項外，本集團預期應用已頒佈但尚未生效的現有準則的修訂本對經營業績及財務狀況未必有重大影響。

(b) 綜合賬目基礎

綜合財務報表包括本公司及其附屬公司截至三月三十一日之財務報表。

附屬公司乃指本集團擁有控制權之所有企業(包括結構實體)。當本集團因參與企業而承擔可變回報的風險或享有可變回報的權益，且有能力透過其對企業之權力影響該等回報時，則本集團控制該企業。附屬公司在控制權轉移至本集團之日綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

本集團採用收購法將業務合併入賬。收購一間附屬公司已轉讓的代價為本集團所轉讓的資產、向被收購方前擁有人所產生的負債及發行的股本權益之公允值。所轉讓的代價包括或然代價安排所產生的任何資產或負債的公允值。在業務合併中所購買可識別的資產以及所承擔的負債及或然負債，首先以彼等於收購日的公允值計量。按逐項收購基準，本集團可按公允值或非控股權益所佔被收購方可識別資產淨值已確認金額的比例，計量被收購方的非控股權益。

收購相關成本在產生時支銷。

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綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKFRS 9 with the corresponding gain or loss recognised in the profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

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

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

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

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

2 重大會計政策概要(續)

(b) 綜合賬目基礎(續)

倘業務合併分階段進行，則收購方先前持有之被收購方股權之賬面值乃重新計量為收購日之公允值；該重新計量產生之任何收益或虧損乃於損益內確認。

本集團所轉讓之任何或然代價將在收購日按公允值確認。被視為資產或負債之或然代價日後在公允值上如有任何變動按照香港財務報告準則第9號確認，而相應之收益或虧損於損益內確認。分類為權益之或然代價毋須重新計量，而其後結算於權益入賬。

轉讓之代價、被收購方的任何非控股權益，以及被收購方之股權於收購日前之公允值，超過所購買可識別資產淨值公允值之數額，列為商譽。就議價購買而言，倘所轉讓之代價、已確認非控股權益及先前持有之權益計量之總額低於所購入附屬公司資產淨值之公允值，該差額直接在損益內確認。

集團內公司間之交易、交易結餘和由集團公司間交易產生之未變現盈虧均作對銷。未變現虧損亦予對銷。附屬公司所呈報金額已按需要作出調整，以確保與本集團會計政策一致。

不會導致失去控制權之與非控股權益的交易入賬列作權益交易 – 即與附屬公司擁有人以彼等為擁有人之身份進行之交易。所付任何代價公允值與所收購附屬公司之資產淨值賬面值相關部份間之差額於權益中入賬。對於向非控股權益出售所產生之盈虧亦於權益入賬。

當本集團失去控制權時，於企業之任何保留權益按失去控制權當日之公允值重新計量，有關賬面值變動在損益內確認。就其後入賬列作聯營公司、合營企業或財務資產之保留權益，其公允值為初始賬面值。此外，先前於其他全面收益確認與該企業有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此舉可能意味先前在其他全面收益確認之金額重新分類至損益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(c) Goodwill/discount on acquisitions**

Goodwill arising on an acquisition of a subsidiary, an associate or a joint venture, representing the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree at the date of acquisition. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at the fair value or at the non-controlling interest's proportional share of the recognised amount of acquiree's net identifiable assets. If the Group recognises non-controlling interest in the acquiree at fair value, goodwill includes the portion attributable to the non-controlling interest.

Goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated statement of financial position. Goodwill arising on an acquisition of an associate or a joint venture is included in the cost of the investment of the relevant associate or joint venture.

Separately recognised goodwill is tested for impairment annually or more frequently if there is indication that goodwill might be impaired. Goodwill on acquisitions of associates and joint ventures is included in investments in respective associates and joint ventures and is tested for impairment as part of the overall balance. For the purposes of impairment testing, separately recognised goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the acquisition. A CGU to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit. Any impairment loss for goodwill is recognised directly in the profit or loss and is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, an associate or a joint venture, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

A discount on acquisition arising on an acquisition of a subsidiary, an associate or a joint venture represents the excess of the share of net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination and is recognised immediately in the profit or loss.

Contingent liabilities of an acquiree are recognised at the date of the acquisition if the fair value of the contingent liabilities can be measured reliably. Contingent liabilities are initially measured at fair value at the date of acquisition.

2 重大會計政策概要(續)**(c) 收購產生之商譽／折讓**

收購附屬公司、聯營公司或合營企業產生之商譽乃指所轉讓代價超出本集團於收購日應佔被收購方之可識別資產、負債及或然負債之公允淨值權益之數額。本集團按逐項收購基準，以公允值或按非控股權益所佔被收購方可識別資產淨值已確認金額之比例確認於收購之任何非控股權益。倘本集團按公允值確認於收購之非控股權益，商譽包括非控股權益應佔部份。

因收購附屬公司而產生之商譽乃於綜合財務狀況表分開呈列。因收購聯營公司或合營企業而產生之商譽乃列入有關聯營公司或合營企業之投資成本。

獨立確認之商譽會每年進行減值測試，或於有跡象顯示商譽可能出現減值時更頻密地進行減值測試。收購聯營公司及合營企業所產生之商譽計入相關聯營公司及合營企業之投資，並視為結餘總額之一部份進行減值測試。就減值測試而言，收購所產生之獨立確認之商譽乃被分配到預期可受惠於收購協同效應之各有關現金產生單位（「現金產生單位」）或現金產生單位組別。獲分配商譽之現金產生單位會每年及在有跡象顯示商譽可能出現減值時進行減值測試。就於某個財務年度之收購所產生商譽而言，已獲分配商譽之現金產生單位於該財務年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則減值虧損首先被分配以削減任何被分配到該單位之商譽之賬面值，然後削減該單位內其他資產。商譽之任何減值虧損乃直接於損益內確認，且於其後期間不予撥回。

其後出售附屬公司、聯營公司或合營企業時，須計入被資本化商譽之應佔金額，以釐定出售之損益。

因收購附屬公司、聯營公司或合營企業而產生之收購折讓，乃指被收購方之可識別資產、負債及或然負債之應佔公允淨值超出業務合併成本之差額。收購折讓即時於損益內確認。

當被收購方之或然負債公允值可以被可靠地計量時，該等或然負債乃在收購日被確認。於收購當日，該等或然負債按公允值作首次計量。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Interests in associates

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, interests in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in the other comprehensive income of the associates, less any identified impairment loss. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of loss of an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of loss is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

(e) Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control and over which none of the participating parties has unilateral control.

Under HKFRS 11 "Joint Arrangement", investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations of each investor.

Joint operations

Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenue and expenses, relating to its interest in the joint operation in accordance with the applicable accounting policies.

2 重大會計政策概要(續)

(d) 所佔聯營公司之權益

聯營公司之業績、資產及負債按會計之權益法計入此綜合財務報表內。根據權益法，所佔聯營公司之權益乃按成本值於綜合財務狀況表列賬，並就本集團所佔聯營公司溢利或虧損及其他全面收益於收購後之變動(扣除任何已識別減值虧損)作出調整。在收購聯營公司所有權權益時，聯營公司成本與本集團所佔聯營公司可識辨資產與負債公允值淨額之任何差額入賬為商譽。如本集團之所佔聯營公司虧損相等於或超過其於該聯營公司所佔之權益(包括實質上構成本集團於聯營公司淨投資之任何長期權益)，則本集團不再確認其所佔之進一步虧損。額外所佔虧損將計提撥備及確認負債，惟只限於本集團須受法定或推定義務或已代該聯營公司支付款項。

本集團與其聯營公司之間交易之未變現收益會以本集團所佔有關聯營公司之權益為限進行對銷。除非有證據顯示交易中所轉讓資產出現減值，否則未變現虧損亦會對銷。聯營公司之會計政策已按需要作出修訂，確保與本集團所採納之政策一致。

(e) 合營安排

合營安排指兩名或以上人士擁有共同控制權而任何一方並無單方面控制權之安排。

根據香港財務報告準則第11號「合營安排」，於合營安排之投資的類別，以每位投資者擁有之合約權益與義務分為合營經營或合營企業。

合營經營

合營經營指其投資者對其安排有資產權利與債務責任。合營經營之投資的入賬方法為各合營經營者均確認其資產(包括所佔任何共同持有資產)、其負債(包括所佔任何共同產生負債)、其收入(包括所佔合營經營銷售產品的任何收益)及其支出(包括所佔任何共同產生支出)。各合營經營者根據適用會計政策就其於合營經營中的權益將資產及負債以及收入及支出入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(e) Joint arrangements (continued)****Joint ventures**

A joint venture is a joint arrangement whereby the parties that have rights to the net assets of the arrangement.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in the other comprehensive income. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

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

(f) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. 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 FVPL) 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 FVPL are recognised immediately in the profit or loss.

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received or receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in the profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, is cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in the profit or loss.

2 重大會計政策概要(續)**(e) 合營安排(續)****合營企業**

合營企業是一種合營安排，據此，各方享有該安排下之資產淨值。

根據權益會計法，所佔合營企業之權益初步按成本值確認，隨後以確認本集團所佔收購後溢利或虧損及其他全面收益之變動作出調整。於收購一間合營企業權益時，合營企業成本與本集團所佔合營企業可識別資產及負債公允值淨額之任何差額入賬為商譽。當本集團所佔一間合營企業之虧損相等或超過所佔該合營企業之權益(包括任何實質上構成本集團在該合營企業淨投資之長期權益)時，本集團不確認進一步虧損，除非本集團已產生義務或已代該合營企業支付款項。

本集團與其合營企業之間交易之未變現收益會以本集團所佔有關合營企業之權益為限進行對銷。除非有證據顯示交易所轉讓資產出現減值，否則未變現虧損亦會對銷。合營企業之會計政策已按需要作出修訂，確保與本集團所採納之政策一致。

(f) 財務工具

當集團企業成為財務工具合約條文之訂約方，則財務資產及財務負債於綜合財務狀況表內確認。財務資產及財務負債初始按公允值計量。應直接計入收購或發行財務資產及財務負債(按公允值列入損益處理之財務資產及財務負債除外)之交易成本，於首次確認時從財務資產或財務負債之公允值加入或扣減(視適用情況而定)。直接應佔收購按公允值列入損益處理之財務資產或財務負債之交易成本，乃立即於損益內確認。

當從資產收取現金流量之權利屆滿，或財務資產被轉讓而本集團已轉讓該項財務資產擁有權之絕大部份風險及回報時，有關財務資產會被終止確認。於終止確認財務資產時，該項資產賬面值與已收或應收代價和已直接於權益內確認之累計收益或虧損之總和間之差額將於損益內確認。

財務負債於有關合約所訂明責任獲解除或註銷或屆滿時被終止確認。被終止確認之財務負債之賬面值與已付或應付代價間之差額將於損益內確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(i) Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at FVOCI;
- those to be measured subsequently at FVPL; or
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the other comprehensive income or the profit or loss. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investments at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised and derecognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the profit or loss.

2 重大會計政策概要(續)

(f) 財務工具(續)

(i) 財務資產

分類

本集團將其財務資產分類為以下計量類別：

- 其後按公允值列入其他全面收益計量；
- 其後按公允值列入損益計量；或
- 按攤銷成本計量。

該分類取決於本集團管理財務資產之業務模式及現金流量之合約條款。

就按公允值計量的資產而言，其收益及虧損於其他全面收益或損益列賬。就並非持作買賣之股本工具投資，則取決於本集團是否於初始確認時不可撤銷地選擇就股本投資按公允值列入其他全面收益入賬。

當且僅當管理該等資產之業務模式發生變動時，本集團方會對債務投資重新分類。

確認及終止確認

財務資產之定期買賣在交易日(即本集團承諾購入或出售該資產之日)確認及終止確認。當從財務資產收取現金流量之權利已經屆滿或轉讓，以及本集團已將擁有權之絕大部分風險和回報轉讓時，便會終止確認有關財務資產。

計量

初始確認時，本集團按財務資產之公允值加(倘並非按公允值列入損益計量之財務資產)收購財務資產直接應佔之交易成本計量財務資產。按公允值列入損益計量之財務資產之交易成本在損益支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(i) Financial assets (continued)

Measurement (continued)

- Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group can classify its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in the profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through the other comprehensive income, except for the recognition of impairment losses or reversals, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the other comprehensive income is reclassified from equity to, and recognised in the profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the profit or loss in the period in which it arises.

- Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains or losses on equity investments in the other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the profit or loss when the Group's rights to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2 重大會計政策概要(續)

(f) 財務工具(續)

(i) 財務資產(續)

計量(續)

- 債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及該等資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 按攤銷成本列賬：倘為收取合約現金流量而持有之資產的現金流量純粹為本金及利息之付款，則該等資產按攤銷成本計量。該等財務資產之利息收入、減值虧損、外匯收益及虧損以及終止確認產生的收益或虧損直接於損益確認。
- 按公允值列入其他全面收益：以收取合約現金流量及出售財務資產為目的而持有的資產(有關資產之現金流量純粹為本金及利息之付款)以公允值列入其他全面收益計量。除確認減值虧損或撥回、利息收入及外匯收益及虧損於損益內確認外，賬面值之變動透過其他全面收益計量。當財務資產終止確認時，先前於其他全面收益內確認之累計收益或虧損從權益重新分類至損益並於損益確認。
- 按公允值列入損益：不符合按攤銷成本列賬或按公允值列入其他全面收益的準則之資產乃按公允值列入損益計量。其後按公允值列入損益之債務投資之盈虧於其產生期間在損益內確認。

- 股本工具

本集團其後按公允值計量所有股本投資。倘本集團管理層選擇於其他全面收益內呈報股權投資之公允值盈虧，則其後不會於終止確認投資後將公允值收益及虧損重新分類至損益。當本集團收取付款之權利確定後，有關投資之股息繼續於損益確認。

按公允值列入損益之財務資產之公允值變動於損益確認。按公允值列入其他全面收益計量之股本投資之減值虧損(及減值虧損撥回)不會與公允值其他變動分開呈報。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(i) Financial assets (continued)

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with debtors, contract assets, deposits, amounts due from associates, joint ventures and non-controlling interests, debt investments measured at amortised cost and bank balances and cash. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade debtors and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the trade debtors and contract assets.

Impairment on financial assets measured at amortised cost other than trade debtors and contract assets is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a debtor has occurred since initial recognition, then impairment is measured as lifetime expected credit loss.

When there is a significant increase in credit risk or the debtors are not settled in accordance with the terms stipulated in the agreements, management considers these debtors as under-performing or non-performing and impairment is measured as lifetime credit loss.

When management considers that there is no reasonable expectation of recovery, the financial assets measured at amortised cost will be written off.

(ii) Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below:

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

2 重大會計政策概要(續)

(f) 財務工具(續)

(i) 財務資產(續)

減值

本集團之應收賬款、合約資產、存出訂金、應收聯營公司、合營企業及非控股權益賬款、按攤銷成本計量之債項投資及銀行結存及現金按前瞻性基準作有關的預期信貸虧損評估。應用之減值方法視乎信貸風險有否大幅增加而定。

就貿易應收賬款及合約資產而言，本集團應用香港財務報告準則第9號允許之簡化方法，其要求全期預期虧損須自首次確認貿易應收賬款及合約資產後確認。

除貿易應收賬款及合約資產外，按攤銷成本列賬之財務資產減值按12個月預期信貸虧損或存續期預期信貸虧損計量，視乎信貸風險初始確認後有否大幅升高而定。倘應收賬款信貸風險於初始確認後大幅升高，則其減值按存續期預期信貸虧損計量。

倘信貸風險大幅升高或應收賬款未按合約條款支付，管理層將認為此類應收賬款為關注級或不良級，其減值按存續期預期信貸虧損計量。

當管理層合理預計不能收回，按攤銷成本列賬之財務資產將被撇銷。

(ii) 財務負債及股本工具

由集團企業發行之財務負債及股本工具按所訂立之合約安排性質，以及財務負債及股本工具之定義而分類。

股本工具為能夠證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本集團之財務負債分類為按公允價值列入損益處理之財務負債及其他財務負債。就財務負債及股本工具而採納之會計政策載列如下：

由集團企業發行之財務負債及股本工具按所訂立之合約安排性質，以及財務負債及股本工具之定義而分類。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(f) Financial instruments (continued)****(ii) Financial liabilities and equity instruments (continued)**

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below:

Financial liabilities at fair value through profit or loss

Financial liabilities at FVPL are financial liabilities held for trading on initial recognition. At the end of each reporting period subsequent to initial recognition, financial liabilities at FVPL are re-measured at fair value, with changes in fair value recognised directly in the profit or loss in the period in which they arise.

Other financial liabilities

Other financial liabilities including amounts due to joint ventures and non-controlling interests, creditors and payables, lease liabilities, bank and other borrowings and amounts due to subsidiaries of the Company are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(iii) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- fair value hedges, which are hedges of the fair value of recognised assets or liabilities or a firm commitment; or
- cash flow hedges which are hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions.

At the inception of hedging, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

2 重大會計政策概要(續)**(f) 財務工具(續)****(ii) 財務負債及股本工具(續)**

股本工具為能夠證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本集團之財務負債分類為按公允價值列入損益處理之財務負債及其他財務負債。就財務負債及股本工具而採納之會計政策載列如下：

按公允價值列入損益處理之財務負債

按公允價值列入損益處理之財務負債乃於初始確認時持作買賣之財務負債。於首次確認後之各報告期末，按公允價值列入損益處理之財務負債按公允價值重新計量，其公允價值變動直接於產生期內之損益內確認。

其他財務負債

其他財務負債包括應付合營企業及非控股權益賬款、應付賬款及應付款項、租賃負債、銀行及其他借款及應付本公司附屬公司賬款，隨後採用實際利率法按已攤銷成本計算。

股本工具

本公司發行之股本工具按所收到之款項扣除直接發行成本後入賬。

(iii) 衍生工具及對沖活動

衍生工具初步按訂立衍生工具合約當日的公允價值確認，其後按各報告期末的公允價值重新計量。公允價值後續變動的會計處理取決於衍生工具是否被指定為對沖工具，如指定為對沖工具，則其所對沖項目之性質。本集團指定若干衍生工具作為：

- 公允價值對沖，對沖已確認資產或負債或一項確定承擔之公允價值；或
- 現金流量對沖，對沖已確認資產及負債及極有可能進行之預計交易之現金流相關特定風險。

於訂立對沖時，本集團就對沖工具與對沖項目之經濟關係(包括是否預期對沖工具現金流量之變動抵銷對沖項目現金流量之變動)作檔記錄。本集團亦對其風險管理目標及執行對沖交易之策略作檔記錄。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(iii) Derivatives and hedging activities (continued)

The fair values of various derivative financial instruments designated in hedge relationship are disclosed in note 31 to the consolidated financial statements. Movements in the hedging reserve in shareholders' equity are shown in note 37 to the consolidated financial statements. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instruments.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ("aligned time value") are recognised within the other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the hedging reserve within equity. The change in the forward element of the contract that relates to the hedged item ("aligned time value") is recognised within the other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the hedging reserve within equity.

2 重大會計政策概要(續)

(f) 財務工具(續)

(iii) 衍生工具及對沖活動(續)

於對沖關係中指定的各項衍生工具之公允值於綜合財務報表附註31中披露。股東權益對沖儲備的變動於綜合財務報表附註37中披露。當對沖項目之餘下年期超過12個月，則對沖衍生工具之全部公允值分類為非流動資產或負債；當對沖項目之餘下年期少於12個月，則分類為流動資產或負債。貿易衍生工具分類為流動資產或負債。

(i) 現金流量對沖

被指定並符合資格作為現金流量對沖之衍生工具之公允值變動的有效部份於權益中對沖儲備確認。與無效部份有關的盈虧即時於損益內確認。

當期權合約用於對沖預期交易時，本集團僅指定期權內在價值為對沖工具。

與期權內在價值變動有效部分相關的收益或損失於權益內對沖儲備確認。與對沖項目相關期權的時間價值變動(「一致時間價值」)，於權益內對沖成本儲備的其他全面收益確認。

當遠期合約用於對沖預期交易時，本集團一般僅將與即期部分相關的遠期合約公允值變動指定為對沖工具。與遠期合約即期部分的有效變動相關的收益或損失於權益內對沖儲備確認。與對沖項目相關的合約遠期要素變動(「一致時間價值」)於權益內對沖成本儲備的其他全面收益下確認。於部分情況下，實體或會將遠期合約公允值的全部變動(包括遠期點數)指定對沖工具。於此情況下，與整份遠期合約公允值變動的有效部分相關的收益或損失於權益內對沖儲備確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(iii) Derivatives and hedging activities (continued)

(I) Cash flow hedge (continued)

Amounts accumulated in equity are reclassified in the periods when the hedged item affects the profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the profit or loss as the hedged item affects the profit or loss (for example through cost of sales).
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in the profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the profit or loss.

(II) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative financial instrument are recognised immediately in the profit or loss.

(iv) Offsetting financial instrument

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2 重大會計政策概要(續)

(f) 財務工具(續)

(iii) 衍生工具及對沖活動(續)

(I) 現金流量對沖(續)

於權益累計的金額在對沖項目影響損益期間按下文所述重新分類：

- 倘對沖項目其後導致本集團確認非財務資產(如存貨)，則遞延對沖收益及虧損及期權合約或遞延遠期點數(如有)的遞延時間價值均計入資產初始成本。由於對沖項目影響損益(如透過銷售成本)，遞延金額最終於損益確認。
- 與利率掉期對沖浮動利率借貸的有效部分有關的收益或虧損，於對沖借貸產生利息開支的同時於財務成本內損益確認。

當一項對沖工具到期、出售或終止，或對沖不再達到對沖會計標準，則當時權益中任何累計遞延收益或虧損及遞延對沖成本仍列為權益，直至發生預期交易令本集團確認非財務資產(如存貨)。當不再預期發生預期交易，於權益中申報的累計遞延收益或虧損及遞延對沖成本當即重新分類至損益。

(II) 不符合對沖會計處理之衍生工具

若干衍生工具不符合對沖會計處理。該等衍生財務工具之公允值變動即時於損益內確認。

(iv) 抵銷財務工具

當本集團現時有可合法強制執行權利抵銷已確認金額，並有意按淨額基準結算或同時變現資產和結算負債時，財務資產與負債可互相抵銷，並在財務狀況表呈報其淨額。本集團亦曾訂立不符合抵銷標準但仍容許相關款項在若干情況下抵銷的安排，例如破產或合約終止。

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For the year ended 31 March 2020
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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment property comprises land and buildings held under leases. Land held under lease is classified and accounted for as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is determined by professional valuation conducted as at the end of the reporting period. Changes in fair value are recognised in the profit or loss.

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

Changes in fair values are recognised in the profit or loss as part of the other gains, net.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. Any resulting increase in the carrying amount of the property, plant and equipment is recognised in the profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised directly to revaluation surplus within equity. Any resulting decrease in the carrying amount of the property, plant and equipment is charged to the profit or loss. Upon the subsequent disposal of investment property, any revaluation reserve balance of the property, plant and equipment is transferred to retained profits and is shown as a movement in equity.

When an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to properties for sales at its fair value at the date of change in use.

For a transfer from properties for sale to investment properties that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in the profit or loss.

2 重大會計政策概要(續)

(g) 投資物業

持作長期租金收益或資本增值或以上兩項目的，而並非由本集團佔用之物業，均列作投資物業。

投資物業包括土地及根據租賃持有之樓宇。當符合投資物業之其餘定義時，根據營運租賃持有之土地分類及列作投資物業入賬。

投資物業初始時按其成本(包括相關交易成本)計量。於初始確認後，投資物業按公允值入賬。公允值是按報告期末時進行之專業估值釐定。公允值之變動於損益內確認。

當該資產相關之日後經濟利益很可能會流入本集團，而該項資產之成本可被可靠計量時，方會從該項資產之賬面值中扣除其後支出。所有其他維修及保養成本於產生之財務期間內在損益內列支。

公允值變動於損益內確認為其他收益，淨額之一部份。

若投資物業變成業主自用，會被重新分類為物業、機器及設備，其於重新分類日期的公允值，就會計目的而言變為其成本。根據香港會計準則第16號，若物業、機器及設備的某個項目因其用途改變而成為投資物業，該項目於轉撥日期的賬面值與公允值的任何差額在權益中確認為物業、機器及設備的重估。任何因此而增加物業、機器及設備的賬面值於損益中確認，將以往的減值虧損撥回後，任何剩餘的增加額直接在權益中的重估盈餘內確認。任何因此而減少物業、機器及設備的賬面值在損益中支銷。投資物業若其後售出，該物業、機器及設備的任何重估儲備結餘轉撥至保留溢利，並以權益變動的方式列出。

當投資物業的用途有所改變，有證據顯示物業的發展的啟動以出售為目的，該物業將以物業用途改變的日期之公允值被轉撥至待售物業。

由待售物業轉為投資物業將按公允值入賬，有關物業於該日之公允值與其先前之賬面值兩者之間之差額於損益表內確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Property, plant and equipment

As explained in note 3 below, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change is detailed in notes 3, 16 and 30.

From 1 April 2019, leases are recognised as right-of-use assets initially measured on a present value basis at the date at which the leased asset is available for use by the Group. These are presented within "Property, plant and equipment" in the consolidated statement of financial position.

Property, plant and equipment (including right-of-use assets) are stated at cost less accumulated depreciation and impairment losses except for staff quarters (and related right-of-use assets).

Staff quarters (and related right-of-use assets) are measured at fair value less accumulated depreciation and impairment losses recognised at the date of revaluation. Revaluation are performed with sufficient frequency to ensure that the carrying amount does not differ materially from the fair value of a revalued asset at the end of the reporting period.

Changes in fair value are recognised in the other comprehensive income. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the profit or loss, the increase is recognised in the profit or loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in equity.

An annual transfer from the asset revaluation reserve to the retained profits is made for the difference between depreciation based on the revalued carrying amount of the asset and original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained profits.

Leasehold land commences depreciation from the time when the land interest becomes available for its intended use. Depreciation on leasehold land classified as finance lease and other assets is calculated using the straight-line method to allocate their costs or fair values less their residual values over their estimated useful lives at the following rates per annum:

	Annual charge
Building	Over the shorter of 20 to 50 years or the remaining lease term
Leasehold land	Over the remaining lease term
Leasehold improvements	Over the remaining lease term
Right-of-use assets	Over the remaining lease term
Machinery	10%
Furniture, fixtures, office equipment and motor vehicles	10% – 33 $\frac{1}{3}$ %
Others	10% – 20%

2 重大會計政策概要(續)

(h) 物業、廠房及設備

誠如下文附註3所述，本集團已就本集團為承租人之租賃變更其會計政策。新訂政策已於下文載述，而有關變更之影響詳情載列於附註3、16及30。

自二零一九年四月一日起，確認為使用權資產之租賃於本集團可使用租賃資產當日按現值初始計量。其於綜合財務狀況表「物業、廠房及設備」內呈列。

物業、廠房及設備(包括使用權資產)乃按成本值減去累計折舊及累計減值虧損列賬，惟員工宿舍除外(及相關使用權資產)。

員工宿舍(及相關使用權資產)按重估當日公允值減累計折舊及減值虧損計量。重估乃適時作出，以確保賬面值與重估資產於報告期末之公允值並無重大差異。

公允值變動乃於其他全面收益內確認。然而，倘撥回相關資產先前於損益內確認之重估虧損，則有關增加於損益內確認。重估虧損於損益內確認，惟倘其抵銷權益內確認之有關資產之現有盈餘則除外。

自資產重估儲備至保留溢利之年度轉撥乃就基於資產重估賬面值之折舊與初始成本之差額而作出。此外，於重估日期之累計折舊於資產賬面值總額抵銷，而淨額重列至資產之重估金額。於出售時，有關正在出售之特定資產之任何重估儲備將會轉撥至保留溢利。

租賃土地自該土地權益可作其擬定用途之時開始折舊。分類為融資租賃之租賃土地及其他資產之折舊乃按其以下估計可使用年期以直線法計算，將其成本或公允值減去其剩餘價值按下列比率每年分配：

	每年折舊
樓宇	按介乎20年至50年或其剩餘之租賃年期的較短者
租賃土地	按剩餘之租賃年期
租賃物業裝修	按剩餘之租賃年期
使用權資產	按剩餘之租賃年期
機器	10%
傢俬、裝置、辦公室設備及汽車	10%–33 $\frac{1}{3}$ %
其他	10%–20%

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Property, plant and equipment (continued)

Prior to the adoption of HKFRS 16, assets held under finance leases are depreciated over the shorter of the lease term and their expected useful lives on the same basis as owned assets.

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

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in the profit or loss.

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

(i) Other intangible assets

On initial recognition, intangible assets acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceed and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

(j) Properties under development

Properties under development are stated at the lower of cost and net realisable value. Development cost of properties comprise prepaid lease payments, development expenditure and borrowing costs capitalised.

The net realisable value is the estimated selling price in the ordinary course of business less selling expenses and costs to completion.

(k) Impairment of investments in associates and joint ventures

Management regularly reviews whether there are any indications of impairment of the Group's investments in associates and joint ventures primarily based on value-in-use calculations.

In determining the value in use, management assesses the present value of estimated future cash flows expected to arise from their businesses. Estimates and judgements are applied in determining these future cash flows and discount rate. Management estimates the future cash flows based on certain assumptions, such as revenue growth.

2 重大會計政策概要(續)

(h) 物業、廠房及設備(續)

採納香港財務報告準則第16號前，按融資租賃持有之資產乃按租期與預期可用年期兩者中之較短者計提折舊，其基準與自有資產相同。

倘資產之賬面值高於其估計可收回金額，會即時將資產之賬面值撇減至其可收回金額。

出售或報廢資產之收益或虧損乃由出售所得款項淨額與其賬面值間之差額釐定，並在損益內確認。

於各報告期末，資產之剩餘價值及可使用年期已予審閱，並予以調整(如適用)。

(i) 其他無形資產

初始確認時，獨立收購及來自業務合併之無形資產乃分別按成本值及公允值確認。初始確認後，有限可使用年期之無形資產乃按成本值減累計攤銷及累計減值虧損入賬。有限可使用年期之無形資產之攤銷乃以直線法就其估計可使用年期計提。無限可使用年期之無形資產則按成本值減累計減值虧損入賬。

終止確認無形資產所產生收益或虧損按出售所得款項淨額與資產賬面值間之差額計算，於終止確認資產時在損益內確認。

(j) 發展中物業

發展中物業乃按成本與可變現淨值兩者間較低者呈列。物業開發成本包括預付租賃款項、開發費用及作資本化處理之借款成本。

可變現淨值指日常業務過程中扣減銷售支出以及完成成本的估計售價。

(k) 於聯營公司及合營企業之投資減值

管理層定期按使用價值計算以檢討是否有任何跡象顯示本集團於聯營公司及合營企業之投資已經減值。

於確定使用價值時，管理層評估從業務產生之估計未來現金流量的現值。確定未來現金流量和貼現率的過程中已作出預計和判斷。管理層基於一定的假設(例如收入增長)估計未來之現金流量。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out or weighted average method. Net realisable value is determined on the basis of anticipated sales proceeds in the ordinary course of business less applicable selling expenses.

(m) Properties for sale

Properties for sale, which comprise prepaid lease payments and buildings held for resale, are stated at the lower of cost and net realisable value. The costs of properties for sale comprise cost of acquisition of properties and related development costs.

(n) Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer.

The combination of those rights and performance obligations gives rise to a net contract asset or a net contract liability depending on the relationship between the remaining rights and the performance obligations. An item of assets is recognised as contract assets if a contract's cumulative revenue recognised in the profit or loss exceeds cumulative payments made by customers. Conversely, an item of liabilities is recognised as contract liabilities if a contract's cumulative payments made by customers exceeds the revenue recognised in the profit or loss.

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of trade debtors. Contract liabilities are recognised as revenue when the Group transfers the goods or services to the customers and therefore satisfied its performance obligation.

The incremental costs of obtaining a contract with a customer are capitalised and presented as contract related assets, if the Group expects to recover those costs, and are subsequently amortised on a systematic basis that is consistent with the transfer to the customers of the goods or services to which the assets relate. The Group recognises an impairment loss in the profit or loss to the extent that carrying amount of the contract related assets recognised exceeds the remaining amounts of consideration that the Group expects to receive less the costs that relate directly to providing those goods or services that have not been recognised as expenses.

(o) Assets held-for-sale

Non-current assets are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transition and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, except for investment properties that are carried at fair value.

2 重大會計政策概要(續)

(l) 存貨

存貨乃按成本與可變現淨值兩者之較低值入賬。成本按先進先出或加權平均法計算。可變現淨值乃按日常業務過程中預計銷售所得款項減適用銷售支出之基準釐定。

(m) 待售物業

待售物業(包括持作重售之預付租賃款項及樓宇)乃按成本及可變現淨值之較低者列賬。待售物業之成本包括收購物業成本及相關發展成本。

(n) 合約資產及合約負債

與客戶訂立合約後，本集團取得從客戶收取代價的權利，並承擔將貨物轉讓予客戶或向客戶提供服務的履約義務。

該等權利及履約義務結合導致淨合約資產或淨合約負債，視乎剩餘權利與履約義務之間的關係而定。倘合約已確認於損益的累計收入超過客戶已作出的累計付款，資產項目確認為合約資產。相反，倘合約的客戶已作出的累計付款超過已確認於損益的收入，負債項目則確認為合約負債。

合約資產乃按與貿易應收賬款減值估計所採納的相同方法進行減值估計。合約負債於本集團將貨物或服務轉讓予客戶因而完成履約義務時確認為收入。

倘本集團預期可收回遞增成本及其後按與轉讓貨物或服務予客戶一致的系統性基準攤銷遞增成本，獲取與客戶的合約所產生的遞增成本則作資本化且於與合約有關資產中呈報。因應已確認與合約有關資產賬面值超過本集團預期收取代價餘下金額減直接與提供該等貨物或服務但尚未確認為開支的成本，本集團於損益確認減值虧損。

(o) 持作出售資產

當非流動資產之賬面值之回收主要透過一項出售交易，而該出售被視為高度可能時，該非流動資產分類為持作出售資產。倘其賬面值主要透過出售交易收回而通過非持續使用，則以賬面值及公允值之較低者減銷售成本列賬，按公允值入賬的投資物業除外。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks with original maturities of three months or less and bank overdrafts.

Pledged bank deposits are not included in cash and cash equivalents.

(q) Trade creditors

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

(r) Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset when the reimbursement is virtually certain.

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

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

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2 重大會計政策概要(續)

(p) 現金及現金等價物

現金及現金等價物包括手頭現金、原有到期期限為三個月或以內之銀行通知存款及銀行透支。

現金及現金等價物並不包括已抵押存款。

(q) 貿易應付賬款

貿易應付賬款初始按公允值確認，其後採用實際利率法按已攤銷成本計量。

(r) 撥備及或然事項

如本集團因過往事件須承擔現時法定或推定責任，而承擔該責任可能須動用資源及該責任所涉及之金額能可靠地估計時，則須確認撥備。尚未就未來經營虧損確認撥備。倘本集團預期撥備將獲償付，則償付額於實際可確定將獲償付之時作為單獨資產確認。

如有多項類似責任，其需要在償付中流出資源的可能性，根據責任的類別整體考慮而釐定。即使在同一責任類別中所包含的任何一個項目，其相關的資源流出的可能性極低，仍須確認撥備。

撥備利用反映目前市場評估資金之時間價值及責任之特定風險的除稅前利率，以預計須用作履行責任之開支所得現值作為計量。由於時間消耗導致的撥備增加，會確認為利息支出。

或然負債乃指由於過去事件產生之可能債務，而該事件之存在只有通過已發生或未發生一項或多項不可由本集團完全控制之不確定日後事件而被確認。或然負債亦可指由過去發生之事件而導致之當前債務，惟由於經濟資源可能不會流出或債務之金額無法可靠計量而未被確認。

或然負債毋須確認，惟須於綜合財務報表附註內披露。倘資源流出之可能性改變而導致資源可能流出時，或然負債將會被確認為撥備。

或然資產乃因過往事件而產生之可能資產，其存在僅憑發生或未發生一件或多件本集團不能完全控制之未來不確定事件確認。

或然資產不予確認，惟於極可能流入經濟利益時在綜合財務報表附註內予以披露。倘實際可確定將發生流入，則確認資產。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Provisions and contingencies (continued)

The Group regards its financial guarantee contracts in respect of mortgage facilities provided by banks to certain property buyers, and credit facilities provided by financial institutions to its subsidiaries, associates and joint ventures as insurance contracts.

(s) Unearned insurance premiums and unexpired risk reserves

Unearned insurance premiums represent the estimated portions of the premiums written which relate to periods of insurance subsequent to the end of the reporting period and are deferred to subsequent accounting periods. Unearned premiums are computed on the basis of net premiums written for all classes of insurance. Net premium written represents gross premiums received or receivable after deducting reinsurance premiums.

Provision is made for unexpired risks arising from the expected value of claims and expenses attributable to the unexpired periods of policies in force which, at the end of the reporting period, exceeds the unearned premiums provision in relation to such policies.

(t) Insurance claims

Claims paid and outstanding comprise claims paid, claims reported but not yet paid and an estimate of claims incurred but not reported ("IBNR") as at the end of the reporting period which is calculated with reference to foreseeable events, past experiences and trends.

Insurance claims are recognised when they are incurred and reported. Incurred claims include the losses, related costs and expenses paid during the year and the change in the reserve for outstanding claims during the year. Reserves for outstanding claims are reported on an undiscounted basis which include reserves for reported claims and reserves for IBNR claims.

Every notified claim is assessed on a case-by-case basis. The reserve of a reported claim is made by the claims handler based on his experience and based on the information, documents and the claim amount submitted by the claimant and is checked by the officer before updating the information into the claims system. The reserve is reviewed and revised regularly to reflect the development of the claim and the change of the market practice.

At the end of each reporting period, the Group performs a liability adequacy test to ensure the adequacy of the insurance claim liabilities. In performing these tests, current best estimates of all future contractual cash flows are made. Any deficiency is immediately charged to the profit or loss.

(u) Share capital

Ordinary shares are classified as equity.

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

2 重大會計政策概要(續)

(r) 撥備及或然事項(續)

本集團將其就銀行提供按揭貸款予若干物業買家，及金融機構提供信貸融資予其附屬公司、聯營公司及合營企業之有關財務擔保合約視為保險合約。

(s) 遞延保險費及未過期風險儲備

遞延保險費是指投保期跨越報告期末後至以後會計期間之保險承保費的估計部份。遞延保險費是根據所有保險類別之淨承保保險費計算。淨承保保險費指扣除再保險費後之已收或應收保險費總額。

本集團會就因報告期末未過期之有效保單應估索償及開支的預期價值超過相關保單作出之遞延保險費撥備而所產生的未過期風險計提作撥備。

(t) 保險索償

已支付及未決之保險索償包括於報告期末已支付之索償、已申報但未支付之索償以及估計已產生但仍未申報(「已產生但未申報」)之索償。此估計是參考可預見之事件、過往經驗及趨勢而計算。

保險索償於發生及申報時確認。發生之索償包括虧損、於年內所付相關費用及支出以及於年內未決索償儲備之變動。未決索償儲備乃按未貼現基準申報，當中包括已申報索償之儲備以及已產生但未申報索償之儲備。

每宗索償因應個案評估。已申報索償之儲備按理賠人員的經驗及索償人所提交的資料、文件及索償金額處理，並於索償系統更新有關資料前經相關人員查核。儲備會定期審閱及修訂，以反映索償發展及市場慣例變動。

於各報告期末，本集團進行負債充足率測試以確保保險申索負債充足。在進行該等測試時，對所有日後合約現金流量作出當前最佳估計。任何虧損隨即於損益扣除。

(u) 股本

普通股分類為權益。

可直接歸因於發行新股份或購股權之增量成本作為所得款項扣減額(扣除稅項)於權益內列示。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Revenue and income recognition

HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (i) identify the contract(s) with a customer; (ii) identify separate performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations; and (v) recognise revenue when a performance obligation is satisfied. The core principle is that a company should recognise revenue when control of a good or service transfers to a customer.

Revenues are recognised when or as the control of the goods or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time.

Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- 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.

If control of the goods or service transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

Incremental costs incurred to obtain a contract, if recoverable, are capitalised as contract assets and subsequently amortised when the related revenue is recognised.

The progress towards complete satisfaction of the performance obligation of a construction contract is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Group to the customer; or
- the Group's efforts or inputs to the satisfaction of the performance obligation relative to the total expected efforts or inputs.

2 重大會計政策概要(續)

(v) 收入及收益確認

香港財務報告準則第15號利用五個步驟，確立釐定確認收入時間及金額之全面框架：(i) 辨別客戶合約；(ii) 辨別合約中之個別履約責任；(iii) 釐定交易價格；(iv) 將交易價格分配至履約責任；及(v) 於完成履約責任時確認收入。核心原則是當貨品或服務的控制權轉移至客戶時公司確認收入。

收入於貨品或服務之控制權轉移至客戶時確認。視乎合約之條款與適用於合約之法例規定，貨品或服務之控制權可在一段時間或在某一時點轉移。

倘本集團在履約過程中符合下列條件，貨品或服務之控制權可在一段時間轉移：

- 提供客戶收到且同時消耗之所有利益；
- 本集團履約時創造及提升客戶所控制之資產；或
- 並無創造對本集團而言有其他用途之資產，而本集團有強制執行權利收取至今已完履約部分的款項。

倘貨品或服務之控制權可在一段時間轉移，則收入乃於整個合約期間經參考完成履行履約責任之進度確認。否則，收入於客戶獲得貨品或服務控制權之某一時點確認。

因獲得合約而增加之成本(倘可收回)會資本化為合約資產，隨後於確認相關收入時予以攤銷。

已完成建造合約履約責任之進度乃按以下能夠最佳描述本集團完成履約責任表現之其中一種方法計量：

- 直接計量本集團已向客戶轉移之價值；或
- 本集團為完成履約責任而作出之努力或投入(相對於預期工作或投入總額)。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Revenue and income recognition (continued)

Income from sale of properties is recognised when the legal assignment is completed or the property is accepted by the customer, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property.

Income from sale of goods such as information technology equipment, motor vehicles and food and beverage are recognised when goods are delivered and title to the goods has passed to the customers. Revenue is arrived at after deduction of any sales return, discount and value-added tax.

Income from rendering of services such as provision of maintenance and property management, warehouse and logistics services and hotel and senior housing operations are recognised over time when services are rendered. Receipt in advance of provision of services are accounted for as contract liabilities.

Premiums for direct insurance business and reinsurance are recognised as income when an insurance policy is accepted and the relevant debit note is issued.

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

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Rental income under operating leases is recognised on a straight-line basis over the terms of the respective leases.

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, except for retention receivables which may not be fully settled within 12 months after the end of the reporting period. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2 重大會計政策概要(續)

(v) 收入及收益確認(續)

物業銷售之收入於法定轉讓完成時或客戶接收物業時，即客戶有能力指示使用物業及獲得該物業的大部分所有剩餘利益之時確認。

銷售貨品(如資訊科技設備、汽車及餐飲)之收入乃於貨品送出後或貨品擁有權轉予客戶後入賬。收入已減除所有銷售退回、折扣及增值稅。

提供服務(如提供保養及物業管理、倉庫及物流服務、酒店及安老院舍營運)之收入乃於完成提供服務時在一段時間確認。提供服務前之收入乃按合約負債般入賬。

直接保險業務及再保險之保險費乃於保單被客戶接納及公司發出相關之付款通知書時確認為收入。

來自財務資產之利息收入乃按時間比例入賬，並根據本金之結餘及適用實際利率作出計算，實際利率為透過財務資產之預計使用年期，將估計未來現金收入貼現至資產之賬面淨值之比率。

來自投資之股息收入乃於本集團收取款項之權利確立時確認。

營運租賃之租金收入乃按直線法據其相應租賃年期入賬。

融資部分

本集團預期不會簽訂由轉移承諾貨品或服務予客戶與客戶付款之期間超過一年的任何合約，於報告期末後12個月內可能無法完全結算的應收保留金除外。因此，本集團並無就貨幣時間價值調整任何交易價格。

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For the year ended 31 March 2020
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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Leases

(i) Accounting policy applied since 1 April 2019

The Group as lessor

The accounting treatment of leases held by the Group as lessor is same as the accounting policies applied prior to 1 April 2019.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee at the date which the leased asset is available for use by the Group, short-term leases and low value leases, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (defined as leases with a lease asset of US\$5,000 or below, equivalent to approximately HK\$39,000). For short-term leases and low value leases, the Group recognises the lease payments as an operating expense on a straightline basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and conditions.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

2 重大會計政策概要(續)

(w) 租賃

(i) 自二零一九年四月一日起應用之會計政策

本集團作為出租人

有關本集團作為出租人持有人租賃之會計處理方法與於二零一九年四月一日前應用之會計政策一致。

本集團作為承租人

本集團於合約開始時評估合約是否屬租賃或包含租賃。本集團於可用租賃資產當日就其屬於承租人之所有租賃安排確認使用權資產及相應租賃負債，除短期租賃(定義為租期為12個月或以下之租賃)及低價值資產租賃(定義為租賃資產為5,000美元(相當於約港幣39,000元)或以下之租賃)外。就短期租賃及低價值租賃而言，本集團於租賃期內以直線法將租賃付款確認為經營開支，除非另有系統基準更能代表所耗用租賃資產產生經濟利益之時間模式。

租賃負債

於開始日期，本集團按租賃付款之現值計量租賃負債。租賃付款採用租賃所隱含的利率貼現。倘無法釐定該利率，則使用承租人之增量借款利率，即承租人在類似經濟環境中以類似條款、抵押及條件借入獲得相近價值資產所需資金而必須支付之利率。

租賃負債包括以下租賃付款之淨現值：

- 固定款項(包括實質固定款項)減任何應收租賃優惠；
- 基於指數或利率之可變租賃款項；
- 承租人根據剩餘價值擔保預期應付之金額；
- 購買權之行使價格(倘承租人合理確定行使該選擇權)；及
- 終止租賃之罰金付款(倘租賃期反映承租人已行使該選擇權)。

根據可合理確定之延續選擇權而作出之租賃付款亦於計量負債時計入。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Leases (continued)

(i) Accounting policy applied since 1 April 2019 (continued)

The Group as lessee (continued)

Lease liabilities (continued)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease payments are allocated between principal and finance cost. The finance cost is changed to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets

Right-of-use assets are initially measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the remaining lease term on a straightline basis. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets in "Property, plant and equipment".

(ii) Accounting policy applied until 31 March 2019

The Group as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in the profit or loss on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straightline basis over the lease term.

2 重大會計政策概要(續)

(w) 租賃(續)

(i) 自二零一九年四月一日起應用之會計政策(續)

本集團作為承租人(續)

租賃負債(續)

租賃負債隨後藉調高賬面值以反映租賃負債利息(使用實際利率法)及降低賬面值以反映作出之租賃付款計量。

租賃付款於本金及融資成本之間作出分配。融資成本在租賃期間於損益表內變更，藉此制定各期間負債餘額之穩定定期利率。

使用權資產

按成本初始計量之使用權資產包括以下各項：

- 初始計量租賃負債之金額；
- 於租賃開始日或之前所支付之租賃付款，已扣除所收取之租賃優惠；
- 任何初始直接成本；及
- 復原成本。

使用權資產隨後按成本減累計折舊及減值虧損計量。其於租賃期可使用剩餘之租賃年期按直線法折舊。折舊在租賃開始日開始計算。

本集團於「物業、廠房及設備」呈列使用權資產。

(ii) 應用直至二零一九年三月三十一日之會計政策

本集團作為出租人

融資租賃下應收承租人之款項乃入賬列作應收款項，數額為本集團於租賃之淨投資。融資租金收入乃分配至各會計期間，以反映本集團於租賃尚未收回淨投資之固定定期回報率。

營運租賃產生之租金收入按有關租賃之租期以直線法於損益內確認。商談及安排營運租賃所產生之首次直接成本計入該項租賃資產之賬面值內，並於租期內以直線法確認為支出。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Leases (continued)

(ii) Accounting policy applied until 31 March 2019 (continued)

The Group as lessee

Assets held under finance leases were recognised as assets of the Group at their fair values at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor was included in the consolidated statement of financial position as an obligation under finance lease. Lease payments were apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were charged directly to the profit or loss, unless they were directly attributable to the acquisition, construction or production of qualifying assets, in which case they were capitalised in accordance with the Group's general policy on borrowing costs as stated in note 2(y) to the consolidated financial statements.

Rental payables under operating leases were charged to the profit or loss on a straight line basis over the terms of the relevant leases. Benefits received and receivables as incentives to enter into operating leases were recognised as a reduction of rental expenses over the lease terms on a straightline basis.

(x) Employee benefits

(i) Employee leave entitlements

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

(ii) Bonus plans

Provision for bonus plans is recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(iii) Defined contribution plans

Payments to defined contribution retirement benefit plans including the Mandatory Provident Fund Schemes are charged as an expense as they fall due, net of forfeited contributions.

(y) Borrowings and borrowing costs

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

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

2 重大會計政策概要(續)

(w) 租賃(續)

(ii) 應用直至二零一九年三月三十一日之會計政策(續)

本集團作為承租人

融資租賃下持有之資產於租賃生效時按公允值，或最低租金之現值(以較低者為準)確認為本集團之資產。對出租人之相應負債在綜合財務狀況表內列為融資租賃承擔。租賃款項在融資費用與削減租賃承擔之間分配，以為承擔餘額取得固定之利率。融資費用直接計入損益內，除非其為直接源自收購、興建或建造符合規定的資產則例外，在此情況下，則根據綜合財務報表附註2(y)所述之本集團借款成本之一般政策作資本化處理。

營運租賃之應付租金於有關租賃年期內按直線法在損益內扣除。因簽訂營運租賃已收及應收之鼓勵性優惠，按直線法於租期內確認為租金支出之扣減。

(x) 僱員福利

(i) 僱員應享假期

僱員年假於僱員享有應得假期時確認。因僱員於截至報告期末提供之服務而產生之估計年假負債會作計提撥備。僱員病假及產假直至僱員正式休假前不予確認。

(ii) 花紅計劃

本集團因僱員提供之服務而負有當前法定或推定義務且相關義務能夠可靠估計時會作計提撥花紅計劃撥備。

(iii) 界定供款計劃

就包括強制性公積金計劃在內之界定供款退休福利計劃支付之款項於到期時列賬為支出(扣除已沒收供款)。

(y) 借款及借款成本

借款首先按公允值減已產生之交易成本確認。借款其後按攤銷成本列賬，而所得款項(扣除交易成本)與贖回價值之差額於借款期間按實際利息法在損益表確認或撥充資本。

除非本集團有無條件權利將負債之結算遞延至報告年度末後最少12個月，否則借款均列為流動負債。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Borrowings and borrowing costs (continued)

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 capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(z) Taxation

Taxation represent the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes the profit or loss 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 differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not 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 future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

2 重大會計政策概要(續)

(y) 借款及借款成本(續)

於收購、建造或生產需要長時間方能達致擬定用途或銷售之符合規定的資產之借款成本，須資本化為該等資產成本之一部份，直至該等資產大致上已可供使用或出售為止。特別為符合規定的資產而取得之借款在其尚未用於有關用途時作為暫時投資而賺取之投資收入，乃於可作資本化之借款成本中扣除。

所有其他借款成本，乃於費用產生期間於損益內確認。

(z) 稅項

稅項指當期應付稅項及遞延稅項之總和。

當期應付稅項乃根據期內之應課稅溢利計算。應課稅溢利與於損益內呈報之溢利有所不同，原因在於應課稅溢利並不包括於其他年度應課稅或可扣稅之收入或支出項目，亦不包括從來毋須課稅或不可扣稅之損益項目。本集團之當期稅項負債乃按報告期末已頒佈或實質頒佈之稅率計算。

遞延稅項乃根據財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額而確認，並採用負債法入賬。遞延稅項負債一般就所有應課稅暫時性差異確認，遞延稅項資產則於可扣減暫時性差異有可能用以抵銷未來應課稅溢利時予以確認。倘暫時性差異由商譽或(不包括業務合併)一項不影響應課稅溢利或會計溢利之交易之其他資產及負債之初始確認所產生，有關資產及負債不予以確認。

遞延稅項負債乃按於附屬公司之投資、所佔聯營公司及合營企業之權益所產生應課稅暫時性差異而確認，除非本集團可控制暫時性差異之回撥及暫時性差異在可預見將來可能不會回撥。

遞延稅項資產之賬面值乃於各報告期末進行審閱，並在不可能有足夠日後應課稅溢利以收回全部或部份資產價值時作調減。

遞延稅項按預期於清償負債或變現資產期間之適用稅率計算。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax liabilities or deferred tax assets arising from investment properties located in Hong Kong and Singapore are determined based on the presumption that the carrying amount of such investment properties will be recovered through sale with the corresponding tax rate applied.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Current and deferred tax is recognised in the profit or loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity. In this case, the tax is also recognised in the other comprehensive income or directly in equity, respectively.

(aa) 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 recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value has 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 translation of monetary items, are recognised in the profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation, which are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange components of that gain or loss are also recognised directly in equity.

2 重大會計政策概要(續)

(z) 稅項(續)

具有將當期稅項資產與負債相抵銷的依法強制執行權，且遞延稅項結餘與同一財政機構有關時，將遞延所得稅資產與負債相抵銷。當實體擁有依法強制執行權可抵銷且有意以淨額方式結算，或同時變現資產及結算負債時，當期稅項資產與稅項負債予以抵銷。

釐定因位於香港及新加坡之投資物業產生之遞延稅項負債或遞延稅項資產時乃假設相關投資物業之賬面值將以所應用之相應稅率透過銷售收回。

就計量本集團確認使用權資產及相關租賃負債之租賃交易之遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債之租賃交易而言，本集團對使用權資產及租賃負債分別應用香港會計準則第12號「所得稅」之規定。與使用權資產與租賃負債相關之臨時差額於初始確認時及於租期內不會確認，原因為應用初始確認豁免。

本年度稅項及遞延稅項於損益確認，但如本年度稅項及遞延稅項與於其他全面收益確認之項目有關或與直接於權益確認之項目有關則除外。於此情況下，有關本年度稅項及遞延稅項亦於其他全面收益確認或直接於權益確認。

(aa) 外幣

於編製各個別集團企業之財務報表時，該企業以功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為功能貨幣(即該企業經營所在主要經濟地區之貨幣)記賬。於各報告期末，以外幣為單位之貨幣性項目均按報告期末之適用匯率換算。按公允值列賬以外幣為單位之非貨幣性項目乃按公允值釐定當日之適用匯率換算。按過往成本計量以外幣為單位之非貨幣性項目毋須再換算。

於結算及換算貨幣性項目時產生之匯兌差額均於產生期間在損益內確認，惟組成本集團海外業務之淨投資部份之貨幣性項目所產生之匯兌差額除外，該等匯兌差額乃於綜合財務報表權益內確認。按公允值列值之非貨幣性項目經重新換算後所產生之匯兌差額於該期間列入損益內，惟換算有關收益及虧損直接在權益內確認之非貨幣性項目所產生之匯兌差額除外，有關收益或虧損之匯兌部份亦直接在權益內確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Foreign currencies (continued)

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 Company at the exchange rates prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in the other comprehensive income as a separate component of equity, the exchange fluctuation reserve. Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the exchange rates prevailing at the end of the reporting period. Exchange differences so arising are recognised in the exchange fluctuation reserve.

(ab) Impairment of non-financial assets

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

(ac) Segment reporting

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

Segment assets mainly consist of non-current assets and current assets as disclosed in the consolidated statement of financial position except prepaid tax, unallocated bank balances and cash, deferred tax assets and other unallocated assets.

Segment liabilities mainly consist of current liabilities and non-current liabilities as disclosed in the consolidated statement of financial position except current income tax liabilities, bank and other borrowings, deferred tax liabilities and other unallocated liabilities.

2 重大會計政策概要(續)

(aa) 外幣(續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按於報告期末本公司之列賬貨幣之適用匯率換算，而其收入及支出乃按該期間之平均匯率進行換算，除非匯率於該期間內出現大幅波動，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額(如有)於其他全面收益內確認作權益之獨立部份(外匯兌換浮動儲備)。該等匯兌差額乃於海外業務被出售之期間內於損益內確認。

因收購海外業務而產生之商譽及可識別資產之公允值調整乃視作該海外業務的資產及負債，及按報告期末之適用匯率換算。所產生之匯兌差額於外匯兌換浮動儲備內確認。

(ab) 非財務資產的減值

可使用無限年期的無形資產(例如商譽)毋須攤銷，但每年須進行減值測試。當有事件出現或情況改變顯示賬面值可能無法收回時，則其他資產進行減值檢討。減值虧損按資產之賬面值超出其可收回金額間之差額確認。可收回金額以資產之公允值扣除銷售成本或使用中價值兩者之間較高者為準。於評估減值時，資產按可分開識別現金流量(現金產生單位)之最低層次組合。除商譽外，已蒙受減值之非財務資產在每個報告期末均就減值是否可以回撥進行檢討。

(ac) 分類報告

營運分類之報告方式須與主要營運決策者審閱之內部報告之方式一致。主要營運決策者已被確認為作策略決定之主要營運決策者，負責分配資源並且評核營運分類之表現。

分類資產主要包括綜合財務狀況表內披露之非流動資產及流動資產，惟預付稅項、未分配銀行結存及現金、遞延稅項資產及其他未分配資產除外。

分類負債主要包括綜合財務狀況表內披露之流動負債及非流動負債，惟當期所得稅負債、銀行及其他借款、遞延稅項負債及其他未分配負債除外。

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3 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The impacts of the adoption of HKFRS 16 on the Group's consolidated financial statements are detailed below and it also discloses the new accounting policies that have been applied from 1 April 2019, where they are different to those applied in prior periods.

(a) Impact on the consolidated financial statements

As explained in note 3(b) below, the Group has adopted HKFRS 16 retrospectively from 1 April 2019, but has not restated comparative information for the prior reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and adjustments arising from the new leasing rules are therefore not reflected in the consolidated statement of financial position as at 31 March 2019, but are recognised in the opening consolidated statement of financial position as at 1 April 2019.

(b) HKFRS 16 – Impact of adoption

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of HKAS 17 “Leases” (“HKAS 17”). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The weighted average lessee's incremental borrowing rates applied to the lease liabilities on 1 April 2019 was 4.1%. While for right-of-use assets, the Group has elected to measure the right-of-use assets at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments.

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities immediately before transition as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

3 重大會計政策變動

採納香港財務報告準則第16號對本集團綜合財務報表之影響詳述如下，並披露自二零一九年四月一日起應用與過往期間所應用者不同之新訂會計政策。

(a) 對綜合財務報表之影響

誠如下文附註3(b)所闡釋，本集團已自二零一九年四月一日起追溯採納香港財務報告準則第16號，惟按準則內特定過渡條文的許可，並無重列過往報告期間的比較資料。因此，新租賃規則產生的重新分類及調整並無於二零一九年三月三十一日之綜合財務狀況表內反映，惟於二零一九年四月一日之期初綜合財務狀況表內確認。

(b) 香港財務報告準則第16號 – 採納之影響

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號「租賃」(「香港會計準則第17號」)的原則分類為「經營租賃」之租賃確認租賃負債。該等負債以剩餘租賃款項的現值計量，利用二零一九年四月一日的承租人增量借款利率作貼現。適用於二零一九年四月一日之租賃負債的加權平均承租人增量借款利率為4.1%。於使用權資產方面，本集團選擇以租賃負債等額計量使用權資產，並按任何預付或預提租賃款項金額調整。

就先前分類為融資租賃的租賃而言，本集團已於緊接過渡前將租賃資產及租賃負債的賬面值確認為於首次應用日期的使用權資產及租賃負債的賬面值。

		HK\$'000 港幣千元
Operating lease commitments at 31 March 2019	於二零一九年三月三十一日之經營租賃承諾	89,381
Add: Finance lease liabilities at 31 March 2019	加：於二零一九年三月三十一日之融資租賃負債	277
Less:	減：	
Short-term leases to be recognised on a straightline basis as expense	將按直線法確認為開支之短期租賃	(1,222)
Discounted using the lessee's incremental borrowing rates at the date of initial application	於首次應用日期使用承租人增量借款利率作貼現	(12,470)
Total lease liabilities at 1 April 2019	於二零一九年四月一日之租賃負債總額	75,966
Of which are:	其中：	
Current lease liabilities	流動租賃負債	13,401
Non-current lease liabilities	非流動租賃負債	62,565
		75,966

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3 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 16 – Impact of adoption (continued)

The change in accounting policies affected the following items in the consolidated statement of financial position as at 1 April 2019:

- Property, plant and equipment (including right-of-use assets) – increase by HK\$76,388,216
- Debtors, contract assets, deposits and prepayments – decrease by HK\$698,582
- Bank and other borrowings – decrease by HK\$276,831
- Lease liabilities – increase by HK\$75,966,465

There were no impact on retained profits on 1 April 2019.

(c) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment made applying HKAS 17 and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease”;
- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous by applying HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” as an alternative to performing an impairment review;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases; and
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application.

3 重大會計政策變動(續)

(b) 香港財務報告準則第16號 – 採納之影響(續)

會計政策變動對二零一九年四月一日綜合財務狀況表之以下項目構成影響：

- 物業、廠房及設備(包括使用權資產) – 增加港幣 76,388,216 元
- 應收賬款、合約資產、存出按金及預付款項 – 減少港幣 698,582 元
- 銀行及其他借款 – 減少港幣 276,831 元
- 租賃負債 – 增加港幣 75,966,465 元

對二零一九年四月一日之保留溢利並無構成影響。

(c) 所應用之可行權宜方法

於首次應用香港財務報告準則第16號時，本集團已採用該準則所允許之下列可行權宜方法：

- 不在首次應用日期重新評估一項合約是否屬租賃或包含租賃。相反，對於在過渡日期之前訂立之合約，本集團乃根據其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「決定一項安排是否包含租賃」所作出之評估；
- 對具有合理相似特徵之租賃組合使用單一貼現率；
- 透過應用香港會計準則第37號「撥備、或然負債及或然資產」作為進行減值審閱的替代方案，並按先前評估有關租賃是否虧損；
- 截至二零一九年四月一日剩餘租期少於12個月之經營租賃入賬為短期租賃；及
- 首次應用日扣除初始直接成本以計量使用權資產。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include investments at FVPL and FVOCI, investments at amortised cost, derivative financial instruments, debtors and receivables, creditors and payables, amounts due from/to related companies and non-controlling interests, bank balances and bank and other borrowings. Details of these financial instruments are disclosed in respective notes to the consolidated financial statements. The risks associated with these financial instruments and 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.

4.1 Financial risk factors

(a) Market risk

(i) Interest rate risk

The Group's interest rate risk arises from bills payable, amount due from a joint venture, floating rates bank and other borrowings and floating rates bank deposits. Majority of the Group's bank and other borrowings carry interests at floating rates and expose the Group to cash flow interest rate risk. The management monitors interest rate exposure and hedges significant interest rate exposure by using financial instruments such as interest rate swap contracts. Certain instruments are qualified for hedge accounting.

As at 31 March 2020, if interest rates had been increased/decreased by one percentage point and all other variables were held constant, the post-tax profit of the Group, would decrease/increase by HK\$18,034,000 (2019: HK\$22,061,000), resulting mainly from the change in the borrowing costs of bank and other borrowings and interest income of bank deposits.

(ii) Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk arising from various currency exposures. Foreign currency risk arises when the Group's recognised assets and liabilities are denominated in currencies that are not the entities' functional currency.

The Group's financial assets that are exposed to foreign currency risk mainly comprise of investments in debt and equity securities, accounts receivable balances arising from sales to overseas customers, bank balances and cash and amounts due from related companies and group companies (on entity level). The Group's financial liabilities that are exposed to foreign currency risk mainly comprised of accounts payable balances arising from purchases from overseas suppliers and amounts due to group companies (on entity level). It is the Group's policies to ensure that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The management monitors foreign exchange exposure and hedges significant foreign currency exposure by using financial instruments such as foreign currency forward contracts. Certain instruments are qualified for hedge accounting.

4 財務風險管理目標及政策

本集團之主要財務工具包括按公允價值列入損益及按公允價值列入其他全面收益處理之投資、按攤銷成本列賬之投資、衍生財務工具、應收賬款及應收款項、應付賬款及應付款項、應收／應付關連公司及非控股權益賬款、銀行結存及銀行及其他借款。該等財務工具之詳情於綜合財務報表相關附註中披露。該等財務工具之相關風險以及減輕該等風險之政策載列如下。管理層管理及監察該等風險，以確保及時有效地施行適當之措施。

4.1 財務風險因素

(a) 市場風險

(i) 利率風險

本集團之利率風險來自應付票據、應收一間合營企業賬款、浮息銀行及其他借款及浮息銀行存款。本集團大部份銀行及其他借款以浮動利率計息，而本集團須面對現金流量利率風險。管理層監察利率風險並利用如利率掉期合約等財務工具對沖重大利率風險。若干工具符合對沖會計準則。

於二零二零年三月三十一日，倘利率增加／減少一個百分點，而所有其他可變因素均維持不變，本集團之稅後溢利會主要因銀行及其他借款的借款成本及銀行存款的利息收入而分別減少／增加港幣18,034,000元(二零一九年：港幣22,061,000元)。

(ii) 外匯風險

本集團乃經營國際性業務，須面對多種貨幣風險引致之外匯風險。本集團已確認之資產及負債以非企業之功能貨幣為單位時，將產生外匯風險。

本集團面對外匯風險之財務資產主要包括債務及股本證券投資、向海外顧客作出銷售而產生之應收賬款結餘、銀行結存及現金及應收關連公司及集團公司賬款(企業層面)。本集團面對外匯風險之財務負債主要包括向海外供應商作出採購而產生之應付賬款結餘及應付集團公司賬款(企業層面)。本集團之政策乃確保將淨風險保持於可接受之水平，並透過以即期匯率買賣外幣(如有需要)以處理短期失衡來實現。管理層監控外匯風險並利用如遠期外匯合約等財務工具對沖重大外匯風險。若干工具符合對沖會計準則。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Foreign currency risk (continued)

Financial instruments under foreign currencies (other than the functional currencies of the Group's entities) that are exposed to foreign exchange risk are mainly denominated in Australian dollar, Canadian dollar, Euro, Hong Kong dollar, Japanese Yen, Macau Pataca, Renminbi, Singapore dollar, United States dollar ("US dollar") and Vietnam Dong. The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the year are as follows:

		Assets		Liabilities	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Australian dollar	澳元	43,611	13,256	(29,528)	-
Canadian dollar	加拿大元	195,449	187,209	-	-
Euro	歐羅	28,998	26,446	-	(453)
Hong Kong dollar	港幣	125,613	36,970	(38,265)	(17,370)
Japanese Yen	日圓	20,169	2,105	(618)	(3,248)
Macau Pataca	澳門幣	3	-	(487,597)	(668,976)
Renminbi	人民幣	241,320	188,504	(9,643)	(12,275)
Singapore dollar	新加坡元	75,884	89,691	-	(2,355)
US dollar	美元	1,613,387	1,493,555	(1,414)	(4,603)
Vietnam Dong	越南盾	35,939	48,452	-	-
Others	其他	9,924	13,895	(1)	(120)

The following table details the Group's sensitivity to every percentage point increase and decrease in the functional currency of corresponding group entity against the above foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of reporting period for every percentage point increase in foreign currency rates. Positive numbers below indicate an increase in profit/investment revaluation reserve where the above foreign currency strengthens every percentage point against the functional currency of corresponding group entity.

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Increase in profit	溢利增加	17,637	13,444
Increase in investment revaluation reserve	投資重估儲備增加	337	472

4 財務風險管理目標及政策(續)

4.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 外匯風險(續)

面臨外匯風險之外幣財務工具(不包括本集團企業之功能貨幣)主要以澳元、加拿大元、歐羅、港幣、日圓、澳門幣、人民幣、新加坡元、美元(「美元」)及越南盾為單位。本集團以外幣為單位之財務資產及財務負債於年末之賬面值如下:

下表詳列本集團之相關集團企業功能貨幣對以上外幣之每增加及減少一個百分點之敏感度。敏感度分析只包括於報告期末仍以外幣為單位之尚未結算貨幣性項目，並已於年末按匯率每增加一個百分點之換算予以調整。以下正數顯示以上外幣兌換相關集團企業之功能貨幣每升值一個百分點之情況下使溢利/投資重估儲備有所增加。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Price risk

The Group is exposed to listed debt and equity securities price risk because investments held by the Group are classified on the consolidated statement of financial position either as investments at FVOCI or investments at FVPL.

If the prices of the respective quoted debt and equity instruments of the Group had been increased/decreased by one percentage point and all other variables held constant:

- the post-tax profit and investment revaluation reserve of the Group for the year ended 31 March 2020 would increase/decrease by HK\$1,888,000 and HK\$337,000 (2019: HK\$2,118,000 and HK\$393,000) as a result of the changes in fair values of investments at FVPL and investments at FVOCI respectively.

(b) Credit risk

Principal financial assets consist of investments at FVOCI, investments at FVPL, derivative financial instruments, debtors, contract assets and other receivables, amounts due from related companies and non-controlling interests and bank balances. The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at the end of the reporting period 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.

Debtors of the Group may be affected by the unfavorable economic conditions and the lower liquidity situation which could in turn impact their ability to repay the amounts owed. Deteriorating operating conditions for debtors may also have an impact on management's cash flow forecasts and assessment of the impairment of receivables. To the extent that information is available, management has properly reflected revised estimates of expected future cash flows in their impairment assessments.

The Group has established different credit policies for customers in each of its core businesses. The average credit period granted to trade debtors is 60 days, except for insurance business where credit period granted to certain debtors is over 60 days.

The Group has three types of financial assets that are subject to the expected credit loss model, including trade debtors and contract assets, other debtors and amounts due from associates, joint ventures and non-controlling interests, and debt investments carried at amortised cost. While bank balances and cash are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

4 財務風險管理目標及政策(續)

4.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 價格風險

本集團面臨上市債券及股本證券價格風險，此乃由於本集團所持有之投資於綜合財務狀況表中被歸類為按公允值列入其他全面收益處理之投資或按公允值列入損益處理之投資所致。

倘本集團債券及股本工具各自所報之價格每增加/減少一個百分點，而所有其他可變因素均維持不變，則：

- 本集團截至二零二零年三月三十一日止年度之稅後溢利及投資重估儲備分別將增加/減少港幣1,888,000元及港幣337,000元(二零一九年：港幣2,118,000元及港幣393,000元)，此乃由於按公允值列入損益處理之投資及按公允值列入其他全面收益處理之投資之公允值變動所致。

(b) 信貸風險

主要財務資產包括按公允值列入其他全面收益處理之投資、按公允值列入損益處理之投資、衍生財務工具、應收賬款、合約資產及其他應收款、應收關連公司及非控股權益賬款及銀行結存。倘交易對手無法履行彼等之責任，本集團於報告期末就各類已確認財務資產所承受之最大信貸風險為綜合財務狀況表內所列示該等資產之賬面值。

本集團之債務人或會受到不利經濟環境及資金流動性較低情況影響，因而影響其償還欠款能力。債務人經營狀況惡化亦可能影響管理層對現金流量之預測及對應收款項減值之評估。管理層已根據可得之資料，在其減值評估適當反映經修訂之預期未來現金流量估計。

本集團對各項核心業務客戶已確立不同之信貸政策。除給予保險業務之若干債務人之信貸期超過60天，給予貿易債務人之平均信貸期為60天。

本集團有三類財務資產須進行預期信貸虧損模式，包括貿易應收賬款及合約資產、其他應收賬款及應收聯營公司、合營企業及非控股權益賬款，以及按攤銷成本列賬之債項投資。銀行結存及現金亦需遵循香港財務報告準則第9號之減值要求，但已識辨之減值虧損並不重大。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade debtors and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors and contract assets.

To measure the expected credit losses, trade debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due. The Group used expected loss rates based on the aging for classes with different credit risk characteristics and exposures. The expected credit loss rates are estimated based on the historical credit losses experienced over the expected life of the debtors and are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 31 March 2020 and 31 March 2019 was determined as follows for trade debtors based on the days past due:

		Up to 60 days 60天內 HK\$'000 港幣千元	61-90 days 61-90天 HK\$'000 港幣千元	Over 90 days 超過90天 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 March 2020	二零二零年三月三十一日				
Gross carrying amount	賬面值總額	552,902	11,293	47,108	611,303
Loss allowance	虧損撥備	(726)	(355)	(27,881)	(28,962)
Expected loss rate	預期虧損率	0.13%	3.14%	59.18%	

		Up to 60 days 60天內 HK\$'000 港幣千元	61-90 days 61-90天 HK\$'000 港幣千元	Over 90 days 超過90天 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 March 2019	二零一九年三月三十一日				
Gross carrying amount	賬面值總額	461,537	34,254	57,867	553,658
Loss allowance	虧損撥備	(199)	(198)	(30,468)	(30,865)
Expected loss rate	預期虧損率	0.04%	0.58%	52.65%	

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due.

4 財務風險管理目標及政策(續)

4.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收賬款及合約資產

就貿易應收賬款及合約資產而言，本集團應用香港財務報告準則第9號之簡化處理方法，使用全期預期信貸虧損撥備計量預期信貸虧損。

為計量預期信貸虧損，貿易應收賬款及合約資產已根據共同信貸風險特點及逾期日數分類。本集團所使用之預期虧損率根據具有不同信貸風險特徵及風險承擔情況之類別之賬齡而決定。預期信貸虧損率乃根據應收賬款之預期期限內之過往信貸虧損經驗而估計，並作出調整以反映影響客戶結清應收款項能力之宏觀經濟因素之現時及具有前瞻性之資料。

根據該基準，就貿易應收賬款而言，於二零二零年三月三十一日及二零一九年三月三十一日根據逾期日數分類之虧損撥備釐定如下：

當沒有合理預期可收回款項時，應註銷貿易應收賬款。沒有合理預期可收回款項之指標包括(其中包括)債務人未能與集團訂立還款計劃，以及未能對逾期超過90天的合約付款。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Other debtors and amounts due from associates, joint ventures and non-controlling interests

The loss allowance for other debtors and amounts due from associates, joint ventures and non-controlling interests as a result of applying the expected credit risk model was immaterial as they have a low risk of default.

(iii) Debt investments carried at amortised cost

All of the Group's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider "low credit risk" for debt investments when they have a low risk of default and the issuers have strong capability to meet its contractual cash flow obligations in the near term.

The Group has assessed the credit risk arising from guarantees given to financial institutions for credit facilities granted to certain property buyers and associates taking into consideration the realisable value of the underlying projects/assets. The Group does not expect any significant credit risk arising from these guarantees.

The Group does not have any significant exposure to any individual debtors or counterparties.

(c) Liquidity risk

The Group aims to maintain prudent liquidity risk management and flexibility in funding by keeping sufficient cash and cash equivalents, readily realisable marketable securities and to have committed short term and medium term credit lines available.

The Directors believe that the Group has obtained sufficient committed and uncommitted general credit facilities from banks for working capital purposes.

The Group's liquidity position and compliance with loan covenants are monitored closely by the management of the Company. The following table details the Group's contractual maturity for its financial liabilities at the end of the reporting period. 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.

4 財務風險管理目標及政策(續)

4.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 其他應收賬款及應收聯營公司、合營企業及非控股權益賬款

應用預期信貸風險模型導致其他應收賬款及應收聯營公司、合營企業及非控股權益賬款之虧損撥備並不重大，由於其違約風險較低。

(iii) 按攤銷成本列賬之債務投資

本集團按攤銷成本列賬之所有債務投資均被視為低信貸風險，故此於年內確認之虧損撥備僅限於12個月預期虧損。當債務投資違約風險低且發行人具備短期內履行其合約現金流責任之強勁能力，則管理層認為債務投資之「信貸風險低」。

本集團已評估就授予若干物業買家及聯營公司之信貸融資而向金融機構提供擔保所產生之信貸風險，當中考慮到相關項目／資產的可變現價值。本集團預期此等擔保不會產生任何重大信貸風險。

本集團並無於任何個別債務人或交易對手存有任何重大風險。

(c) 資金流動風險

本集團致力維持審慎之資金流動風險管理及透過保留足夠現金及現金等價物、可隨時變現之有價證券及已承諾短期及中期信貸額度以保持資金靈活性。

董事相信，本集團獲銀行批授之已承諾及未承諾一般信貸融資，足以應付營運資金所需。

本公司管理層密切監察本集團之流動資金狀況及遵守貸款契約情況。下表詳列本集團於報告期末財務負債之合約到期情況。表格乃根據本集團可能被要求支付之最早日期之財務負債之未貼現現金流量編製。表格包括利息及本金之現金流量。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4 財務風險管理目標及政策(續)

4.1 Financial risk factors (continued)

4.1 財務風險因素(續)

(c) Liquidity risk (continued)

(c) 資金流動風險(續)

		Less than 1 year	1-2 years	2-5 years	More than 5 years	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amounts 賬面值
		少於一年 HK\$'000 港幣千元	一至二年 HK\$'000 港幣千元	二至五年 HK\$'000 港幣千元	超過五年 HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
2020	二零二零年						
Amounts due to joint ventures	應付合營企業賬款	6,050	-	-	-	6,050	6,050
Amounts due to non-controlling interests	應付非控股權益賬款	257,900	169,880	-	-	427,780	427,780
Creditors and payables	應付賬款及應付款項	704,255	115,384	-	-	819,639	819,639
Derivative financial instruments (gross settled) – outflow	衍生財務工具 (總額結算) – 流出	415	248	68	-	731	731
Bank and other borrowings	銀行及其他借款	861,890	890,502	1,481,405	688,112	3,921,909	3,368,067
Lease liabilities	租賃負債	19,813	17,291	16,259	18,483	71,846	62,823
Financial guarantees in contingent liabilities	或然負債內之財務擔保	84,611	133,808	331,709	-	550,128	550,128
2019	二零一九年						
Amounts due to joint ventures	應付合營企業賬款	6,490	-	-	-	6,490	6,490
Amounts due to non-controlling interests	應付非控股權益賬款	259,713	118,137	-	-	377,850	377,850
Creditors and payables	應付賬款及應付款項	548,878	157,273	-	-	706,151	706,151
Derivative financial instruments (gross settled) – outflow	衍生財務工具 (總額結算) – 流出	7,061	-	-	-	7,061	7,061
Derivative financial instruments (gross settled) – inflow	衍生財務工具 (總額結算) – 流入	(6,976)	-	-	-	(6,976)	(6,976)
Bank and other borrowings	銀行及其他借款	718,316	728,203*	2,074,975*	937,072	4,458,566	3,740,210
Financial guarantees in contingent liabilities	或然負債內之財務擔保	164,168	302,468	56,722	-	523,358	523,358

* HK\$214 million and HK\$313 million disclosed under 1-2 years and 2-5 years of the contractual maturity respectively are classified as current liability as at 31 March 2019 (see note 35).

* 於一至二年及二至五年合約到期項下披露分別港幣2.14億元及港幣3.13億元於二零一九年三月三十一日分類為流動負債(見附註35)。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern while maximising the returns to shareholders through the optimisation of the debt and equity balances.

The Group regularly and closely reviews and manages its capital structure to provide cost efficient funding to the Group and its companies and make adjustments to the capital structure in light of changes of economic conditions or corporate needs.

The Group monitors the capital on the basis of net debt to equity ratio, which is expressed as a percentage of net debt (comprises total debt less bank balances and cash) over total equity. Total debt represents bank and other borrowings.

The net debt to equity ratio of the Group is as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Total debt (note 35)	總債務(附註35)	3,368,067	3,740,210
Bank balances and cash (note 32)	銀行結存及現金(附註32)	(2,824,666)	(1,833,084)
Net debt	淨債務	543,401	1,907,126
Total equity	總權益	9,683,071	9,642,073
Net debt to equity ratio	淨債務與權益比率	5.6%	19.8%

The Group received significant amount of proceeds from the disposal of subsidiaries during the year, part of which were used for the repayment of bank borrowings. This caused a decrease in the Group's net debt and hence the Group's net debt to equity ratio accordingly.

Pursuant to Chapter 41 of The Hong Kong Insurance Companies Ordinance, all authorised insurance companies are required to maintain an excess of assets over liabilities of not less than a required solvency margin. For the years ended 31 March 2020 and 2019, the Group's relevant subsidiaries complied with the solvency margin requirements as set out by the relevant authorities in Hong Kong.

4.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair values by level of inputs to valuation techniques to measure fair values. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

4 財務風險管理目標及政策(續)

4.2 資本風險管理

本集團管理資本之目標為保障本集團持續經營之能力，同時透過最佳之債務及權益比例為股東帶來最大回報。

本集團定期及密切檢討及管理其資本結構，以向本集團及其旗下集團公司提供符合成本效益之資金，並就經濟狀況或企業需求之變化對資本結構作出調整。

本集團按淨債務與權益比率之基準監察資本，該基準為淨債務(包括總債務減銀行結存及現金)對總權益之百分比。總債務指銀行及其他借款。

本集團之淨債務與權益比率如下：

本集團於年內收取來自出售附屬公司所得之龐大款項，其部分已用作償還銀行借款。此導致本集團淨債務減少，及因此本集團之淨債務與權益比率相應地下跌。

根據香港保險公司條例第41章，所有獲授權保險公司均須保持資產超出負債之額度不少於規定之償付準備金。截至二零二零年及二零一九年三月三十一日止年度，本集團相關附屬公司遵守香港相關機關頒佈之償付準備金規定。

4.3 公允價值估計

下表按用於計量公允價值之估值方法所用輸入數據的層級，分析本集團按公允價值列賬之財務工具。有關輸入數據乃分類為公允價值架構內之下列三個層級：

- 有關相同資產或負債在活躍市場之報價(未調整)(第一級)。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.3 Fair value estimation (continued)

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

The following table presents the Group's financial assets and financial liabilities that are measured at fair values as at 31 March 2020 and 2019:

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
2020	二零二零年				
Assets	資產				
Financial assets at FVPL	按公允值列入損益處理之財務資產				
– debt securities	– 債務證券	165,578	42,411	489,098	697,087
– equity securities	– 股本證券	41,282	–	14,944	56,226
Derivative financial instruments	衍生財務工具	–	242	–	242
Financial assets at FVOCI	按公允值列入其他全面收益處理之財務資產				
– equity securities	– 股本證券	25,731	–	8,586	34,317
		<u>232,591</u>	<u>42,653</u>	<u>512,628</u>	<u>787,872</u>
Liability	負債				
Derivative financial instruments	衍生財務工具	–	(399)	–	(399)

4 財務風險管理目標及政策(續)

4.3 公允值估計(續)

- 有關資產或負債之輸入數據不包括於第一級內之報價，惟可直接(即價格)或間接地(即自價格引伸)觀察(第二級)。
- 有關資產或負債之輸入數據並非依據可觀察之市場數據(不可觀察之輸入數據)(第三級)。

下表載列於二零二零年及二零一九年三月三十一日按公允值計量之本集團財務資產及財務負債：

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
2019	二零一九年				
Assets	資產				
Financial assets at FVPL	按公允值列入損益處理之財務資產				
– debt securities	– 債務證券	206,309	112,233	363,335	681,877
– equity securities	– 股本證券	30,812	–	33,585	64,397
Derivative financial instruments	衍生財務工具	–	397	–	397
Financial assets at FVOCI	按公允值列入其他全面收益處理之財務資產				
– equity securities	– 股本證券	39,320	–	8,084	47,404
		<u>276,441</u>	<u>112,630</u>	<u>405,004</u>	<u>794,075</u>
Liability	負債				
Derivative financial instruments	衍生財務工具	–	(66)	–	(66)

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.3 Fair value estimation (continued)

The Group uses quoted market prices for financial assets included in level 1. The quoted price which is used, is the price within the bid-ask spread that is most representative of the fair value.

The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swap contracts is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period with the resulting value discounted back to present value;
- For unlisted securities or financial assets without an active market, the Group establishes the fair value by using valuation techniques including the use of recent arm's length transactions, reference to other instruments that are substantially the same, reference to net asset value of investee and discounted cash flow analysis, making maximum use of market inputs and relying as little as possible on entity-specific inputs; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.
- Debt securities classified as financial assets at FVPL comprised a debt instrument with fair value of approximately HK\$343 million. The debt instrument relates to the financing of the development project of a church and a senior housing facility in Hong Kong. Management assessed the fair value based on discounted cash flow method with assistance from independent external valuer. The estimated cash flows used in the assessment are based on assumptions, such as estimated cash proceeds generated from the senior housing facility, estimated development cost and discount rate. The assumptions used in the fair value assessment determination involves estimates and judgements, any deviation from the estimates may result in increase or decrease in fair value. For example, any increase in the discount rate or any decrease in the estimated cash proceeds with other variables remain constant, if adopted, would result in a lower fair value.

There were no transfers of financial instruments between levels in the hierarchy for the years ended 31 March 2020 and 2019.

4 財務風險管理目標及政策(續)

4.3 公允價值估計(續)

就第一級內之財務資產而言，本集團採用市場報價。所用的報價為買賣差價中最能代表公允價值之價格。

並無在活躍市場上買賣之財務工具(如場外衍生工具)之公允價值採用估值方法釐定。該等估值方法盡量採用可觀察之市場數據(如可得到)，並盡量少倚賴企業特定估計。倘計量工具公允價值所需之所有重大數據可觀察，則該工具將計入第二級。

倘一項或多項重大數據並非來自可觀察市場數據，則該工具將計入第三級。

用以進行財務工具估值之特定估值方法包括：

- 類似工具之市場報價或交易商報價；
- 利率掉期合約之公允價值根據可觀察孳息曲線按估計未來現金流量之現值計算；
- 遠期外匯合約之公允價值利用於報告期末之遠期匯率釐定，並按結果值貼現至現值；
- 就並無活躍市場之非上市證券或財務資產而言，本集團採用估值方法設定其公允價值，當中包括利用近期公平交易、參照其他大致相同之工具、參照被投資公司之資產淨值及貼現現金流量分析，充分利用市場信息及盡量少依賴企業特定信息；及
- 其餘財務工具之公允價值以其他方法(例如貼現現金流量分析)釐定。
- 分類為按公允價值列入損益處理之財務資產之債務證券包括公允價值約港幣3.43億元之債券工具。債券工具與於香港一間教堂及一間安老院舍設施開發項目之融資有關。管理層在獨立外部估值師之協助下按貼現現金流量法估算公允價值。於評估內所用之估計現金流量乃基於多項假設，例如安老院舍設施所產生之估計現金所得款項、估計開發成本及貼現率。於釐定公允價值評估所用之假設包含估計及判斷，任何來自估計之偏離可導致公允價值增加或減少。例如，任何貼現率增加或任何估計現金所得款項減少(其他變量保持不變)(如採納)，將導致較低公允價值。

截至二零二零年及二零一九年三月三十一日止年度，各級別公允價值架構之間概無財務工具轉移。

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4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4 財務風險管理目標及政策(續)

4.3 Fair value estimation (continued)

4.3 公允價值估計(續)

The following table presents the changes in level 3 fair value hierarchy of financial instruments for the years ended 31 March 2020 and 2019:

下表載列第三級公允價值架構的財務工具截至二零二零年及二零一九年三月三十一日止年度之變動：

		Debt securities 債務證券 HK\$'000 港幣千元	Equity securities 股本證券 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2019	於二零一九年四月一日	363,335	41,669	405,004
Additions	添置	141,739	635	142,374
Receipt for capital returns	收回資本	(4,892)	-	(4,892)
Fair value loss recognised in other comprehensive income	於其他全面收益確認之公允價值虧損	-	(116)	(116)
Fair value loss recognised in profit or loss	於損益確認之公允價值虧損	(4,093)	(2,969)	(7,062)
Disposals	出售	(3,352)	(15,398)	(18,750)
Exchange realignment	匯兌調整	(3,639)	(291)	(3,930)
At 31 March 2020	於二零二零年三月三十一日	489,098	23,530	512,628

		Debt securities 債務證券 HK\$'000 港幣千元	Equity securities 股本證券 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2018	於二零一八年四月一日	216,119	54,847	270,966
Reclassify from other debtors	由其他應收賬款重新分類	24,354	-	24,354
Restated at 1 April 2018	於二零一八年四月一日經重列	240,473	54,847	295,320
Additions	添置	138,806	-	138,806
Receipt for capital returns	收回資本	(16,571)	-	(16,571)
Fair value loss recognised in other comprehensive income	於其他全面收益確認之公允價值虧損	-	(16)	(16)
Fair value gain/(loss) recognised in profit or loss	於損益確認之公允價值收益/(虧損)	2,688	(248)	2,440
Disposals	出售	(44)	(12,914)	(12,958)
Exchange realignment	匯兌調整	(2,017)	-	(2,017)
At 31 March 2019	於二零一九年三月三十一日	363,335	41,669	405,004

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5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Fair values of investment properties and staff quarters (and related right-of-use assets)

The valuations of investment properties and staff quarters (and related right-of-use assets) held directly by the Group are made on the basis of the "Market Value" adopted by the Hong Kong Institute of Surveyors ("HKIS"). They are performed in accordance with the HKIS Valuation Standards on Properties published by HKIS. The valuations are reviewed annually by qualified valuers by considering the information from a variety of sources including (i) current prices in an active market for properties of different nature, condition or location, adjusted to reflect those differences; (ii) recent prices of similar properties in less active market, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and (iii) rental income derived from existing tenancies with due provision for reversionary income potential based on market conditions existing at the end of the reporting period.

These methodologies are based upon estimates of future results and a set of assumptions specific to each property to reflect its tenancy and cashflow profile. The fair value of each investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions including open market rents, appropriate capitalisation rates and reversionary income potential. For the year ended 31 March 2020, discount rate in the range of 2% to 6% (2019: 2% to 6%) were used in the discounted cash flow analysis. The fair value also reflects on a similar basis, any cash outflows that could be expected in respect of the property.

As at 31 March 2020, if the market values of investment properties and staff quarters (and related right-of-use assets) had been 10% (2019: 10%) higher/lower with all other variables held constant, the carrying values of the Group's investment properties and staff quarters would have been HK\$343,189,000 and HK\$541,000 (2019: HK\$376,984,000 and HK\$546,000) higher/lower respectively.

The valuations of investment properties were based on the economic, market and other conditions as they exist on, and information available to management as of 31 March 2020. Given the outbreak of COVID-19 has caused significant disruption to economic activities around the world, this disruption has increased the uncertainty of the assumptions used in the valuations being achieved and materialised. Consequently, the ongoing development of COVID-19 may cause unexpected volatility in the future fair value of the investment properties subsequent to 31 March 2020.

5 關鍵會計估計及判斷

本公司按過往經驗及其他因素(包括於有關情況下相信為對未來事件之合理預測)持續檢討估計及判斷。

本集團會對未來作出估計及假設。顧名思義，該等會計估計甚少與有關實際結果相同。具有重大風險致使資產及負債之賬面值於下一個財政年度內作出重大調整之估計及假設討論如下：

(a) 投資物業及員工宿舍(及相關使用權資產)之公允值

本集團直接持有之投資物業及員工宿舍(及相關使用權資產)之估值乃根據香港測量師學會(「香港測量師學會」)所採納之「市值」基準，按香港測量師學會頒佈之香港測量師學會物業估值準則進行。估值由合資格評估師每年檢討並考慮來自多種來源的資料，包括(i)不同性質、狀況或地點之物業於活躍市場之現行價格，並作出調整以反映有關差異；(ii)類似物業於較不活躍市場之近期價格，並作出調整以反映自該等交易成交日期以來該等價格之任何經濟狀況變動；及(iii)現有租約之租金收入，並計入根據報告期末當時之市況對潛在收入改變而作出之適當撥備。

該等方法乃根據未來業績估計及各項物業之一系列特定假設以反映其租約及現金流量狀況。各項投資物業之公允值反映(其中包括)來自現有租賃之租金收入以及根據當前市況(包括公開市場租金、適用之資本化率及潛在收入改變)對來自未來租賃之租金收入的假設。截至二零二零年三月三十一日止年度，貼現現金流量分析採用介乎2%至6%(二零一九年：2%至6%)之貼現率。公允值亦按類似基準反映就該物業可預期之任何現金流出。

於二零二零年三月三十一日，在所有其他可變因素保持不變之情況下，倘投資物業及員工宿舍(及相關使用權資產)之市值上升/下降10%(二零一九年：10%)，本集團投資物業及員工宿舍之賬面值分別上升/下降港幣343,189,000元及港幣541,000元(二零一九年：港幣376,984,000元及港幣546,000元)。

投資物業估值乃根據於二零二零年三月三十一日存在之經濟、市場及其他狀況以及截至當日管理層所能獲得之資料而作出。鑒於2019冠狀病毒病之爆發對世界各地經濟活動造成重大干擾，所達致估值所使用之假設之不確定性已因為有關干擾而增加。因此，2019冠狀病毒病之持續進展可能導致投資物業於二零二零年三月三十一日後之未來公允值出現超出預期之波動。

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**(b) Impairment assessment for property, plant and equipment**

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts of property, plant and equipment have been determined based on the higher of their fair values less costs to sell and value in use, taking into account the latest market information and past experience.

(c) Impairment assessment for goodwill and other intangible assets

The Group tests whether goodwill and other intangible assets have suffered any impairment in accordance with accounting policies stated in note 2(ab) to the consolidated financial statements. The recoverable amounts of CGUs have been determined based on value-in-use calculations or their fair values less cost to sell, whichever are higher, and both bases require the Group to estimate the future cash flows expected to arise from CGUs and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The Group expects that any reasonable change in the key assumptions on which the recoverable amounts are based would not cause the carrying amounts of goodwill and other intangible assets to exceed their recoverable amounts. Please refer to notes 17, 18 and 40 to the consolidated financial statements for details.

(d) Fair values of unlisted investments at FVOCI and FVPL and derivative financial instruments

The fair values of unlisted investments at FVOCI and FVPL and derivative financial instruments that are not traded in an active market are determined by using valuation techniques as detailed in note 4.3. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period, including the purchase price paid by the Group, the investees' financial position and results, risk profile, prospects, including trend and other factors. Any change in any of the key assumptions used would result in increase or decrease in fair values.

(e) Net realisable values of properties under development and properties for sale

The Group writes down properties under development and properties for sale to net realisable value based on assessment of the realisability of properties under development and properties for sale which takes into account cost to completion based on past experience and net sales value based on prevailing market conditions. If there is an increase in cost to completion or a decrease in net sales value, the net realisable value will decrease which may result in writing down properties under development and properties for sale to net realisable value. Write-downs are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value of properties under development and properties for sale is adjusted in the period in which such estimate is changed.

5 關鍵會計估計及判斷 (續)**(b) 物業、廠房及設備之減值評估**

當有跡象顯示物業、廠房及設備之賬面值可能無法收回之事件或變動發生時，均對其進行減值檢討。物業、廠房及設備之可收回金額乃按其公允值減銷售成本與使用中價值兩者之間較高者，並計及最新市場資料及過往經驗釐定。

(c) 商譽及其他無形資產之減值評估

根據綜合財務報表附註2(ab)所述之會計政策，本集團就商譽及其他無形資產是否出現任何減值進行測試。現金產生單位之可收回金額乃按使用中價值計算法或將其公允值扣除銷售成本(以較高者為準)釐定，兩者均須本集團估計該現金產生單位之預期未來現金流量，並以適當貼現率計算現值。倘實際未來現金流量少於預期，將可產生大額減值虧損。本集團預期可收回金額之主要假設之任何合理變動將不會導致商譽及其他無形資產之賬面值超過其可收回金額。詳情請參閱綜合財務報表附註17、18及40。

(d) 按公允值列入其他全面收益處理及按公允值列入損益處理之非上市投資及衍生財務工具之公允值

並非於活躍市場交易的按公允值列入其他全面收益處理及按公允值列入損益處理之非上市投資及衍生財務工具之公允值採用附註4.3中詳述的估值方法確定。本集團運用判斷選取多種方法，並主要根據各報告期末當時之市況作出假設，包括本集團支付的購買價、被投資方的財務狀況及業績、風險狀況、前景，包括趨勢及其他因素。所使用的任何關鍵假設的任何變化將導致公允值增加或減少。

(e) 發展中物業及待售物業之可變現淨值

經計及以往經驗所得之完成成本及根據現行市況所得之銷售淨值，本集團將發展中物業及待售物業撇減至根據評估發展中物業及待售物業之可變現能力估算之可變現淨值。倘完成成本增加或銷售淨值減少，可變現淨值亦將會減少並可能導致發展中物業及待售物業撇減至可變現淨值。倘發生有跡象顯示結餘可能不獲變現之事件或變動，則撇減須予記錄。辨別撇減須運用判斷及估計。倘預期異於原有之估計，則於該等估計變動之期間內對發展中物業及待售物業之賬面值作出調整。

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5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(f) Determination of insurance liabilities

The Group's insurance liabilities mainly comprise provision for outstanding claims. The Group determines these estimates on the basis of historical information, actuarial analysis, financing modeling and other analytical techniques. The estimated insurance liabilities are affected by assessed net loss ratio. As at 31 March 2020, assessed net loss ratio was 16% (2019: 39%). Differences resulting from reassessment of insurance liabilities are recognised in subsequent consolidated financial statements. The Group continually reviews the estimates and makes adjustments as necessary, but actual results could differ from what is envisioned when these estimates are made.

(g) Construction contract

Revenue from construction works is recognised over time, and is dependent on management's estimation of the total outcome of the construction contract, as well as the work done to date. The Group reviews and revises the estimates of contract sum, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. Revenue from construction works is measured in accordance with progress towards complete satisfaction of the performance obligations. Budgeted construction costs are prepared by the management on the basis of correspondence between the Group and its major contractors, suppliers or vendors involved and the experience of the management. In order to keep the budget accurate and up-to-date, the management conducts periodic reviews of the management budgets by comparing the budgeted amounts to the actual amounts incurred. A considerable amount of judgement is required in estimating the contract sum, contract costs, variation works and contract claims which may have an impact in terms of progress towards complete satisfaction of the performance obligations and recognition of profit.

(h) Income taxes

As at 31 March 2020, deferred tax asset of HK\$63,488,000 (2019: HK\$44,091,000) in relation to unused tax losses had been recognised in the consolidated statement of financial position. The realisability of the deferred tax asset mainly depends on whether sufficient future taxable profits or taxable temporary differences will be available in the future. In cases where the actual taxable profits generated are more or less than expected, additional deferred tax assets or reversal of deferred tax assets may arise, which would be recognised in the profit or loss for the period in which such an addition or a reversal takes place.

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

5 關鍵會計估計及判斷(續)

(f) 釐定保險負債

本集團之保險負債主要包括未決索償撥備。本集團按過往資料、精算分析、財務模型及其他分析方法釐定該等估計。估計保險負債受評估淨賠款比率影響。於二零二零年三月三十一日，評估淨賠款比率為16%（二零一九年：39%）。重新評估保險負債後所導致之差額將於其後之綜合財務報表確認。本集團持續檢討估計，並在有需要時作出調整，惟實際結果或會與作出估計時所推算者有異。

(g) 建築合約

建築工程的收入隨著時間的推移而確認，並取決於管理層對建築合約總成果的估計，以及至今完成的工程。隨著合約的進行，本集團檢討及修訂合約金額、合約成本、變更訂單及為每份建築合約編制的合約索償的估計。建築工程的收入按照完成履行履約義務的進度計量。管理層根據本集團與其主要承建商、供應商或參與賣方之間的通信以及管理層的經驗編製預算建築成本。為了保持預算準確及最新，管理層通過將預算金額與實際產生金額進行比較，對管理預算進行定期審查。在估算合約金額、合約成本、變更工程及合約索償時需要相當多的判斷，此可能對完成履行履約義務及確認溢利的進展產生影響。

(h) 所得稅

於二零二零年三月三十一日，與未動用之稅務虧損有關的遞延稅項資產港幣63,488,000元（二零一九年：港幣44,091,000元）已於綜合財務狀況表中確認。遞延稅項資產能否變現，主要視乎日後是否有足夠未來應課稅溢利或應課稅暫時性差異而定。倘實際產生之應課稅溢利多於或少於預期，則或會出現遞延稅項資產之增加或撥回，並於該增加或撥回出現期間於損益內確認。

而且，本集團（包括聯營公司及合營企業）須繳納多個主要於香港、中國內地及海外的司法管轄區之所得稅。釐定所得稅撥備時，本集團須作出重大判斷。在日常業務過程中，有多宗交易及計算未能釐定最終稅項。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之負債。倘該等事宜之最終稅務結果有異於最初入賬之金額，該等差異將影響稅務釐定期內之所得稅及遞延稅項撥備。

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(i) Control over investees accounted for as subsidiaries

Certain investees are considered to be subsidiaries of the Company despite the equity interest therein are not more than 50% of the relevant investees. Based on the contractual power pursuant to the relevant shareholders' agreement between the Group and the other shareholder, the Group has the majority voting power in the board of directors in the respective investees, by which the relevant activities that significantly affect the return of the investees are determined, and hence has control over these investees. Accordingly, those investees are accounted for as subsidiaries of the Company.

(j) Consolidation of senior housing business in the United States of America ("the US")

The Group's senior housing business in the US is operated by different professional senior housing operators. Significant judgement is required in determining whether Group is a principal and similarly, whether the operator is an agent in this business. Management considered the Group has exposure to the risks and return associated with rendering of services and therefore regarded the Group as the principal. Accordingly, the financial results and operations of this business is consolidated in the Group's financial statements.

(k) Determination of lease term and discount rate for lease liabilities

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

In determining the lease term, the following factors are normally the most relevant:

- if there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate);
- if any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate);
- otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

In determining the discount rate, the Group is required to exercise considerable judgement in relation to determining the discount rate taking into account the nature and location of the underlying assets, and the terms and conditions of the leases at the commencement date.

5 關鍵會計估計及判斷 (續)

(i) 對入賬列為附屬公司之被投資方之控制

權若干被投資方被視為本公司附屬公司，即使本集團於當中之股權不超過有關被投資方之50%。基於本集團與其他股東之間訂立之有關股東協議所規定之合約權力，本集團於相關被投資方董事會擁有多數投票權，據此確定對被投資方之回報有重大影響的相關活動，因此，對該等被投資方有控制權。因此，該等被投資方列為本公司之附屬公司。

(j) 將於美利堅合眾國(「美國」)的安老院舍業務綜合入賬

本集團於美國的安老院舍業務由不同專業的安老院舍營運商經營。在釐定本集團是否為委託人及同樣，該營運商是否為該業務的代理人時需要作出重大判斷。管理層認為本集團面臨與提供服務有關的風險及回報，因此將本集團視為委託人。因此，該業務的財務業績及營運已於本集團的財務報表中綜合入賬。

(k) 釐定租期及租賃負債之貼現率

於釐定租期時，管理層會考慮能夠創造經濟誘因以行使續租選擇權或不行使終止選擇權之所有相關事實及情況。續租選擇權(或終止選擇權後之期間)僅會於合理確定租賃獲續租(或未終止)時涵蓋在租期內。

於釐定租期時，以下因素一般最為相關：

- 倘因終止(或不續租)而導致重大罰款，則本集團一般會合理確定續租(或不終止)；
- 倘任何租賃物業裝修預期將產生重大剩餘價值，則本集團一般會合理確定續租(或不終止)；
- 否則，本集團會考慮包括過往租賃期限以及因替換租賃資產所需之成本及業務中斷等其他因素。

於釐定貼現率時，本集團須考慮相關資產之性質及位置以及租賃於開始日期之條款及條件，就釐定貼現率作出重大判斷。

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6 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Directors, the chief operating decision-maker, that are used to make strategic decisions. The Directors consider the business from a product/service perspective.

Principal activities of the segments are as follows:

Construction and engineering: Construction and engineering work for aluminium window and curtain walls, building construction, building supplies, electrical and mechanical and environmental engineering, lift and escalator and pipe technology.

Property investment: Properties rental business.

Property development and operations: Property development and management, cold storage and logistics and hotel operations.

Healthcare investment: Senior housing business and medical office building investment.

Car dealership: Retailing, trading and servicing of motor vehicles.

Others: Sale and servicing of information technology equipment and business machines, food trading, general insurance business (except aircraft, aircraft liabilities and credit insurance), investment in securities and restaurant and bar.

Segment revenue is measured in a manner consistent with that in the consolidated income statement, except that it also includes the Group's share of revenue of associates and joint ventures on a proportionate consolidated basis. The sales from associates and joint ventures to the Group and sales between individual associates and joint ventures are not eliminated.

The Directors assess the performance of the operating segments based on a measure of segment results. This measurement includes the Group's share of results of associates and joint ventures on a proportionate consolidated basis. Unallocated corporate expenses, finance income and costs and taxation are not included in segment results.

Segment assets mainly consist of current assets and non-current assets as disclosed in the consolidated statement of financial position except prepaid tax, unallocated bank balances and cash, deferred tax assets and other unallocated assets.

Segment liabilities mainly consist of current liabilities and non-current liabilities as disclosed in the consolidated statement of financial position except current income tax liabilities, bank and other borrowings, deferred tax liabilities and other unallocated liabilities.

6 分類資料

管理層根據董事(主要營運決策者)已審閱以作出策略決定之報告釐定經營分類。董事以產品/服務角度考慮業務。

該等分類之主要業務如下:

建築及機械工程: 承辦鋁窗及幕牆、樓宇建築、建材供應、機電及環保工程、升降機及電扶梯及管道技術。

物業投資: 物業租賃業務。

物業發展及營運: 物業發展及管理、冷藏倉庫及物流及酒店營運。

保健護理投資: 安老院舍業務及醫療辦公大樓投資。

汽車代理: 汽車零售、貿易及服務。

其他: 資訊科技設備及商用機器之銷售及服務、食品貿易、一般保險業務(不包括飛機、飛機責任及信用保險)、證券投資及餐廳及酒吧。

分類收入之計量方式與綜合收益表之計量方式一致,除此以外亦包括來自本集團所佔聯營公司及合營企業按比例綜合基準之收入。聯營公司及合營企業銷售予本集團以及個別聯營公司及合營企業間之銷售並未對銷。

董事根據各分類業績之計量評估經營分類之表現。此計量包括來自本集團所佔聯營公司及合營企業按比例綜合基準之業績。未分配企業支出、財務收入及費用與稅項並不包括於分類業績。

分類資產主要包括綜合財務狀況表內披露之流動資產及非流動資產,惟預付稅項、未分配銀行結存及現金、遞延稅項資產及其他未分配資產除外。

分類負債主要包括綜合財務狀況表內披露之流動負債及非流動負債,惟當期所得稅負債、銀行及其他借款、遞延稅項負債及其他未分配負債除外。

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6 SEGMENT INFORMATION (CONTINUED)

6 分類資料(續)

(a) Revenue and results

(a) 收入及業績

		Construction and engineering 建築及機械工程 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Property development and operations 物業發展及營運 HK\$'000 港幣千元	Healthcare investment 保健護理投資 HK\$'000 港幣千元	Car dealership 汽車代理 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
For the year ended 31 March 2020	截至二零二零年三月三十一日止年度							
REVENUE	收入							
Total revenue	總收入	2,431,222	142,463	587,136	844,970	1,833,846	621,591	6,461,228
Inter-segment revenue	分類之間收入	-	-	(44,545)	-	-	(35,421)	(79,966)
Group revenue	集團收入	2,431,222	142,463	542,591	844,970	1,833,846	586,170	6,381,262
Share of revenue of associates and joint ventures	所佔聯營公司及合營企業收入	1,758,262	-	156,545	119,360	469,090	107,246	2,610,503
Proportionate revenue from a joint venture eliminated	已對銷來自一間合營企業之按比例收入	(84,791)	-	-	-	-	-	(84,791)
Segment revenue	分類收入	4,104,693	142,463	699,136	964,330	2,302,936	693,416	8,906,974
Revenue from contracts with customers:	客戶合約之收入：							
- recognised at a point in time	- 在某一時點確認	20,802	-	211,451	-	1,816,448	368,543	2,417,244
- recognised over time	- 在一段時間確認	2,410,385	-	326,994	844,970	-	36,198	3,618,547
Revenue from other sources	其他來源產生之收入	35	142,463	4,146	-	17,398	181,429	345,471
Group revenue	集團收入	2,431,222	142,463	542,591	844,970	1,833,846	586,170	6,381,262
RESULTS	業績							
Segment profit/(loss)	分類溢利/(虧損)	317,997	219,806	314,826	(104,599)	3,431	(4,871)	746,590
Included in segment profit/(loss) are:	分類溢利/(虧損)包括：							
Share of results of associates	所佔聯營公司業績	169,732	-	(15)	-	-	(18,752)	150,965
Share of results of joint ventures	所佔合營企業業績	949	-	(2,997)	(4,069)	6,957	-	840
Decrease in fair value of investment properties	投資物業之公允價值減少	-	(24,937)	-	-	-	-	(24,937)
Depreciation and amortisation, net of capitalisation	折舊及攤銷，扣除資本化	(10,860)	(564)	(57,907)	(83,692)	(26,607)	(11,111)	(190,741)
Impairment loss on properties for sale	待售物業之減值虧損	-	-	(10,304)	-	-	-	(10,304)
Impairment loss on goodwill	商譽之減值虧損	-	-	-	(4,381)	-	-	(4,381)
Unrealised gain on derivative financial instruments	衍生財務工具之未變現收益	-	-	-	-	-	242	242
Unrealised loss on investments at fair value through profit or loss	按公允價值列入損益處理之投資的未變現虧損	-	-	-	-	(4,220)	(24,936)	(29,156)
Provision (recognised)/written back for inventories to net realisable value, net	(已確認)/撥回存貨撥備至可變現淨值，淨額	(4)	-	-	-	1,106	(3,744)	(2,642)
Provision recognised on trade and other debtors, net	已確認貿易及其他應收賬款之撥備，淨額	(311)	(40)	(87)	(5,832)	-	(2,885)	(9,155)

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6 SEGMENT INFORMATION (CONTINUED)

6 分類資料(續)

(a) Revenue and results (continued)

(a) 收入及業績(續)

	Construction and engineering 建築及機械工程 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Property development and operations 物業發展及營運 HK\$'000 港幣千元	Healthcare investment 保健護理投資 HK\$'000 港幣千元	Car dealership 汽車代理 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
For the year ended 31 March 2019	截至二零一九年三月三十一日止年度						
REVENUE	收入						
Total revenue	2,678,957	140,579	719,428	743,018	2,127,864	556,724	6,966,570
Inter-segment revenue	-	-	(44,765)	-	-	(29,091)	(73,856)
Group revenue	2,678,957	140,579	674,663	743,018	2,127,864	527,633	6,892,714
Share of revenue of associates and joint ventures	1,657,039	-	346,529	122,669	467,672	151,053	2,744,962
Proportionate revenue from a joint venture eliminated	(74,387)	-	-	-	-	-	(74,387)
Segment revenue	4,261,609	140,579	1,021,192	865,687	2,595,536	678,686	9,563,289
Revenue from contracts with customers:	客戶合約之收入：						
- recognised at a point in time	34,335	-	366,104	-	2,113,721	349,072	2,863,232
- recognised over time	2,644,587	-	301,535	743,018	-	28,966	3,718,106
Revenue from other sources	35	140,579	7,024	-	14,143	149,595	311,376
Group revenue	2,678,957	140,579	674,663	743,018	2,127,864	527,633	6,892,714
RESULTS	業績						
Segment profit/(loss)	293,763	269,219	217,798	144,109	(9,610)	46,817	962,096
Included in segment profit/(loss) are:	分類溢利/(虧損)包括：						
Share of results of associates	127,452	-	873	-	-	(3,322)	125,003
Share of results of joint ventures	428	-	17,361	150,487	3,172	-	171,448
Increase in fair value of investment properties	-	166,406	-	-	-	-	166,406
Depreciation and amortisation, net of capitalisation	(8,254)	(457)	(55,555)	(66,491)	(20,921)	(2,595)	(154,273)
Unrealised loss on derivative financial instruments	(129)	-	-	-	-	-	(129)
Unrealised loss on investments at fair value through profit or loss	-	-	-	-	-	(12)	(12)
Provision written back/(recognised) for inventories to net realisable value, net	28	-	-	-	(1,182)	(71)	(1,225)
Provision written back/(recognised) on trade and other debtors, net	1,497	-	-	(6,187)	-	(309)	(4,999)

Inter-segment revenue is charged at prices determined by management with reference to market prices.

各分類之間收入之價格由管理層依據市場價格釐定。

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6 SEGMENT INFORMATION (CONTINUED)

(a) Revenue and results (continued)

Total segment revenue are reconciled to the Group's revenue in the consolidated income statement as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Total segment revenue	總分類收入	8,906,974	9,563,289
Add: Proportionate revenue from a joint venture eliminated	加：已對銷來自一間合營企業之按比例收入	84,791	74,387
Less: Share of revenue of associates and joint ventures	減：所佔聯營公司及合營企業收入		
Construction and installation contracts	建築及安裝合約	1,149,497	1,086,836
Sales of motor vehicles and others	汽車及其他之銷售	469,090	467,672
Maintenance and other services	保養及其他服務	608,765	570,573
Food and beverage	餐飲	107,246	151,053
Hotel operations	酒店營運	28,273	36,518
Sales and leasing of properties	物業銷售及租賃	247,632	432,310
		2,610,503	2,744,962
Total revenue in the consolidated income statement (note 7)	於綜合收益表之總收入(附註7)	6,381,262	6,892,714

Reconciliation of segment profit to profit before taxation is provided as follows:

6 分類資料(續)

(a) 收入及業績(續)

總分類收入與本集團於綜合收益表內之收入對賬如下：

分類溢利與除稅前溢利之對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Segment profit	分類溢利	746,590	962,096
Unallocated corporate expenses	未分配企業支出	(50,271)	(42,191)
Finance income	財務收入	60,167	43,216
Finance costs	財務費用	(113,345)	(123,239)
Profit before taxation	除稅前溢利	643,141	839,882

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6 SEGMENT INFORMATION (CONTINUED)

6 分類資料(續)

(b) Assets and liabilities

(b) 資產及負債

		Construction and engineering 建築及機械工程 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Property development and operations 物業發展及營運 HK\$'000 港幣千元	Healthcare investment 保健護理投資 HK\$'000 港幣千元	Car dealership 汽車代理 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 31 March 2020	於二零二零年三月三十一日							
ASSETS	資產							
Segment assets	分類資產	1,570,790	3,758,183	4,952,662	2,687,648	987,132	1,554,749	15,511,164
Included in segment assets are:	分類資產包括：							
Interests in associates	聯營公司之權益	475,744	-	-	-	-	22,008	497,752
Interests in joint ventures	合營企業之權益	13,455	-	334,801	608,849	76,693	-	1,033,798
Amounts due from associates	應收聯營公司賬款	19,584	-	-	-	-	1,387	20,971
Amount due from a joint venture	應收一間合營企業賬款	-	-	46,694	-	-	-	46,694
Additions to non-current assets (note)	添置非流動資產(附註)	4,939	769	47,564	43,681	128,759	2,851	228,563
LIABILITIES	負債							
Segment liabilities	分類負債	1,714,398	37,594	420,305	405,145	419,563	545,206	3,542,211
Included in segment liabilities are:	分類負債包括：							
Amounts due to joint ventures	應付合營企業賬款	-	-	5,869	-	181	-	6,050
At 31 March 2019	於二零一九年三月三十一日							
ASSETS	資產							
Segment assets	分類資產	1,584,159	4,295,194	5,521,114	2,806,904	1,015,704	1,456,845	16,679,920
Included in segment assets are:	分類資產包括：							
Interests in associates	聯營公司之權益	431,656	-	1,381	-	-	41,415	474,452
Interests in joint ventures	合營企業之權益	12,506	-	516,578	651,060	78,174	-	1,258,318
Amounts due from associates	應收聯營公司賬款	17,684	-	-	-	-	687	18,371
Amounts due from joint ventures	應收合營企業賬款	50	-	6	-	-	-	56
Additions to non-current assets (note)	添置非流動資產(附註)	13,885	1,077	522,450	551,615	21,475	9,929	1,120,431
LIABILITIES	負債							
Segment liabilities	分類負債	1,615,001	68,067	462,093	223,650	403,534	460,688	3,233,033
Included in segment liabilities are:	分類負債包括：							
Amounts due to joint ventures	應付合營企業賬款	-	-	6,299	-	191	-	6,490

Note:

In this analysis, the non-current assets exclude financial instruments (including interests in associates and joint ventures) and deferred tax assets.

附註：

在本分析中，非流動資產不包括財務工具(包括所佔聯營公司及合營企業之權益)及遞延稅項資產。

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6 SEGMENT INFORMATION (CONTINUED)

(b) Assets and liabilities (continued)

Note: (continued)

Reconciliation of segment assets and liabilities to total assets and liabilities is provided as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Segment assets	分類資產	15,511,164	16,679,920
Prepaid tax	預付稅項	31,221	23,069
Unallocated bank balances and cash	未分配銀行結存及現金	1,442,401	351,116
Deferred tax assets	遞延稅項資產	45,102	29,916
Other unallocated assets	其他未分配資產	9,330	9,330
Total assets	總資產	17,039,218	17,093,351
Segment liabilities	分類負債	3,542,211	3,233,033
Current income tax liabilities	當期所得稅負債	54,980	66,276
Bank and other borrowings	銀行及其他借款	3,368,067	3,740,210
Deferred tax liabilities	遞延稅項負債	340,885	362,864
Other unallocated liabilities	其他未分配負債	50,004	48,895
Total liabilities	總負債	7,356,147	7,451,278

(c) Geographical information

The Group's operations in construction and engineering businesses are mainly carried out in Hong Kong, Mainland China, Macau and Australia. Property investment businesses are mainly carried out in Hong Kong, Mainland China, Canada and Singapore. Property development and operations businesses are mainly carried out in Hong Kong, Mainland China and Canada. Healthcare investment businesses are carried out in Hong Kong and the US. Car dealership businesses are carried out in Mainland China and Canada. Other businesses are mainly carried out in Hong Kong, the US and Thailand.

The associates' and joint ventures' operations in construction and engineering business are mainly carried out in Hong Kong, Mainland China, Singapore and Macau. Property development and operations businesses are mainly carried out in Hong Kong and Mainland China. Healthcare investment businesses are carried out in the US. Car dealership businesses are carried out in Mainland China. Other businesses are mainly carried out in Hong Kong, Macau and Australia.

6 分類資料(續)

(b) 資產及負債(續)

附註：(續)

分類資產及負債與總資產及負債之對賬如下：

(c) 地區資料

本集團建築及機械工程業務主要在香港、中國內地、澳門及澳洲運作。物業投資業務主要在香港、中國內地、加拿大及新加坡運作。物業發展及營運業務主要在香港、中國內地及加拿大運作。保健護理投資業務在香港及美國運作。汽車代理業務在中國內地及加拿大運作。其他業務則主要在香港、美國及泰國運作。

聯營公司及合營企業之建築及機械工程業務主要在香港、中國內地、新加坡及澳門運作。物業發展及營運業務主要在香港及中國內地運作。保健護理投資業務在美國運作。汽車代理業務在中國內地運作。其他業務則主要在香港、澳門及澳洲運作。

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6 SEGMENT INFORMATION (CONTINUED)

6 分類資料(續)

(c) Geographical information (continued)

(c) 地區資料(續)

		Segment revenue by geographical areas 按地區劃分之分類收入							
		Company and subsidiaries 本公司及 附屬公司 HK\$'000 港幣千元	Associates and joint ventures 聯營公司及 合營企業 HK\$'000 港幣千元	2020 Total 二零二零年 總額 HK\$'000 港幣千元	%	Company and subsidiaries 本公司及 附屬公司 HK\$'000 港幣千元	Associates and joint ventures 聯營公司及 合營企業 HK\$'000 港幣千元	2019 Total 二零一九年 總額 HK\$'000 港幣千元	%
Hong Kong	香港	2,370,541	673,503 ¹	3,044,044	34	2,809,371	905,084 ¹	3,714,455	39
Mainland China	中國內地	1,678,613	1,330,830	3,009,443	34	2,115,216	1,284,521	3,399,737	36
The US	美國	1,089,123	119,360	1,208,483	14	981,846	122,669	1,104,515	11
Macau	澳門	746,771	13,628	760,399	8	418,897	34,261	453,158	5
Canada	加拿大	386,442	-	386,442	4	390,443	-	390,443	4
Singapore	新加坡	12,370	342,341	354,711	4	12,101	295,666	307,767	3
Australia	澳洲	40,111	25,914	66,025	1	110,968	27,938	138,906	1
Thailand	泰國	57,291	-	57,291	1	53,872	-	53,872	1
Others	其他	-	20,136	20,136	-	-	436	436	-
		6,381,262	2,525,712	8,906,974	100	6,892,714	2,670,575	9,563,289	100

¹ The proportionate revenue from a joint venture is eliminated.

¹ 來自一間合營企業之按比例收入對銷。

The Group maintains a healthy and balanced portfolio of customers. No customer is accounted for 10% or more of the total revenue of the Group for the years ended 31 March 2020 and 2019.

本集團保持健康及平衡之客戶組合。並無客戶佔本集團截至二零二零年及二零一九年三月三十一日止年度總收入10%或以上。

The following is an analysis of the carrying amounts of non-current assets other than financial instruments (including interests in associates and joint ventures) and deferred tax assets analysed by geographical areas:

以下為除財務工具(包括所佔聯營公司及合營企業之權益)及遞延稅項資產以外按地區劃分之非流動資產賬面值分析:

		Non-current assets 非流動資產	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Hong Kong	香港	3,191,789	3,462,181
Mainland China	中國內地	2,065,937	1,988,859
The US	美國	1,743,642	2,021,488
Singapore	新加坡	424,834	475,082
Canada	加拿大	207,085	215,542
Macau	澳門	48,067	48,814
Thailand	泰國	8,019	8,171
Others	其他	122	348
		7,689,495	8,220,485

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6 SEGMENT INFORMATION (CONTINUED)

(d) Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

		31 March 2020 二零二零年 三月三十一日 HK\$'000 港幣千元	31 March 2019 二零一九年 四月一日 HK\$'000 港幣千元
Contract assets	合約資產		
– construction and engineering	– 建築及機械工程	79,635	61,702
Contract liabilities	合約負債		
– construction and engineering	– 建築及機械工程	33,310	5,075
– property development and operations	– 物業發展及營運	156,351	43,809
– healthcare investment	– 保健護理投資	5,699	5,700
– car dealership	– 汽車代理	26,040	24,804
– others	– 其他	11,994	18,043
		233,394	97,431

Contract assets have increased as the Group has performed more construction and engineering works ahead of the certified progress by customers and/or their consultants.

Contract liabilities from property development and operations have increased due to more pre-sale of residential properties in Changchun.

(e) Revenue recognised in relation to contract liabilities

The following table shows the amount of the revenue recognised in the current reporting period relates to contract liability balance at the beginning of the year and the amount relates to performance obligations that were satisfied in previous period:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue recognised that was included in the contract liability balance at the beginning of the year	計入年初合約負債餘額之已確認收入		
– construction and engineering	– 建築及機械工程	4,063	6,015
– property development and operations	– 物業發展及營運	36,479	67,413
– healthcare investment	– 保健護理投資	5,012	4,166
– car dealership	– 汽車代理	24,804	24,008
– others	– 其他	17,318	10,732
		87,676	112,334
Revenue recognised from performance obligations satisfied/partially satisfied in previous period	來自於過往期間履行/部分履行的履約責任之已確認收入		
– construction and engineering	– 建築及機械工程	175,346	57,140

6 分類資料(續)

(d) 與客戶合約有關的資產及負債

本集團確認以下與客戶合約有關的資產及負債：

合約資產增加是由於本集團於客戶及/或彼等顧問的認證進度前執行較多建築及機械工程。

來自物業發展及營運之合約負債增加是由於長春的住宅物業預售較多。

(e) 就合約負債之已確認收入

下表載列於本報告期內已確認收入與年初合約負債餘額相關的金額及與於過往期間履行的履約責任相關的金額：

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6 SEGMENT INFORMATION (CONTINUED)

(f) Unsatisfied performance obligations

The following table shows the amount unsatisfied performance obligations resulting from construction and engineering for contracts with an original expected duration of one year or more:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Expected to be recognised within one year	預期於一年內確認	3,540,139	3,348,254
Expected to be recognised after one year	預期於一年後確認	915,221	2,536,307
		4,455,360	5,884,561

For all other contracts with an original expected duration of one year or less or are billed based on time incurred, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

6 分類資料(續)

(f) 尚未履行的履約責任

下表載列原預定期限為一年期或以上的合約中建築及機械工程產生的尚未履行履約責任的金額：

原預定期限為一年期或一年以內的所有其他合約或根據發生時間所收取的款項，根據香港財務報告準則第15號，分配至該類未完成合約的交易價格可不作披露。

(g) Assets recognised from costs to fulfill a contract

As at 31 March 2020 and 31 March 2019, there is no asset recognised from costs to fulfill a contract.

(g) 為完成合約而自成本確認之資產

於二零二零年三月三十一日及二零一九年三月三十一日，並無為完成合約而自成本確認之資產。

7 REVENUE

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue represents amounts received and receivable from:	收入指來自以下各項之已收及應收款項：		
Construction and installation contracts	建築及安裝合約	2,258,602	2,505,795
Sale of information technology equipment, motor vehicles and others	資訊科技設備、汽車及其他之銷售	1,970,771	2,233,628
Senior housing operations	安老院舍營運	844,970	743,018
Sales and leasing of properties	物業銷售及租賃	284,748	437,519
Warehouse and logistics services	倉庫及物流服務	377,819	372,176
Maintenance and property management services	保養及物業管理服務	401,017	392,207
Hotel operations	酒店營運	50,485	50,146
Insurance premium	保險費	159,535	133,413
Interest income from investments	來自投資之利息收入	16,633	13,040
Dividend income from investments	來自投資之股息收入	4,720	2,555
Leasing of vehicles and equipment	汽車及設備租賃	11,962	9,217
Total revenue (note 6)	總收入(附註6)	6,381,262	6,892,714

7 收入

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8 OTHER INCOME, NET

8 其他收入，淨額

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
(Loss)/gain on investments at fair value through profit or loss	按公允值列入損益處理之投資的(虧損)/收益	(32,357)	887
Gain/(loss) on derivative financial instruments	衍生財務工具之收益/(虧損)	224	(590)
Sales and marketing services income from an associate (note 46)	來自一間聯營公司之銷售及市場推廣服務收入(附註46)	33,922	31,901
Management fee income from an associate and joint ventures (note 46)	來自一間聯營公司及合營企業之管理費收入(附註46)	21,308	22,936
Other investment gain	其他投資收益	-	2,263
Others	其他	22,770	10,930
		45,867	68,327

9 OTHER (LOSSES)/GAINS, NET

9 其他(虧損)/收益，淨額

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
(Decrease)/increase in fair value of investment properties (note 15)	投資物業之公允值(減少)/增加(附註15)	(24,937)	166,406
Remeasurement gain on transfer from properties for sale to investment properties (note 15)	由待售物業轉為投資物業之重新計量收益(附註15)	-	25,838
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	(6,654)	105
Loss on disposal of investment property	出售投資物業之虧損	(320)	-
Provision recognised on trade and other debtors	已確認貿易及其他應收賬款之撥備	(9,155)	(4,999)
Loss on disposal of an associate	出售一間聯營公司之虧損	(1,119)	-
Impairment loss on properties for sale	待售物業的減值虧損	(10,304)	-
Impairment loss on goodwill (note 17)	商譽之減值虧損(附註17)	(4,381)	-
Exchange gain/(loss)	匯兌收益/(虧損)	8,885	(4,950)
		(47,985)	182,400

Gain on disposals of subsidiaries

出售附屬公司收益

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Gain on disposals of	出售下列各項之收益		
- Moon Colour Group (note 39(b)(ii))	- Moon Colour集團(附註39(b)(ii))	166,747	-
- New Rise (note 39(b)(iii))	- 新升(附註39(b)(iii))	38,680	-
- Jumbo Rainbow Group (note 39(b)(iv))	- Jumbo Rainbow集團(附註39(b)(iv))	74,251	-
- other subsidiaries	- 其他附屬公司	-	231
		279,678	231

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10 FINANCE COSTS, NET

10 財務費用，淨額

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest expenses on lease liabilities, bank overdrafts and bank and other borrowings	租賃負債、銀行透支及銀行及其他借款的利息支出	153,900	142,500
Less: Amounts capitalised to properties under development (note)	減：撥作發展中物業之金額(附註)	(40,555)	(19,261)
		113,345	123,239
Less: Interest income from bank deposits, a joint venture and an associate	減：一間合營企業及一間聯營公司來自銀行存款的利息收入	(60,167)	(43,216)
		53,178	80,023

Note:

The capitalisation rate applied to funds borrowed and used for the development of properties was between 2.58% and 3.72% per annum (2019: between 1.6% and 3.0% per annum).

附註：

應用於從借款得來並用作物業發展之資金的資本化年率介乎2.58%至3.72% (二零一九年：年率介乎1.6%至3.0%)。

11 PROFIT BEFORE TAXATION

11 除稅前溢利

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Profit before taxation has been arrived at after charging/(crediting) the following:	除稅前溢利已扣除/(計入)下列項目：		
Depreciation of property, plant and equipment (note 16)	物業、廠房及設備之折舊(附註16)	166,869	137,290
Less: Amounts capitalised to contract work	減：撥作合約工程之金額	(3,026)	(2,002)
		163,843	135,288
Staff costs (note a)	員工開支(附註a)	1,258,343	1,148,752
Less: Amounts capitalised to contract work	減：撥作合約工程之金額	(206,070)	(186,154)
		1,052,273	962,598
Short term lease payments in respect of leasing of	租賃以下項目之短期租賃款項		
– premises (note b)	– 樓宇(附註b)	7,010	15,108
– equipment	– 設備	2,354	2,832
		9,364	17,940
Auditors' remuneration	核數師酬金		
– audit services	– 核數服務	15,384	14,115
– non-audit services	– 非核數服務	2,617	4,314
– under-provision in prior years	– 過往年度撥備不足	728	470
		18,729	18,899
Amortisation of other intangible assets (note 18)	其他無形資產攤銷(附註18)	26,898	18,985
Provision for inventories to net realisable value, net	存貨撥備至可變現淨值，淨額	2,642	1,225
Provision recognised on trade and other debtors, net	已確認貿易及其他應收賬款之撥備，淨額	9,155	4,999
Gross rental income of HK\$155,448,000 (2019: HK\$156,322,000) from properties less direct operating expenses (note c)	物業租金總收入港幣155,448,000元(二零一九年：港幣156,322,000元)減直接經營支出(附註c)	(130,854)	(134,479)

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11 PROFIT BEFORE TAXATION (CONTINUED)

Notes:

- (a) Details of Directors' emoluments included in staff costs are disclosed in note 41 to the consolidated financial statements.

Included in staff costs are amounts of HK\$836,000 (2019: HK\$1,244,000) in respect of termination benefits made to staff and HK\$29,671,000 (2019: HK\$35,509,000) in respect of contributions to defined contribution retirement benefit schemes, net of forfeited contributions.

- (b) For the year ended 31 March 2020, no contingent rental is included in operating lease payments in respect of leasing of premises.
- (c) Included in rental income is an amount of HK\$6,249,000 (2019: HK\$6,802,000) less outgoings of HK\$967,000 (2019: HK\$895,000) from a joint operation. Included in rental income is a gross amount of HK\$147,710,000 (2019: HK\$147,924,000) derived from investment properties less direct operating expenses of HK\$24,349,000 (2019: HK\$21,638,000).

11 除稅前溢利(續)

附註：

- (a) 董事酬金已包括在員工開支內，其詳情在綜合財務報表附註41中披露。

員工開支包括向員工作出之僱用終止福利港幣836,000元(二零一九年：港幣1,244,000元)及已扣除已沒收供款之界定供款退休福利計劃供款港幣29,671,000元(二零一九年：港幣35,509,000元)。

- (b) 截至二零二零年三月三十一日止年度，租賃樓宇之營運租賃費用不包括或然租金。
- (c) 租金收入包括從一間合營經營收取之租金港幣6,249,000元(二零一九年：港幣6,802,000元)減支出港幣967,000元(二零一九年：港幣895,000元)。租金收入包括來自投資物業之總租金收入港幣147,710,000元(二零一九年：港幣147,924,000元)減直接經營支出港幣23,349,000元(二零一九年：港幣21,638,000元)。

12 TAXATION

12 稅項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current tax	本年度稅項		
Hong Kong	香港	49,885	52,552
Mainland China	中國內地	25,205	20,046
Overseas	海外	23,342	25,926
Over provision in prior years	過往年度超額撥備	(1,129)	(8,366)
		97,303	90,158
Deferred tax	遞延稅項		
Origination and reversal of temporary differences (note 38)	暫時性差異之產生及回撥(附註38)	(21,602)	50,322
		75,701	140,480

Hong Kong profits tax is calculated at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits. Taxation on Mainland China and overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

Details of deferred taxation are disclosed in note 38 to the consolidated financial statements.

香港利得稅乃就估計應課稅溢利按稅率16.5%(二零一九年：16.5%)計算。中國內地及海外溢利課稅乃按年內估計應課稅溢利依本集團經營業務所在國家之現行稅率計算。

遞延稅項之詳情於綜合財務報表附註38內披露。

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12 TAXATION (CONTINUED)

Taxation for the year can be reconciled to the profit before taxation per consolidated income statement as follows:

12 稅項 (續)

綜合收益表內除稅前溢利與本年度稅項之對銷如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit before taxation	除稅前溢利	643,141	839,882
Adjusted for:	調整：		
Share of results of associates	所佔聯營公司業績	(150,965)	(125,003)
Share of results of joint ventures	所佔合營企業業績	(840)	(171,448)
		491,336	543,431
Tax at the domestic income tax rate of 16.5% (2019: 16.5%)	按本地所得稅稅率 16.5% (二零一九年：16.5%) 計算之稅項	81,070	89,666
Effect of different tax rates on subsidiaries operating in other jurisdictions	在其他司法管轄區經營之附屬公司因使用不同稅率之影響	(13,218)	(1,876)
Changes in applicable tax rates	相關稅率變更	(1,003)	345
Tax effect of non-deductible expenses	不可抵扣支出之稅項影響	7,154	12,798
Tax effect of non-taxable income	毋須課稅收入之稅項影響	(54,530)	(24,994)
Tax effect of tax losses not recognised	未予確認稅務虧損之稅項影響	34,834	40,609
Tax effect of deductible temporary difference not recognised	未予確認可扣減暫時性差異之稅項影響	19,865	27,515
Tax effect of utilisation of tax losses and deductible temporary difference not previously recognised	動用過往未予確認之稅務虧損及可扣減暫時性差異之稅項影響	(8,876)	(12,610)
Over-provision in prior years	過往年度超額撥備	(1,082)	(8,366)
Others	其他	11,487	17,393
Taxation for the year	年度稅項	75,701	140,480

13 EARNINGS PER SHARE

The earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year ended 31 March 2020.

13 每股盈利

每股盈利乃根據本公司股東應佔溢利除以截至二零二零年三月三十一日止年度內已發行普通股之加權平均數計算。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit attributable to shareholders of the Company	本公司股東應佔溢利	533,081	654,561

		2020 二零二零年	2019 二零一九年
Weighted average number of ordinary shares in issue ('000 shares)	已發行普通股之加權平均數 (千股)	301,928	301,928
Basic and diluted earnings per share (HK\$)	每股基本及攤薄盈利 (港幣)	1.77	2.17

There were no potential diluted ordinary shares in existence for the years ended 31 March 2020 and 2019.

截至二零二零年及二零一九年三月三十一日止年度概無潛在攤薄普通股。

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14 DIVIDENDS

14 股息

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interim dividend of HK\$0.20 (2019: HK\$0.15) per share paid	已派中期股息每股港幣0.20元 (二零一九年：港幣0.15元)	60,386	45,289
Final dividend of HK\$0.32 (2019: HK\$0.35) per share proposed	擬派末期股息每股港幣0.32元 (二零一九年：港幣0.35元)	96,617	105,675
		157,003	150,964

Final dividend of HK\$0.32 per share totaling HK\$96,617,000 has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming annual general meeting. The amount will be reflected as an appropriation of retained profits for the year ending 31 March 2021.

董事擬派末期股息每股港幣0.32元，合共港幣96,617,000元，其須待即將召開之股東週年大會上獲股東批准後，方可作實。金額將於截至二零二零年三月三十一日止年度列作保留溢利之分派。

15 INVESTMENT PROPERTIES

15 投資物業

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	年初	3,769,835	3,791,245
Exchange realignment	匯兌調整	(107,863)	(90,127)
Disposal of a subsidiary	出售一間附屬公司	(205,000)	–
Disposal	出售	(611)	–
Addition	添置	470	–
Transfer from properties for sale	轉撥自待售物業	–	21,037
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	–	1,436
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註47)	–	(146,000)
(Decrease)/increase in fair value (note 9)	公允值(減少)/增加(附註9)	(24,937)	166,406
Remeasurement gain on transfer from properties for sale to investment properties (note 9)	由待售物業轉為投資物業之重新計量收益(附註9)	–	25,838
At end of the year	年末	3,431,894	3,769,835

The Group's investment properties at their carrying values are analysed as follows:

本集團之投資物業按賬面值之分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Hong Kong	香港		
On long-term leases (over 50 years)	長期租約(五十年以上)	–	205,000
On medium-term leases (10 to 50 years)	中期租約(十至五十年)	1,864,476	1,864,477
Mainland China and overseas	中國內地及海外		
Freehold	永久業權	505,747	562,329
On long-term leases (over 50 years)	長期租約(五十年以上)	969,337	1,038,918
On medium-term leases (10 to 50 years)	中期租約(十至五十年)	92,334	99,111
		3,431,894	3,769,835

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15 INVESTMENT PROPERTIES (CONTINUED)

Notes:

- (a) The fair value of the Group's investment properties in Hong Kong, Mainland China and overseas as at 31 March 2020 had been arrived at on the basis of valuation carried out on that date by CHFT Advisory and Appraisal Limited, which is an independent firm of qualified valuers having appropriate qualifications and experience in the valuation of properties in the relevant locations. The valuation, which conforms to the HKIS Valuation Standards on Properties published by HKIS, was arrived at with reference to market evidence of transaction prices of similar properties or calculated on the net income allowing for reversionary potential. For all investment properties, their current use equates to the highest and best use.
- (b) Investment properties in Hong Kong with a total carrying value of HK\$67,667,000 (2019: HK\$67,667,000) represented the Group's share of interest in a joint operation.
- (c) Charges were created on the investment properties with a total carrying value of HK\$1,293,580,000 (2019: HK\$1,521,169,000) for the purpose of securing banking facilities granted to the Group.
- (d) Valuation of investment properties

The following table presents the changes in level 3 fair value hierarchy of investment properties for the years ended 31 March 2020 and 2019:

		Commercial properties			Residential properties		Industrial properties		Total 總計
		商用物業			住宅物業		工業物業		
		Mainland			Mainland				
		Hong Kong	China	Overseas	Hong Kong	China	Hong Kong	Overseas	
香港	中國內地	海外	香港	中國內地	香港	海外			
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
At 1 April 2019	於二零一九年四月一日	463,117	71,861	36,455	244,315	1,028,242	1,362,046	563,799	3,769,835
Exchange realignment	匯兌調整	-	(4,913)	(2,294)	-	(70,307)	-	(30,349)	(107,863)
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	(205,000)	-	(205,000)
Disposal	出售	-	-	-	-	-	-	(611)	(611)
Addition	添置	-	-	-	-	-	-	470	470
Decrease in fair value (note 9)	公允價值減少(附註9)	-	-	-	-	-	-	(24,937)	(24,937)
At 31 March 2020	於二零二零年三月三十一日	<u>463,117</u>	<u>66,948</u>	<u>34,161</u>	<u>244,315</u>	<u>957,935</u>	<u>1,157,046</u>	<u>508,372</u>	<u>3,431,894</u>

		Commercial properties			Residential properties		Industrial properties		Total 總計
		商用物業			住宅物業		工業物業		
		Mainland			Mainland				
		Hong Kong	China	Overseas	Hong Kong	China	Hong Kong	Overseas	
香港	中國內地	海外	香港	中國內地	香港	海外			
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
At 1 April 2018	於二零一八年四月一日	453,127	28,250	34,290	232,270	1,060,887	1,439,685	542,736	3,791,245
Exchange realignment	匯兌調整	-	(4,808)	(1,178)	-	(67,897)	-	(16,244)	(90,127)
Transfer from properties for sale	轉撥自待售物業	-	21,037	-	-	-	-	-	21,037
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	-	-	-	-	-	1,436	-	1,436
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註47)	-	-	-	-	-	(146,000)	-	(146,000)
Increase in fair value (note 9)	公允價值增加(附註9)	9,990	1,544	3,343	12,045	35,252	66,925	37,307	166,406
Remeasurement gain on transfer from properties for sale to investment properties (note 9)	由待售物業轉為投資物業之重新計量收益(附註9)	-	25,838	-	-	-	-	-	25,838
At 31 March 2019	於二零一九年三月三十一日	<u>463,117</u>	<u>71,861</u>	<u>36,455</u>	<u>244,315</u>	<u>1,028,242</u>	<u>1,362,046</u>	<u>563,799</u>	<u>3,769,835</u>

15 投資物業(續)

附註：

- (a) 本集團位於香港、中國內地及海外之投資物業於二零二零年三月三十一日之公允價值乃根據由華坊諮詢評估有限公司(此為獨立合資格評估師行，並於有關地區擁有進行物業估值之合適資格及經驗)按該天進行之估值為基準而得出。該估值乃遵守香港測量師學會所頒佈之香港測量師學會物業估值準則並已參照市場上類似物業之交易價得出，或按收入淨額計算，並計及發展潛力。就所有投資物業而言，其目前用途等於其最高和最佳用途。
- (b) 位於香港之投資物業之賬面總值港幣67,667,000元(二零一九年：港幣67,667,000元)為本集團所佔一間合營經營之權益。
- (c) 賬面總值港幣1,293,580,000元(二零一九年：港幣1,521,169,000元)之投資物業已作抵押，作為授予本集團銀行信貸之擔保。
- (d) 投資物業之估值

下表載列第三級公允價值架構的投資物業截至二零二零年及二零一九年三月三十一日止年度之變動：

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15 INVESTMENT PROPERTIES (CONTINUED)

Notes: (continued)

(d) (continued)

The Group includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes and reports directly to the senior management. Discussions of valuation processes and results are held between the senior management and valuers at least once every six months, in line with the Group's interim and annual reporting dates.

At the end of each reporting period, the Group:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussions with the independent valuers.

Fair values of commercial, residential and industrial properties in Hong Kong, Mainland China and overseas are generally derived using the direct comparison method and wherever appropriate, by the income capitalisation method. Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration. Income capitalisation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to recent lettings, within the subject properties and other comparable properties.

There were no changes to the valuation techniques during the year.

Significant unobservable inputs used to determine fair values

Prevailing market rents are estimated based on recent lettings for investment properties, within the subject properties and other comparable properties. The lower the rents, the lower the fair values.

Prevailing market rents used in the income capitalisation method:

		2020 二零二零年	2019 二零一九年
Residential properties – Mainland China (per square meter ("sq. m.") per month)	住宅物業 – 中國內地 (每月每平方米「平方米」)	HK\$148 to HK\$872 港幣 148 元 至港幣 872 元	HK\$154 to HK\$911 港幣 154 元至 港幣 911 元
Commercial properties – Overseas (per square feet ("sq. ft.") per month)	商用物業 – 海外 (每月每平方呎「平方呎」)	N/A 不適用	HK\$33 港幣 33 元

Capitalisation rates are estimated by valuers based on the risk profile of the investment properties being valued. The higher the rates, the lower the fair values.

Capitalisation rates used in the income capitalisation method:

		2020 二零二零年	2019 二零一九年
Residential properties – Mainland China	住宅物業 – 中國內地	2.0% to 6.0%	2.0% to 6.0%
Commercial properties – Overseas	商用物業 – 海外	N/A 不適用	6%

Comparing price per sq. ft. or per sq. m. with other recently transacted comparable properties formed the inputs under direct comparison method, which is in average of approximately amounted to HK\$10,100 per sq. ft., HK\$18,800 per sq. m., HK\$15,000 per sq. ft. and HK\$6,100 per sq. ft. (2019: HK\$10,100 per sq. ft., HK\$18,800 per sq. m., HK\$15,000 per sq. ft. and HK\$6,100 per sq. ft.) for commercial properties in Hong Kong and Mainland China, residential properties in Hong Kong and industrial properties in Hong Kong respectively as at 31 March 2020.

15 投資物業 (續)

附註：(續)

(d) (續)

本集團包含審閱由獨立評估師就財務報告目的所作估值之團隊，且該團隊直接向高級管理人員報告。高級管理人員至少每六個月(與本集團中期及年度報告日期一致)與評估師進行一次估值過程及結果討論。

於各報告期末，本集團：

- 核實對獨立估值報告的所有重大輸入數據；
- 評估物業估值與上年度估值報告比較下的變動；及
- 與獨立評估師進行討論。

香港、中國內地及海外商用、住宅及工業物業之公允值一般採用直接比較法，及於適時採用收益資本化方法計算得出。直接比較法乃基於將要估值之物業與最近曾交易之其他可供比較物業作直接比較。然而，鑑於房地產物業之多樣化性質，通常須就任何可能影響在審議中的物業所達之價格的質素差異作出適當調整。收益資本化法乃基於通過採用適當之資本化率，將收入淨額及收入復歸潛力予以資本化，而資本化率乃通過對銷售交易之分析和評估師對當時投資者之要求或期望的理解而得出。在估值中採用之現行市場租金乃根據對該物業及其他可供比較物業之近期出租情況而釐定。

估值方法於年內並無變動。

釐定公允值所用之重大不可觀察輸入數據

現行市場租金乃基於投資物業，於接受估值的物業及其他可供比較物業內之最近期出租情況估計。租金越低，則公允值越低。

採用收益資本化方法的現行市場租金：

		2020 二零二零年	2019 二零一九年
Residential properties – Mainland China (per square meter ("sq. m.") per month)	住宅物業 – 中國內地 (每月每平方米「平方米」)	HK\$148 to HK\$872 港幣 148 元 至港幣 872 元	HK\$154 to HK\$911 港幣 154 元至 港幣 911 元
Commercial properties – Overseas (per square feet ("sq. ft.") per month)	商用物業 – 海外 (每月每平方呎「平方呎」)	N/A 不適用	HK\$33 港幣 33 元

資本化率乃由評估師基於所估值之投資物業之風險狀況估計。比率越高，則公允值越低。

採用收益資本化方法的資本化率：

		2020 二零二零年	2019 二零一九年
Residential properties – Mainland China	住宅物業 – 中國內地	2.0% to 6.0%	2.0% to 6.0%
Commercial properties – Overseas	商用物業 – 海外	N/A 不適用	6%

對比其他可比較物業的每平方呎或每平方米近期交易價格構成直接比較法下的輸入數據，於二零二零年三月三十一日香港及中國內地商用物業、香港住宅物業及香港工業物業之價格平均值分別約為每平方呎港幣 10,100 元、每平方呎港幣 18,800 元、每平方呎港幣 15,000 元及每平方呎港幣 6,100 元(二零一九年：每平方呎港幣 10,100 元、每平方呎港幣 18,800 元、每平方呎港幣 15,000 元及每平方呎港幣 6,100 元)。

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16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Cold storage warehouse	Hotel properties	Other properties	Staff quarters	Plant, machinery and equipment	Furniture, fixtures, office equipment and motor vehicles	Right-of-use assets	Total
		冷藏貨倉	酒店物業	其他物業	員工宿舍	廠房、機器 及設備	傢俬、裝置、 辦公室設備 及汽車	使用權資產	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
					(note c)				(附註 c)
Cost or valuation	成本或估值								
At 31 March 2018	於二零一八年三月三十一日	239,038	147,932	2,693,280	5,300	123,023	387,983	-	3,596,556
Exchange realignment	匯兌調整	-	(4,257)	(26,204)	-	(3,613)	(4,340)	-	(38,414)
Acquisition of senior housing properties (note 39(b)(i))	收購安老院舍物業 (附註 39(b)(i))	-	-	445,351	-	-	13,289	-	458,640
Acquisition of subsidiaries	收購附屬公司	-	-	44	-	-	-	-	44
Additions	添置	-	116	14,306	-	19,720	60,594	-	94,736
Disposals	出售	-	-	(75)	-	(26,878)	(12,342)	-	(39,295)
Reclassifications	重新分類	-	-	(1,515)	-	-	(31)	-	(1,546)
Change in fair value	公允價值變動	-	-	1,287	160	-	-	-	1,447
		239,038	143,791	3,126,474	5,460	112,252	445,153	-	4,072,168
At 31 March 2019	於二零一九年三月三十一日								
Impact on initial adoption of HKFRS 16	首次採納香港財務 報告準則第 16 號 之影響	(176,889)	(7,927)	(1,425,910)	(5,460)	(243)	(2,717)	1,679,025	59,879
		62,149	135,864	1,700,564	-	112,009	442,436	1,679,025	4,132,047
Restated at 1 April 2019	於二零一九年四月一日經重列								
Exchange realignment	匯兌調整	-	(7,884)	(30,390)	-	(7,781)	(3,250)	(23,585)	(72,890)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	(54)	-	(54)
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	-	1,322	-	-	1,322
Additions	添置	-	72	15,883	-	13,361	91,578	56,758	177,652
Disposals	出售	-	-	(26,462)	-	(19,190)	(29,873)	-	(75,525)
Reclassifications	重新分類	-	-	-	-	(10,267)	10,267	-	-
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註 47)	-	-	(135,485)	-	77	(37,740)	-	(173,148)
Change in fair value	公允價值變動	-	-	-	-	-	-	(50)	(50)
		62,149	128,052	1,524,110	-	89,531	473,364	1,712,148	3,989,354
At 31 March 2020	於二零二零年三月三十一日								

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16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

16 物業、廠房及設備(續)

		Cold storage warehouse	Hotel properties	Other properties	Staff quarters	Plant, machinery and equipment	Furniture, fixtures, office equipment and motor vehicles	Right-of-use assets	Total
		冷藏貨倉	酒店物業	其他物業	員工宿舍	廠房、機器 及設備	傢俬、裝置、 辦公室設備 及汽車	使用權資產	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
					(note c)				(附註 c)
Accumulated depreciation and impairment	累計折舊及減值								
At 31 March 2018	於二零一八年三月三十一日	99,020	65,522	288,906	-	69,788	288,582	-	811,818
Exchange realignment	匯兌調整	-	(1,608)	(2,009)	-	(954)	(2,593)	-	(7,164)
Charged for the year (note 11)	年度折舊(附註 11)	6,125	1,884	86,084	181	15,214	27,802	-	137,290
Disposals	出售	-	-	(75)	-	(22,394)	(8,343)	-	(30,812)
Reclassifications	重新分類	-	-	(79)	-	-	(29)	-	(108)
Change in fair value	公允價值變動	-	-	-	(181)	-	-	-	(181)
		<u>105,145</u>	<u>65,798</u>	<u>372,827</u>	<u>-</u>	<u>61,654</u>	<u>305,419</u>	<u>-</u>	<u>910,843</u>
At 31 March 2019	於二零一九年三月三十一日								
Impact on initial adoption of HKFRS16	首次採納香港財務 報告準則第 16 號 之影響	(77,807)	(7,564)	(183,988)	-	(191)	(1,030)	254,072	(16,508)
		<u>27,338</u>	<u>58,234</u>	<u>188,839</u>	<u>-</u>	<u>61,463</u>	<u>304,389</u>	<u>254,072</u>	<u>894,335</u>
Restated at 1 April 2019	於二零一九年四月一日經重列								
Exchange realignment	匯兌調整	-	(3,356)	(4,267)	-	(4,845)	(6,170)	(2,567)	(21,205)
Charged for the year (note 11)	年度折舊(附註 11)	3,238	1,796	49,134	-	10,005	40,726	61,970	166,869
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	(8)	-	(8)
Disposals	出售	-	-	(996)	-	(10,414)	(24,332)	-	(35,742)
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註 47)	-	-	(22,138)	-	-	(27,018)	-	(49,156)
Reclassifications	重新分類	-	-	-	-	(6,010)	6,010	-	-
Change in fair value	公允價值變動	-	-	-	-	-	-	(193)	(193)
		<u>30,576</u>	<u>56,674</u>	<u>210,572</u>	<u>-</u>	<u>50,199</u>	<u>293,597</u>	<u>313,282</u>	<u>954,900</u>
Carrying value	賬面值								
At 31 March 2020	於二零二零年三月三十一日	<u>31,573</u>	<u>71,378</u>	<u>1,313,538</u>	<u>-</u>	<u>39,332</u>	<u>179,767</u>	<u>1,398,866</u>	<u>3,034,454</u>
At 31 March 2019	於二零一九年三月三十一日	<u>133,893</u>	<u>77,993</u>	<u>2,753,647</u>	<u>5,460</u>	<u>50,598</u>	<u>139,734</u>	<u>-</u>	<u>3,161,325</u>

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16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Notes:

(a) The carrying value of properties comprise:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Freehold land and buildings thereon	永久業權土地及建於其上之樓宇	1,164,135	1,356,114
Leasehold land and buildings thereon	租賃土地及建於其上之樓宇	1,651,220	1,614,879
		2,815,355	2,970,993

(b) Charges were created on the properties, plant and equipment with a total carrying value of HK\$1,319,599,000 (2019: HK\$1,336,947,000) for the purpose of securing banking facilities granted to the Group.

(c) Revaluation of staff quarters (and related right-of-use assets)

The Group had measured the staff quarters (and related right-of-use assets) under the revaluation model. The fair value of staff quarters (and related right-of-use assets) as at 31 March 2020 had been arrived at on the basis of valuation carried out on that date by CHFT Advisory and Appraisal Limited, which is an independent firm of qualified valuers having appropriate qualifications and experience in the valuation of properties in the relevant locations. The valuation, which conforms to the HKIS Valuation Standards on Properties published by HKIS, was arrived at with reference to market evidence of transaction prices of similar properties.

Fair value of staff quarters (and related right-of-use assets) are generally derived using the direct comparison method. Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

If the staff quarters (and related right-of-use assets) were measured under the cost model, the carrying value would be as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost	成本	165	165
Accumulated depreciation	累計折舊	(154)	(143)
Carrying value	賬面值	11	22

17 GOODWILL

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	年初	684,138	681,839
Exchange realignment	匯兌調整	(7,766)	-
Acquisition of a subsidiary	收購一間附屬公司	1,427	2,299
Impairment loss (note 9)	減值虧損(附註9)	(4,381)	-
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註47)	(29,439)	-
At end of the year	年末	643,979	684,138

Details of the impairment assessment of goodwill are disclosed in note 40 to the consolidated financial statements.

16 物業、廠房及設備(續)

附註：

(a) 物業之賬面值包括：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Freehold land and buildings thereon	1,164,135	1,356,114
Leasehold land and buildings thereon	1,651,220	1,614,879
	2,815,355	2,970,993

(b) 賬面總值港幣1,319,599,000元(二零一九年：港幣1,336,947,000元)之物業、廠房及設備已作抵押，作為授予本集團銀行信貸之擔保。

(c) 重估員工宿舍(及相關使用權資產)

本集團已按重估模式計量員工宿舍(及相關使用權資產)。員工宿舍(及相關使用權資產)於二零二零年三月三十一日之公允值乃根據華坊諮詢評估有限公司(此為獨立合資格評估師行，並於有關地區擁有進行物業估值之合適資格及經驗)於該天進行之估值而得出。該估值乃遵守香港測量師學會所頒佈之香港測量師學會物業估值準則並已參照市場上類似物業之交易價得出。

員工宿舍(及相關使用權資產)之公允值一般採用直接比較法計算得出。直接比較法乃基於將要估值之物業與最近曾交易之其他可供比較物業作直接比較。然而，鑑於房地產物業之多樣化性質，通常須就任何可能影響在審議中的物業所達之價格的質素差異作出適當調整。

倘使用成本模式計量員工宿舍(及相關使用權資產)，則賬面值如下：

17 商譽

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	684,138	681,839
Exchange realignment	(7,766)	-
Acquisition of a subsidiary	1,427	2,299
Impairment loss (note 9)	(4,381)	-
Transfer to assets held-for-sale (note 47)	(29,439)	-
At end of the year	643,979	684,138

商譽之減值評估詳情披露於綜合財務報表附註40。

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18 OTHER INTANGIBLE ASSETS

18 其他無形資產

		Roads, drainage and waterworks license 道路、渠務 及水務 工程牌照 HK\$'000 港幣千元	Cold storage and public bonded warehouse licenses 冷藏倉庫 及公眾 保稅倉牌照 HK\$'000 港幣千元	Lease-in- place 現存租賃 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Cost	成本					
At 31 March 2018	於二零一八年三月三十一日	26,534	3,000	34,805	16,113	80,452
Exchange realignment	匯兌調整	-	-	64	(283)	(219)
Acquisition of senior housing properties (note 39(b)(i))	收購安老院舍物業 (附註39(b)(i))	-	-	50,960	-	50,960
Additions	添置	-	-	-	118	118
Disposal	出售	-	-	-	(208)	(208)
		26,534	3,000	85,829	15,740	131,103
At 31 March 2019	於二零一九年三月三十一日	26,534	3,000	85,829	15,740	131,103
Exchange realignment	匯兌調整	-	-	(1,093)	(257)	(1,350)
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	123	123
Additions	添置	-	-	-	20	20
		26,534	3,000	84,736	15,626	129,896
At 31 March 2020	於二零二零年三月三十一日	26,534	3,000	84,736	15,626	129,896
Accumulated amortisation and impairment	累計攤銷及減值					
At 31 March 2018	於二零一八年三月三十一日	26,534	3,000	13,056	6,510	49,100
Exchange realignment	匯兌調整	-	-	24	(321)	(297)
Charged for the year (note 11)	年度折舊(附註11)	-	-	18,883	102	18,985
Disposal	出售	-	-	-	(206)	(206)
		26,534	3,000	31,963	6,085	67,582
At 31 March 2019	於二零一九年三月三十一日	26,534	3,000	31,963	6,085	67,582
Exchange realignment	匯兌調整	-	-	(612)	(246)	(858)
Charged for the year (note 11)	年度折舊(附註11)	-	-	26,732	166	26,898
Disposal	出售	-	-	(12)	-	(12)
		26,534	3,000	58,071	6,005	93,610
At 31 March 2020	於二零二零年三月三十一日	26,534	3,000	58,071	6,005	93,610
Carrying value	賬面值					
At 31 March 2020	於二零二零年三月三十一日	-	-	26,665	9,621	36,286
At 31 March 2019	於二零一九年三月三十一日	-	-	53,866	9,655	63,521

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18 OTHER INTANGIBLE ASSETS (CONTINUED)

Other intangible assets (other than roads, drainage and waterworks license (“License”)) are amortised on a straight-line basis over the shorter of following estimated useful lives or license period:

Cold storage and public bonded warehouse licenses	10 years
Lease-in-place	3 years

The Directors are of the opinion that the upkeep of this License is at minimal cost and the Group would renew this License continuously. This License is considered by the management of the Group as having an indefinite useful life and will not be amortised until its useful life is determined to be finite upon reassessment of its useful life annually by the management of the Group. The amount was fully provided in prior year.

The lease-in-place of senior housing business was purchased as part of business combination. The lease-in-place is considered by the management of the Group as having finite lives of 3 years. The lease-in-place will be tested for impairment whenever there is an indication that it may be impaired. Particulars of impairment testing are set out in note 40 to the consolidated financial statements.

18 其他無形資產(續)

其他無形資產(除道路、渠務及水務工程牌照(「牌照」)外)乃以直線法按下列估計可使用年期或牌照期兩者中之較短者進行攤銷:

冷藏倉庫及公眾保稅倉牌照	十年
現存租賃	三年

董事認為，重續此牌照費用相對較低，故本集團亦會將此牌照不斷更新。本集團管理層認為此牌照具有無限可使用年期，故此不會被攤銷，直至在本集團管理層就其可使用年期每年重新評估後，斷定其可使用年期有限為止。金額已於過往年度全部計提。

安老院舍業務之現存租賃乃作為業務合併一部份而購入。本集團管理層認為現存租賃之有限可使用年期為三年。現存租賃將於有跡象表明可能出現減值時進行減值測試，減值測試詳情載於綜合財務報表附註40。

19 INTERESTS IN ASSOCIATES

19 聯營公司之權益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current:	非流動：		
Interests in associates, including goodwill	聯營公司之權益，包括商譽	495,671	471,732
Amount due from an associate (note b)	應收一間聯營公司賬款(附註b)	2,081	2,720
		497,752	474,452
Current:	流動：		
Amounts due from associates (note b)	應收聯營公司賬款(附註b)	20,971	18,371

The movements in the Group's interests in associates during the year are analysed as follows:

本集團於年內所佔聯營公司之權益變動之分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	年初	471,732	468,725
Exchange realignment	匯兌調整	(14,096)	(12,051)
Disposals	出售	(1,322)	(49)
Share of results	所佔業績	150,965	125,003
Dividends	股息	(111,608)	(109,896)
At end of the year	年末	495,671	471,732

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19 INTERESTS IN ASSOCIATES (CONTINUED)

Notes:

- (a) Particulars regarding the principal associates as at 31 March 2020 were set out in note 51 to the consolidated financial statements.
- (b) Amounts due from associates are unsecured, interest-free and repayable on demand, except for the balance of HK\$3,469,000 (2019: HK\$3,407,000) which bears interest at 8% per annum.

The carrying amounts of amounts due from associates under current assets approximate their fair values.

The carrying amounts of amounts due from associates are denominated in Hong Kong dollar.

- (c) Chevalier (HK) Limited and its subsidiaries (together, "CHK Group"), Toshiba Elevator (China) Co., Ltd. ("TCE") and Toshiba Elevator (Shenyang) Co., Ltd. ("STE") which have a similar risk profile, are engaged in similar business activities and related to each other which, in the opinion of the Directors, are material to the Group. Set out below is the summarised financial information for CHK Group, TCE and STE. CHK Group, TCE and STE are engaged in the manufacturing, marketing, installation, repair and maintenance of the lift and escalator business and are accounted for using equity method.

19 聯營公司之權益(續)

附註：

- (a) 於二零二零年三月三十一日各主要聯營公司之資料已載於綜合財務報表附註51。
- (b) 應收聯營公司賬款為無抵押、免息及須按的要求償還，惟港幣3,469,000元(二零一九年：港幣3,407,000元)之款項除外，該款項按每年8%計息。

流動資產項下應收聯營公司賬款之賬面值與其公允值相若。

應收聯營公司賬款之賬面值乃以港幣計值。

- (c) 其士(香港)有限公司及其附屬公司(統稱「其士香港集團」、東芝電梯(中國)有限公司(「東芝電梯(中國)」)及東芝電梯(瀋陽)有限公司(「東芝電梯(瀋陽)」)具類似風險狀況，從事相似業務活動及彼此之間相互關聯，董事認為，對本集團而言屬重大。以下載列其士香港集團、東芝電梯(中國)及東芝電梯(瀋陽)之財務資料概要。其士香港集團、東芝電梯(中國)及東芝電梯(瀋陽)從事升降機及電扶梯製造、營銷、安裝、維修及保養業務，以權益法入賬。

Summarised consolidated statement of financial position

綜合財務狀況表概要

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current assets	非流動資產	227,964	246,760
Current Assets	流動資產	3,493,756	3,480,002
Liabilities	負債	(2,582,569)	(2,729,299)
Net current assets	流動資產淨值	911,187	750,703
Non-current liabilities	非流動負債	(4,745)	(1,129)
Net assets	資產淨值	1,134,406	996,334

Summarised consolidated statement of comprehensive income

綜合全面收益表概要

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue	收入	5,791,780	5,470,759
Profit before taxation	除稅前溢利	444,399	246,197
Taxation	稅項	(37,936)	(49,559)
Profit for the year	年度溢利	406,463	196,638
Other comprehensive expenses for the year	年度其他全面支出	(20,996)	(14,083)
Total comprehensive income for the year	年度全面收益總額	385,467	182,555
Dividends received from associates	已收聯營公司股息	111,608	109,896

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19 INTERESTS IN ASSOCIATES (CONTINUED)

Notes: (continued)

(c) (continued)

Summarised consolidated statement of comprehensive income (continued)

The information above reflects the aggregated amounts as presented in the consolidated financial statements of the associates, adjusted for differences in accounting policies between the Group and the associates. The information above is the amount before inter-company eliminations.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the interests in associates is provided as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net assets at beginning of the year, as previously reported	年初之資產淨值，按先前呈報	996,334	1,061,652
Impact of change in accounting policy	會計政策變動影響	-	640
Net assets at beginning of the year, restated	年初之資產淨值，經重列	996,334	1,062,292
Exchange realignment	匯兌調整	(19,623)	(24,235)
Profit attributable to shareholders	股東應佔溢利	406,463	196,638
Other comprehensive expenses attributable to shareholders	股東應佔其他全面支出	(20,996)	(14,083)
Dividends	股息	(227,772)	(224,278)
Net assets at end of the year	年末之資產淨值	1,134,406	996,334
Interests in associates [#]	聯營公司之權益 [#]	461,050	416,513
Goodwill, net of impairment loss	商譽，扣除減值虧損	14,694	14,694
At end of the year	年末	475,744	431,207

[#] As at 31 March 2020, the interests held by the Group in CHK Group, TCE and STE as associates were 49%, 20% and 20% respectively (2019: 49%, 20% and 20% respectively).

(d) The aggregate summarised financial information of Group's associates that are not individually material is set out below:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
The Group's share of total comprehensive expenses	本集團所佔全面支出總額	(18,768)	(3,711)
Aggregate carrying amount of the Group's interests in these associates	本集團所佔此等聯營公司權益之總賬面值	19,927	40,525

19 聯營公司之權益 (續)

附註：(續)

(c) (續)

綜合全面收益表概要 (續)

上述資料反映聯營公司綜合財務報表內呈列的總額，乃就本集團與聯營公司會計政策不同而作出調整。上述資料乃於公司間對銷前之金額。

財務資料概要之對賬

所呈列財務資料概要與聯營公司之權益賬面值之對賬載列如下：

[#] 於二零二零年三月三十一日，本集團分別持有其士香港集團、東芝電梯(中國)及東芝電梯(瀋陽)(均為聯營公司)之49%、20%及20%(二零一九年：分別持有49%、20%及20%)權益。

(d) 個別不重大之本集團聯營公司總財務資料概要如下：

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綜合財務報表附註

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20 INTERESTS IN JOINT VENTURES

20 合營企業之權益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current:	非流動：		
Interests in joint ventures, including goodwill	合營企業之權益，包括商譽	769,707	828,811
Amounts due from joint ventures (note b)	應收合營企業賬款(附註b)	264,091	429,507
		1,033,798	1,258,318
Current:	流動：		
Amounts due from joint ventures (note b)	應收合營企業賬款(附註b)	46,694	56
Amounts due to joint ventures (note b)	應付合營企業賬款(附註b)	6,050	6,490

The movements in the Group's interests in joint ventures during the year are analysed as follows:

本集團於年內所佔合營企業之權益變動之分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	年初	828,811	695,935
Exchange realignment	匯兌調整	(27,159)	(19,381)
Share of results	所佔業績	840	171,448
Dividends	股息	(32,785)	(19,191)
At end of the year	年末	769,707	828,811

Notes:

- (a) Particulars regarding the principal joint ventures as at 31 March 2020 were set out in note 52 to the consolidated financial statements.
- (b) Amounts due from joint ventures under non-current assets of HK\$264,091,000 (2019: HK\$264,078,000) are considered equity in nature and HK\$165,429,000 in 2019 were not repayable within one year.

Amounts due from joint ventures under current assets are unsecured, repayable on demand or expected to be recovered within a year and bear interest at rates mutually agreed between relevant parties except for the balance of HK\$50,000 in 2019 which was interest-free.

The carrying amounts of amounts due from/(to) joint ventures under current assets/(liabilities) approximate their fair values.

附註：

- (a) 於二零二零年三月三十一日各主要合營企業之資料已載於綜合財務報表附註52。
- (b) 於二零一九年，非流動資產項下之應收合營企業賬款港幣264,091,000元(二零一九年：港幣264,078,000元)被視為屬權益性質及港幣165,429,000元毋須於一年期限內償還。

於二零一九年，流動資產項下之應收合營企業賬款為無抵押，按要求償還或預期將於一年內收回及按有關方共同協定的利率計息，惟結餘港幣50,000元為免息。

流動資產/(負債)項下之應收/(應付)合營企業賬款之賬面值與其公允值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020
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20 INTERESTS IN JOINT VENTURES (CONTINUED)

Notes: (continued)

(b) (continued)

The carrying amounts of amounts due from/(to) joint ventures are denominated in the following currencies:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Hong Kong dollar	港幣	310,785	429,563
Renminbi	人民幣	(6,050)	(6,490)

(c) Seavest Core Fund I, LLC and its subsidiaries (together, "Seavest Group"), the three medical office buildings in the US which, in the opinion of the Directors, are material to the Group. Set out below is the summarised financial information for Seavest Group and accounted for using equity method.

Summarised consolidated statement of financial position

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current assets	非流動資產	1,603,999	1,570,385
Current	流動		
Assets	資產	32,498	29,730
Liabilities	負債	(9,756)	(6,823)
Net current assets	流動資產淨值	22,742	22,907
Non-current liabilities	非流動負債	(980,807)	(895,037)
Net assets	資產淨值	645,934	698,255

Summarised consolidated statement of comprehensive income

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue	收入	125,642	129,126
(Loss)/profit before taxation	除稅前(虧損)/溢利	(11,830)	216,231
Taxation	稅項	(238)	(44,911)
(Loss)/profit and total comprehensive (expenses)/income for the year	年度(虧損)/溢利及全面(支出)/收益總額	(12,068)	171,320
Dividends received from a joint venture	已收一間合營企業之股息	29,878	16,071

The information above reflects the amounts presented in the consolidated financial statements of a joint venture, adjusted for differences in accounting policies between the Group and the joint venture. The information above is the amount before inter-company eliminations.

20 合營企業之權益(續)

附註：(續)

(b) (續)

應收/(應付)合營企業賬款之賬面值乃以下列貨幣為單位：

(c) 董事認為，位於美國的三棟醫療辦公室大樓 (Seavest Core Fund I, LLC 及其附屬公司(統稱「Seavest集團」)) 對本集團而言屬重大。以下載列 Seavest 集團之財務資料概要，並使用權益法入賬。

綜合財務狀況表概要

綜合全面收益表概要

以上資料反映一間合營企業綜合財務報表內呈列的金額，乃就本集團與合營企業會計政策不同而作出調整。上述資料乃於公司間對銷前的金額。

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20 INTERESTS IN JOINT VENTURES (CONTINUED)

Notes: (continued)

(c) (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the interests in joint ventures is provided as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net assets at beginning of the year	年初之資產淨值	698,255	543,633
Exchange realignment	匯兌調整	(8,802)	219
(Loss)/profit attributable to shareholders	股東應佔(虧損)/溢利	(12,068)	171,320
Dividends	股息	(31,451)	(16,917)
Net assets at end of the year	年末之資產淨值	645,934	698,255
Interest in a joint venture [#]	一間合營企業之權益 [#]	608,849	651,060
At end of the year	年末	608,849	651,060

[#] As at 31 March 2020, the interest held by the Group in Seavest Group as joint ventures was 95% (2019: 95%).

(d) The aggregate summarised financial information of Group's joint ventures that are not individually material is set out below:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
The Group's share of total comprehensive income	本集團所佔全面收益總額	4,897	20,966
Aggregate carrying amount of the Group's interests in these joint ventures	本集團所佔此等合營企業權益之總賬面值	160,858	177,751

21 AMOUNTS DUE FROM/(TO) NON-CONTROLLING INTERESTS

Amounts due from non-controlling interests under current assets are unsecured, interest-free and repayable on demand.

Amounts due to non-controlling interests as at 31 March 2020 under current liabilities is unsecured, interest-free and repayable on demand.

Amount due to a non-controlling interest as at 31 March 2020 under non-current liabilities is unsecured which bears fixed interest rate at 10% per annum and not repayable within one year from the end of reporting period.

The carrying amounts of amounts due from/(to) non-controlling interests appropriate their fair values.

20 合營企業之權益(續)

附註：(續)

(c) (續)

財務資料概要之對賬

所呈列財務資料概要與合營企業之權益賬面值之對賬載列如下：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net assets at beginning of the year	698,255	543,633
Exchange realignment	(8,802)	219
(Loss)/profit attributable to shareholders	(12,068)	171,320
Dividends	(31,451)	(16,917)
Net assets at end of the year	645,934	698,255
Interest in a joint venture [#]	608,849	651,060
At end of the year	608,849	651,060

[#] 於二零二零年三月三十一日，本集團於合營企業 Seavest 集團所持權益為 95% (二零一九年：95%)。

(d) 個別不重大之本集團合營企業總財務資料概要如下：

21 應收/(應付)非控股權益賬款

流動資產之應收非控股權益賬款為無抵押、免息及須按要求償還。

於二零二零年三月三十一日列為流動負債之應付非控股權益賬款為無抵押、免息及須按要求償還。

於二零二零年三月三十一日列為非流動負債之應付一間非控股權益賬款為無抵押，按固定年利率 10% 計息，並毋須於報告期末起計一年內償還。

應收/(應付)非控股權益之賬面值與其公允值相若。

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22 INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

22 按公允值列入其他全面收益處理之投資

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Listed investment, at fair value:	上市投資，按公允值：		
– equity securities listed overseas (note a)	– 海外上市之股本證券(附註a)	25,731	39,320
Unlisted investments, at fair values:	非上市投資，按公允值：		
– equity securities	– 股本證券	8,586	8,084
		34,317	47,404

The carrying values of investments at FVOCI are denominated in the following currencies:

按公允值列入其他全面收益處理之投資之賬面值乃以下列貨幣為單位：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
US dollar	美元	7,750	7,850
Vietnam Dong	越南盾	25,731	39,320
Others	其他	836	234
		34,317	47,404

Notes:

附註：

(a) The fair value of the listed investment of the Group is determined based on the quoted market bid prices available on the relevant exchange.

(a) 本集團上市投資之公允值乃按有關交易所報之市場買入價釐定。

23 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

23 按公允值列入損益處理之投資

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Listed investments:	上市投資：		
– debt securities	– 債務證券	165,578	206,309
– equity securities listed in Hong Kong	– 香港上市之股本證券	24,800	17,270
– equity securities listed overseas	– 海外上市之股本證券	16,482	13,542
		206,860	237,121
Unlisted investments:	非上市投資：		
– debt securities	– 債務證券	531,509	475,568
– equity securities	– 股本證券	14,944	33,585
		546,453	509,153
Analysed for reporting purposes as:	就報告用途分析為：		
Non-current assets	非流動資產	465,907	331,013
Current assets	流動資產	287,406	415,261
		753,313	746,274

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23 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The fair values of the listed investments of the Group are determined based on the quoted market bid prices available on the relevant exchanges and the unlisted investments of the Group are determined based on financial models or with reference to quoted prices from relevant financial institutions.

The carrying amounts of investments at FVPL are denominated in the following currencies:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Euro	歐元	25,347	25,584
Hong Kong dollar	港幣	367,378	261,727
Japanese Yen	日圓	1,150	1,420
Renminbi	人民幣	39,574	93,991
Swiss Franc	瑞士法郎	5,855	5,707
US dollar	美元	307,058	351,129
Vietnam Dong	越南盾	6,951	6,716
		753,313	746,274

24 INVESTMENTS AT AMORTISED COST

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Listed corporate bonds:	上市公司債券：		
Non-current	非流動資產	23,003	30,851
Current	流動資產	7,778	3,970
		30,781	34,821

The carrying amounts of investments at amortised cost are denominated in US dollar.

Note:

The fair values below are determined by reference to the published price quotations in an active market.

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Listed corporate bonds	上市公司債券	31,866	34,782

23 按公允值列入損益處理之投資 (續)

本集團之上市投資之公允值乃按有關交易所所報之市場買入價而釐定，而本集團之非上市投資之公允值乃按財務模式釐定，或參考來自有關財務機構之報價。

按公允值列入損益處理之投資之賬面值乃以下列貨幣為單位：

24 按攤銷成本列賬之投資

按攤銷成本列賬之投資之賬面值以美元為單位。

附註：

以下公允值乃參照由活躍市場公開報價釐定。

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25 PROPERTIES UNDER DEVELOPMENT

25 發展中物業

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	年初	2,213,697	2,128,294
Exchange realignment	匯兌調整	(44,523)	(38,344)
Additions	添置	154,965	491,245
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註47)	-	(367,498)
At end of the year	年末	<u>2,324,139</u>	<u>2,213,697</u>
Analysed for reporting purposes as:	就報告用途分析為：		
Non-current assets	非流動資產	404,528	434,051
Current assets	流動資產	<u>1,919,611</u>	<u>1,779,646</u>
		<u>2,324,139</u>	<u>2,213,697</u>

As at 31 March 2020, the balances are related to property development projects in Changchun, Mainland China and Hong Kong.

於二零二零年三月三十一日，該結餘與中國內地長春市及香港的物業發展項目有關。

The borrowing costs capitalised to properties under development is disclosed in note 10 to the consolidated financial statements.

發展中物業資本化之借款成本於綜合財務報表附註10披露。

Properties under development are classified as current assets unless the construction period of the relevant project is expected to complete beyond normal operating cycle. The amount of properties under development classified as current assets expected to be recovered after one year is HK\$1,919,611,000 (2019: HK\$1,779,646,000). The remaining balance is expected to be recovered within one year.

發展中物業均分類為流動資產，除非有關項目之建設期預計將超出正常經營週期完成。發展中物業分類為流動資產預期於一年後收回之金額為港幣1,919,611,000元(二零一九年：港幣1,779,646,000元)。餘額預期於一年內收回。

Charges were created on the properties under development with total carrying value of HK\$1,209,959,000 (2019: HK\$1,082,664,000) for the purpose of securing banking facilities granted to the Group.

賬面總值港幣1,209,959,000元(二零一九年：港幣1,082,664,000元)之發展中物業已作抵押，作為授予本集團銀行信貸之擔保。

26 OTHER NON-CURRENT ASSETS

26 其他非流動資產

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Deposits paid for a property development project (note a)	已付一項物業發展項目之按金(附註a)	30,237	28,946
Deposits paid for acquisition of a land (note b)	已付收購一幅土地之按金(附註b)	50,421	-
Others	其他	57,696	78,669
		<u>138,354</u>	<u>107,615</u>

Charges were created on the other non-current assets with total carrying value of HK\$21,834,000 (2019: HK\$22,114,000) for the purpose of securing banking facilities granted to the Group.

賬面總值港幣21,834,000元(二零一九年：港幣22,114,000元)之其他非流動資產已作抵押，作為授予本集團銀行信貸之擔保。

Note a: The balance represents deposits paid for a property development project in Changchun, Mainland China.

附註a：該結餘為中國內地長春市一項物業發展項目之已付按金。

Note b: The balance represents deposits paid for land acquisition in Chengdu, Mainland China.

附註b：該結餘為於中國內地成都市土地收購之已付按金。

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27 INVENTORIES

27 存貨

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Raw materials	原材料	10,537	12,193
Finished goods	製成品	263,000	313,290
Consumables	耗用物料	1,500	1,382
		275,037	326,865

The cost of inventories recognised as an expense and included in cost of sales amounted to HK\$1,792,000,000 (2019: HK\$2,051,000,000).

已確認為支出並列入銷售成本之存貨成本為港幣1,792,000,000元(二零一九年：港幣2,051,000,000元)。

Charges were created on the inventories with total carrying value of HK\$30,307,000 (2019: HK\$90,956,000) for the purpose of securing banking facilities granted to the Group.

賬面總值港幣30,307,000元(二零一九年：港幣90,956,000元)之存貨已作抵押，作為授予本集團銀行信貸之擔保。

28 PROPERTIES FOR SALE

28 待售物業

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Unamortised prepaid land leases	未攤銷預付土地租賃		
– Hong Kong	– 香港	15,882	15,882
– Mainland China	– 中國內地	65,178	84,525
Development costs	發展成本	186,071	266,212
		267,131	366,619

Properties for sale included the Group's share of a joint operation with an aggregate book value of HK\$18,129,000 (2019: HK\$18,129,000).

待售物業包括賬面總值為港幣18,129,000元(二零一九年：港幣18,129,000元)之本集團所佔一間合營經營。

The cost of properties sold and included in cost of sales amounted to HK\$61,559,000 (2019: HK\$204,792,000).

已售並列入銷售成本之物業成本為港幣61,559,000元(二零一九年：港幣204,792,000元)。

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29 DEBTORS, CONTRACT ASSETS, DEPOSITS AND PREPAYMENTS

29 應收賬款、合約資產、存出按金及預付款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade debtors	貿易應收賬款	611,303	553,658
Less: Provision for impairment	減：減值撥備	(28,962)	(30,865)
Trade debtors, net	貿易應收賬款，淨額	582,341	522,793
Retention receivables	應收保留款項	221,142	297,254
Less: Provision for impairment	減：減值撥備	(9,186)	(9,186)
Retention receivables, net	應收保留款項，淨額	211,956	288,068
Contract assets	合約資產	79,635	61,702
Other debtors, deposits and prepayments	其他應收賬款、存出按金及預付款項	478,416	503,080
		1,352,348	1,375,643

The Group has established different credit policies for customers in each of its core businesses. The average credit period granted to trade debtors is 60 days, except for insurance business where credit period granted to certain debtors is over 60 days.

本集團對各項核心業務客戶已確立不同之信貸政策。除給予保險業務之若干債務人的信貸期超過60天，給予貿易債務人之平均信貸期為60天。

The ageing analysis of trade debtors, net of impairment provision, is presented based on the invoice date as follows:

貿易應收賬款，扣除減值撥備，按發票日期呈列之賬齡分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
0 – 60 days	0 – 60天	485,432	360,692
61 – 90 days	61 – 90天	40,774	74,611
Over 90 days	逾90天	56,135	87,490
		582,341	522,793

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for trade debtors. The movement in the provision for impairment for trade debtors during the year is as follows:

本集團採納香港財務報告準則第9號的簡化方法計量預期信貸虧損，就貿易應收賬款使用全期預期信貸虧損撥備。於年內貿易應收賬款之減值撥備之變動如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of the year	年初	30,865	33,644
Exchange realignment	匯兌調整	(307)	(17)
Impairment loss recognised	已確認減值虧損	6,336	4,608
Provision written back	已回撥撥備	(611)	(1,983)
Uncollectable amounts written off	撇銷不可收回之金額	(1,712)	(5,387)
Transferred to assets held-for-sale	轉撥至持作出售資產	(5,609)	–
At end of the year	年末	28,962	30,865

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29 DEBTORS, CONTRACT ASSETS, DEPOSITS AND PREPAYMENTS (CONTINUED)

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Australian dollar	澳元	4,896	8,773
Hong Kong dollar	港幣	409,063	375,712
Macau Pataca	澳門幣	43,374	19,497
Renminbi	人民幣	47,057	60,600
US dollar	美元	50,651	47,649
Others	其他	27,300	10,562
		582,341	522,793

The carrying amounts of retention receivables, contract assets and other debtors as at 31 March 2020 and 2019 were mainly denominated in Hong Kong dollar and Renminbi.

The carrying amounts of debtors and receivables as at 31 March 2020 and 2019 approximated their fair values.

Retention receivables amounted to HK\$34,992,000 (2019: HK\$57,576,000) are expected to be settled within 12 months after the end of the reporting year.

Included in debtors, contract assets, deposits and prepayments was the Group's share of receivables of HK\$3,519,000 (2019: HK\$2,882,000) in relation to joint operations.

Charges were created on the debtors, contract assets, deposits and prepayments with total carrying value of HK\$83,096,000 (2019: HK\$55,237,000) for the purpose of securing banking facilities granted to the Group.

29 應收賬款、合約資產、存出按金及預付款項(續)

本集團貿易應收賬款之賬面值乃以下列貨幣為單位：

於二零二零年及二零一九年三月三十一日，應收保留款項、合約資產及其他應收賬款之賬面值主要以港幣及人民幣為單位。

於二零二零年及二零一九年三月三十一日，應收賬款及應收款項之賬面值與其公允值相若。

應收保留款項為港幣34,992,000元(二零一九年：港幣57,576,000元)預期於呈報年度末後12個月內結算。

應收賬款、合約資產、存出按金及預付款項包括本集團就有關合營經營所佔之應收賬款，為港幣3,519,000元(二零一九年：港幣2,882,000元)。

賬面總值港幣83,096,000元(二零一九年：港幣55,237,000元)之應收賬款、合約資產、存出按金及預付款項已作抵押，作為授予本集團銀行信貸之擔保。

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30 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

30 使用權資產及租賃負債

(a) Right-of-use assets

		As at 31 March 2020 於 二零二零年 三月三十一日 HK\$'000 港幣千元	As at 1 April 2019 於 二零一九年 四月一日 HK\$'000 港幣千元
Leasehold land	租賃土地	1,338,587	1,348,326
Buildings	樓宇	59,015	75,726
Equipments	設備	1,264	901
		1,398,866	1,424,953

Additions to the right-of-use assets for the year ended 31 March 2020 amounted to HK\$56,758,000, due to new leases of buildings and equipments.

由於新租賃樓宇及設備，截至二零二零年三月三十一日止年度之添置使用權資產為港幣56,758,000元。

(b) Lease liabilities

		As at 31 March 2020 於 二零二零年 三月三十一日 HK\$'000 港幣千元	As at 1 April 2019 於 二零一九年 四月一日 HK\$'000 港幣千元
Non-current	非流動	45,664	62,565
Current	流動	17,159	13,401
		62,823	75,966

(b) 租賃負債

(c) Amounts recognised in the consolidated income statement

		2020 二零二零年 HK\$'000 港幣千元
Depreciation expense on right-of-use assets	使用權資產之折舊開支	61,970
Less: Amounts capitalised to contract work	減：撥作合約工程之金額	(1,862)
		60,108
Interest expense on lease liabilities	租賃負債的利息支出	2,860
Less: Amounts capitalised to contract work	減：撥作合約工程之金額	(92)
		2,768
Expense relating to short-term leases	有關短期租賃的支出	9,364

(c) 於綜合收益表確認之金額

The total cash outflow for lease liabilities during the year ended 31 March 2020 amounted to HK\$16,800,000.

於截至二零二零年三月三十一日止年度，租賃負債之現金流出總額為港幣16,800,000元。

(d) The Group's leasing activities

The Group leases various offices, warehouses, retail stores, equipment and vehicles. Rental contracts are typically made for fixed periods of 2 years to 10 years.

(d) 本集團之租賃活動

本集團租賃多項辦公室、倉庫、零售店舖、設備及汽車。租賃合約一般按二至十年之固定期限訂立。

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31 DERIVATIVE FINANCIAL INSTRUMENTS

31 衍生財務工具

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Financial (liabilities)/assets in respect of derivative financial instruments	衍生財務工具之財務(負債)/資產		
– foreign currency forward contracts (note a)	– 遠期外匯合約(附註a)	242	(47)
– cross currency swap	– 交叉貨幣掉期	(399)	378
		<u>(157)</u>	<u>331</u>
Analysed for reporting purposes as:	就報告用途分析為：		
Current assets	流動資產	242	397
Current liabilities	流動負債	(399)	(66)
		<u>(157)</u>	<u>331</u>

The derivatives are measured at fair value at the end of each reporting period. Their fair values are determined with reference to fair values of comparable instruments in the market or quoted prices from counterparties. The net carrying amounts of derivatives are denominated in the following currencies:

衍生工具按各報告期末之公允值計量。衍生工具之公允值乃根據可供比較工具之市場公允值或對方報價而計算。衍生工具之賬面淨值乃以下列貨幣為單位：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Euro	歐羅	–	(66)
US dollar	美元	(399)	378
Others	其他	242	19
		<u>(157)</u>	<u>331</u>

Note:

Foreign currency forward contracts of the Group with a total notional amount up to HK\$19,000,000 (2019: HK\$9,107,000) were entered to swap various foreign currencies to other cross currencies. These contracts matured on 17 April 2020 (2019: within the period from 1 April 2019 to 14 May 2019).

附註：

本集團為將不同外幣掉期為其他交叉貨幣而訂立遠期外匯合約，其總名義金額為港幣19,000,000元(二零一九年：港幣9,107,000元)。此等合約已於二零二零年四月十七日(二零一九年：於二零一九年四月一日至二零一九年五月十四日期間內)到期。

32 BANK BALANCES AND CASH

Bank balances and cash comprise cash held, short-term bank deposits with an original maturity period over three months, short-term bank deposits with an original maturity of three months or less and cash placed with financial institutions. The carrying amounts of these assets approximate their fair values.

32 銀行結存及現金

銀行結存及現金包括所持現金、原有到期期限超過三個月之短期銀行存款、原有到期期限為三個月或以內之短期銀行存款及存入財務機構之現金。此等資產之賬面值與其公允值相若。

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32 BANK BALANCES AND CASH (CONTINUED)

32 銀行結存及現金(續)

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Bank balances and cash	銀行結存及現金	2,774,918	1,778,171
Pledged bank deposits	已抵押銀行存款	49,748	54,913
		2,824,666	1,833,084

The carrying amounts of bank balances and cash are denominated in the following currencies:

銀行結存及現金之賬面值乃以下列貨幣為單位：

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Australian dollar	澳元	62,505	73,156
Canadian dollar	加拿大元	44,706	38,529
Euro	歐羅	3,651	862
Hong Kong dollar	港幣	1,735,992	620,238
Macau Pataca	澳門幣	29,795	9,090
Renminbi	人民幣	533,744	809,913
Singapore dollar	新加坡元	3,298	5,312
US dollar	美元	350,446	226,495
Others	其他	60,529	49,489
		2,824,666	1,833,084

As at 31 March 2020, the Group's bank balances of HK\$49,748,000 (2019: HK\$54,913,000) were pledged to banks for the purpose of securing banking facilities granted to the Group.

於二零二零年三月三十一日，本集團之銀行結存港幣49,748,000元(二零一九年：港幣54,913,000元)已抵押予銀行，作為授予本集團銀行信貸之擔保。

As at 31 March 2020, the effective interest rates on short-term bank deposits of the Group were 2.8% (2019: 1.8%) per annum; and these deposits had an average maturity of 40 days (2019: 33 days).

於二零二零年三月三十一日，本集團之短期銀行存款之實際年利率為2.8%(二零一九年：1.8%)，此等存款之平均到期日為40天(二零一九年：33天)。

As at 31 March 2020, bank balances and cash of HK\$518,694,000 (2019: HK\$846,264,000) were held in Mainland China and are subject to local exchange control regulations, under which the balances could not be exported freely out of Mainland China. The repatriation of funds out of Mainland China is possibly conducted by way of dividends or other means as complied to the regulations.

於二零二零年三月三十一日，持有於中國內地之銀行結存及現金港幣518,694,000元(二零一九年：港幣846,264,000元)須遵循當地外匯管制規定，據此，此等結存不得自由匯出中國內地。資金可透過股息或其他遵守規定之方式調離中國內地。

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33 CREDITORS, BILLS PAYABLE, DEPOSITS, CONTRACT LIABILITIES AND ACCRUALS

33 應付賬款、應付票據、存入按金、合約負債及預提費用

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade creditors and bills payable	貿易應付賬款及應付票據	292,561	287,318
Retention payables	應付保留款項	166,542	208,431
Deposits received	已收存入按金	44,216	177,441
Contract liabilities	合約負債	233,394	97,431
Accrued contract costs	預提合約成本	1,309,658	1,246,367
Other creditors and accruals	其他應付賬款及預提費用	484,403	506,059
		2,530,774	2,523,047

The ageing analysis of trade creditors and bills payable is as follows:

貿易應付賬款及應付票據之賬齡分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
0 – 60 days	0 – 60天	257,043	265,795
61 – 90 days	61 – 90天	7,878	6,261
Over 90 days	逾90天	27,640	15,262
		292,561	287,318

The carrying amounts of the Group's trade creditors and bills payable are denominated in the following currencies:

本集團貿易應付賬款及應付票據之賬面值乃以下列貨幣為單位：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Hong Kong dollar	港幣	197,973	147,354
Macau Pataca	澳門幣	9,113	7,325
Renminbi	人民幣	54,712	94,915
US dollar	美元	22,890	29,099
Others	其他	7,873	8,625
		292,561	287,318

The carrying amounts of retention payables, contract liabilities and other creditors as at 31 March 2020 and 2019 were denominated in Hong Kong dollar, US dollar, Macau Pataca and Renminbi.

於二零二零年及二零一九年三月三十一日，應付保留款項、合約負債及其他應付賬款之賬面值以港幣、美元、澳門幣及人民幣為單位。

The carrying amounts of creditors and payables as at 31 March 2020 and 2019 approximated their fair values.

於二零二零年及二零一九年三月三十一日，應付賬款及應付款項之賬面值與其公允值相若。

Retention payables amounted to HK\$26,747,000 (2019: HK\$51,158,000) are expected to be settled within twelve months after the end of the reporting year.

應付保留款項為港幣26,747,000元(二零一九年：港幣51,158,000元)預期於呈報年度末後12個月內結算。

Included in creditors, bills payable, deposits, contract liabilities and accruals are the Group's share of payables of HK\$53,077,000 (2019: HK\$14,960,000) in relation to joint operations.

應付賬款、應付票據、存入按金、合約負債及預提費用內已包括本集團就合營經營所佔之應付賬款為港幣53,077,000元(二零一九年：港幣14,960,000元)。

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34 OUTSTANDING INSURANCE CLAIMS

Insurance claims of the following business classes are not usually settled within one year:

- Employee compensation
- Motor third party liability
- Public liability

The claims development, net of reinsurance, are disclosed as follows:

34 未決保險索償

下列業務類別之保險索償一般不在一年內結清：

- 僱員賠償
- 汽車第三者責任
- 公眾責任

賠償發展(扣除再保險)披露如下：

	2010 and before	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
	二零一零年及以前	二零一一年	二零一二年	二零一三年	二零一四年	二零一五年	二零一六年	二零一七年	二零一八年	二零一九年	二零二零年	總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Estimate of cumulative claims	估計累計索償												
At end of accident year	意外年度終結時	57,615	87,099	131,582	155,800	175,730	161,549	140,112	122,198	86,471	90,284	82,062	
One year later	一年後	57,145	54,009	105,091	122,921	139,004	109,443	109,851	84,489	78,493	74,845	-	
Two years later	兩年後	52,207	67,192	113,384	137,053	152,912	114,523	114,990	79,651	68,713	-	-	
Three years later	三年後	46,556	63,648	91,456	120,451	122,227	96,156	89,178	53,025	-	-	-	
Four years later	四年後	43,356	62,724	87,170	112,573	113,887	90,229	77,251	-	-	-	-	
Five years later	五年後	42,636	60,170	86,145	111,218	111,349	85,399	-	-	-	-	-	
Six years later	六年後	42,595	60,086	85,231	110,058	111,935	-	-	-	-	-	-	
Seven years later	七年後	43,119	59,886	85,231	109,064	-	-	-	-	-	-	-	
Eight years later	八年後	42,726	59,888	85,231	-	-	-	-	-	-	-	-	
Nine years later	九年後	42,726	59,888	-	-	-	-	-	-	-	-	-	
Ten years later	十年後	43,115	-	-	-	-	-	-	-	-	-	-	
Cumulative claims	累計索償	43,115	59,888	85,231	109,064	111,935	85,399	77,251	53,025	68,713	74,845	82,062	850,528
Less: Cumulative payments	減：累計已付款項	42,726	59,888	85,231	108,549	109,369	80,227	67,771	32,435	29,470	15,931	9,487	641,084
Claims outstanding at 31 March 2020	於二零二零年三月三十一日之未決索償	389	-	-	515	2,566	5,172	9,480	20,590	39,243	58,914	72,575	209,444
Claims outstanding at 31 March 2019	於二零一九年三月三十一日之未決索償	484	-	-	-	2,381	2,132	14,075	27,698	51,697	58,855	80,591	237,913

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim. The principal risk the Group faces under such contracts is that the actual claims and benefit payments exceed the carrying amount of insurance liabilities. This is influenced by the frequency of claims, severity of claims, actual benefits paid which are greater than originally estimated and subsequent development of long tail claims.

The Group manages its insurance risk through underwriting limits, approval procedures for transactions that involve new products or that exceed set limits, pricing guidelines, centralised management of reinsurance and monitoring of emerging issues.

保險合約項下之風險乃發生已承保事件之風險，包括金額之不確定因素及任何由此產生之索償時間。本集團根據此等合約面臨之主要風險為實際索償及賠付金額超過保險負債賬面值。此乃受到索償頻率、索償嚴重程度、實際賠付超出原先估計及隨後拖延索償發展等影響。

本集團透過控制承保額度、制定牽涉新產品或超出限額交易之審批程序、訂立定價指引、集中管理再保險安排及適時監控問題以管理其保險風險。

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34 OUTSTANDING INSURANCE CLAIMS (CONTINUED)

The Group manages the variability of risks by careful selection and the implementation of underwriting strategies, arrangements of reinsurance, strict claim review policies to assess all new and ongoing claims as well as the investigation of possible fraudulent claims. The Group also enforces a policy of actively managing and promptly pursuing of claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the Group.

The Group's underwriting strategy seeks diversity to ensure a balanced portfolio and is based on a large portfolio of similar risks over a number of years and, as such, reduces the variability of the outcome.

34 未決保險索償(續)

本集團藉以下方式管理風險之變動性：仔細選擇及實施承保策略、安排分保、嚴格檢討索賠政策以評估所有全新及持續發生之索賠以及調查有欺詐嫌疑之索賠。本集團亦實行積極管理及即時處理索賠之政策，以減少可能對本集團造成不利影響之不可預期未來發展之風險。

本集團之承保策略為尋求一個分散而平衡的組合及藉著多年來所維持的一個由眾多類似風險組成的龐大組合以減低出現不穩定性。

35 BANK AND OTHER BORROWINGS

35 銀行及其他借款

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Bank and other borrowings are repayable as follows:	銀行及其他借款償還期如下：		
Within one year	一年內	885,078	1,109,840
More than 1 year but not exceeding 2 years	一年以上但不超過兩年	692,043	691,080
More than 2 years but not exceeding 5 years	兩年以上但不超過五年	1,345,565	1,328,053
Exceeding 5 years	超過五年	445,381	611,237
		3,368,067	3,740,210
Less: Amount due within one year disclosed under current liabilities	減：在流動負債內披露並於一年內到期之金額	(885,078)	(1,109,840)
		2,482,989	2,630,370
Represented by:	呈列為：		
Secured	有抵押	1,690,007	2,023,420
Unsecured	無抵押	1,678,060	1,716,790
		3,368,067	3,740,210

As at 31 March 2020, the Group had secured bank loans for certain US senior housing businesses with a carrying amount of HK\$1,120 million (2019: HK\$1,431 million), of which HK\$1,050 million (2019: HK\$1,360 million) was without recourse to the Group. These loans are subjected to covenant clauses.

於二零二零年三月三十一日，本集團已就若干美國安老院舍業務申請有抵押銀行貸款，賬面值為港幣11.20億元（二零一九年：港幣14.31億元），其中港幣10.50億元（二零一九年：港幣13.60億元）無向本集團追索的權利。該等貸款須遵守契諾條款。

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35 BANK AND OTHER BORROWINGS (CONTINUED)

The carrying value of the bank and other borrowings approximate their fair values as majority of the borrowings carried interest at floating rate. The bank and other borrowings are denominated in the following currencies:

35 銀行及其他借款(續)

因大部份借款乃以浮動利率計息，銀行及其他借款之賬面值與其公允值相若。銀行及其他借款乃以下列貨幣為單位：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Canadian dollar	加拿大元	31,061	15,233
Hong Kong dollar	港幣	2,129,860	2,163,378
Renminbi	人民幣	87,059	128,790
US dollar	美元	1,120,087	1,432,809
		3,368,067	3,740,210

The effective interest rates per annum of the bank and other borrowings as at 31 March were as follows:

於三月三十一日，銀行及其他借款之實際年利率如下：

		2020 二零二零年	2019 二零一九年
Canadian dollar	加拿大元	3.1%	3.2%
Hong Kong dollar	港幣	3.1%	3.1%
Renminbi	人民幣	4.5%	5.8%
US dollar	美元	4.1%	3.6%

Bank and other borrowings of HK\$1,690,007,000 (2019: HK\$2,023,420,000) were secured by charges on the assets of the Group as set out in notes 15, 16, 25, 26, 27, 29 and 32 to the consolidated financial statements.

銀行及其他借款港幣1,690,007,000元(二零一九年：港幣2,023,420,000元)乃以本集團資產作抵押，於綜合財務報表附註15、16、25、26、27、29及32內披露。

36 SHARE CAPITAL

36 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 港幣千元
Ordinary shares of HK\$1.25 each		每股面值港幣1.25元之普通股	
Authorised:	法定股本：		
At 1 April 2018, 31 March 2019 and 31 March 2020	於二零一八年四月一日、 二零一九年三月三十一日及 二零二零年三月三十一日	540,000,000	675,000
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2018, 31 March 2019 and 31 March 2020	於二零一八年四月一日、 二零一九年三月三十一日及 二零二零年三月三十一日	301,928,440	377,411

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37 RESERVES

37 儲備

		Attributable to shareholders of the Company 本公司股東應佔								
		Share premium	Capital reserve	Capital redemption reserve	Investment revaluation reserve	Other assets revaluation reserve	Hedging revaluation reserve	Exchange fluctuation reserve	Retained profits	Total
		股份溢價	資本儲備	贖回儲備	重估儲備	其他資產重估儲備	重估儲備	浮動儲備	保留溢利	總額
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
			(note)							
			(附註)							
At 1 April 2019	於二零一九年四月一日	704,087	377,863	8,785	17,657	222,550	378	242,630	7,070,123	8,644,073
Profit for the year	年度溢利	-	-	-	-	-	-	-	533,081	533,081
Change in fair value of investments at fair value through other comprehensive income	按公允價值列入其他全面收益處理之投資的公允價值變動	-	-	-	(13,705)	-	-	-	-	(13,705)
Change in fair value of properties for own use	自用物業的公允價值變動	-	-	-	-	143	-	-	-	143
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	換算海外附屬公司、聯營公司及合營企業之業務所產生之外匯兌換差額	-	-	-	-	-	-	(302,106)	-	(302,106)
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	指定為現金流量對沖的衍生財務工具的公允價值調整	-	-	-	-	-	(777)	-	-	(777)
Total comprehensive (expenses)/income for the year	年度全面(支出)/收益總額	-	-	-	(13,705)	143	(777)	(302,106)	533,081	216,636
Dividends paid	已付股息	-	-	-	-	-	-	-	(166,061)	(166,061)
At 31 March 2020	於二零二零年三月三十一日	704,087	377,863	8,785	3,952	222,693	(399)	(59,476)	7,437,143	8,694,648

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37 RESERVES (CONTINUED)

37 儲備(續)

		Attributable to shareholders of the Company 本公司股東應佔								
		Share premium	Capital reserve	Capital redemption reserve	Investment revaluation reserve	Other assets revaluation reserve	Hedging revaluation reserve	Exchange fluctuation reserve	Retained profits	Total
		股份溢價	資本儲備	贖回儲備	重估儲備	其他資產重估儲備	對沖重估儲備	浮動儲備	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
			(note)							
			(附註)							
At 1 April 2018	於二零一八年四月一日	704,087	377,863	8,785	33,811	221,103	216	475,686	6,539,775	8,361,326
Profit for the year	年度溢利	-	-	-	-	-	-	-	654,561	654,561
Change in fair value of investments at fair value through other comprehensive income	按公允價值列入其他全面收益處理之投資的公允價值變動	-	-	-	(16,154)	-	-	-	-	(16,154)
Change in fair value of properties for own use	自用物業的公允價值變動	-	-	-	-	1,447	-	-	-	1,447
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	換算海外附屬公司、聯營公司及合營企業之業務所產生之外匯兌換差額	-	-	-	-	-	-	(233,056)	-	(233,056)
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	指定為現金流量對沖的衍生財務工具的公允價值調整	-	-	-	-	-	162	-	-	162
Total comprehensive (expenses)/income for the year	年度全面(支出)/收益總額	-	-	-	(16,154)	1,447	162	(233,056)	654,561	406,960
Dividends paid	已付股息	-	-	-	-	-	-	-	(120,771)	(120,771)
Change in ownership interests in a subsidiary without loss of control	並無失去控制權之一間附屬公司的擁有權權益變動	-	-	-	-	-	-	-	(3,442)	(3,442)
At 31 March 2019	於二零一九年三月三十一日	704,087	377,863	8,785	17,657	222,550	378	242,630	7,070,123	8,644,073

Note: The balance arose mainly from various Group reorganisations in the past including redomicile of the Company, spin-offs and privatisation of group entities.

附註：結餘主要來自過去多項集團重組事項，包括本公司遷冊、集團企業之分拆及私有化。

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38 DEFERRED TAXATION

The followings are the major deferred tax liabilities/assets) recognised and movements thereon during the current and prior reporting years:

38 遞延稅項

下文所載乃本呈報年度及過往呈報年度確認之主要遞延稅項負債／(資產)及其變動：

		Accelerated tax depreciation	Amortisation of goodwill and trademarks	Revaluation of properties	Tax losses	Others	Total
		加速稅項減值	攤銷商譽及商標	重估物業	稅項虧損	其他	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2019	於二零一九年四月一日	36,890	59,529	282,573	(44,091)	(1,953)	332,948
Exchange realignment (Credited)/charged to consolidated income statement (note 12)	匯兌調整 於綜合收益表內(計入)/扣除(附註12)	(637)	63	(19,108)	(161)	(323)	(20,166)
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註47)	(1,944)	8,404	3,184	(20,309)	(10,937)	(21,602)
		(136)	-	-	1,073	3,666	4,603
At 31 March 2020	於二零二零年三月三十一日	<u>34,173</u>	<u>67,996</u>	<u>266,649</u>	<u>(63,488)</u>	<u>(9,547)</u>	<u>295,783</u>
At 1 April 2018	於二零一八年四月一日	34,401	50,511	275,522	(48,435)	(13,841)	298,158
Exchange realignment	匯兌調整	(87)	11	(17,351)	14	(1,147)	(18,560)
Charged to consolidated income statement (note 12)	於綜合收益表內扣除(附註12)	3,228	9,007	24,402	650	13,035	50,322
Transfer to assets held-for-sale (note 47)	轉撥至持作出售資產(附註47)	(652)	-	-	3,680	-	3,028
At 31 March 2019	於二零一九年三月三十一日	<u>36,890</u>	<u>59,529</u>	<u>282,573</u>	<u>(44,091)</u>	<u>(1,953)</u>	<u>332,948</u>

For the purposes of consolidated statement of financial position presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

為配合綜合財務狀況表之編列方式，若干遞延稅項資產及負債經已作抵銷。遞延稅項結餘作財務報告用途之分析如下：

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Deferred tax assets	遞延稅項資產	(45,102)	(29,916)
Deferred tax liabilities	遞延稅項負債	340,885	362,864
		<u>295,783</u>	<u>332,948</u>

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38 DEFERRED TAXATION (CONTINUED)

As at 31 March 2020, the Group had unused tax losses of HK\$2,887,956,000 (2019: HK\$2,776,784,000) available for offset against future taxable profits. A deferred tax asset had been recognised in respect of HK\$234,400,000 (2019: HK\$212,173,000) of such losses. No deferred tax asset had been recognised in respect of the remaining HK\$2,653,556,000 (2019: HK\$2,564,611,000) due to the unpredictability of future profit streams. Included in tax losses were losses of HK\$119,696,000 and HK\$165,917,000 (2019: HK\$104,371,000 and HK\$97,953,000) of subsidiaries in Mainland China and the US that will gradually expire until December 2024 and March 2038 respectively; the remaining tax losses may be carried forward indefinitely.

As at 31 March 2020, deferred tax liabilities of HK\$131,658,000 (2019: HK\$127,758,000) had not been recognised for the withholding tax that would be payable on the unappropriated earnings of certain subsidiaries. Such amounts were expected to be reinvested.

As at 31 March 2020, the Group had unrecognised deductible temporary differences of HK\$214,592,000 (2019: HK\$137,395,000). No deferred tax asset had been recognised in relation to such deductible temporary differences as it is not probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

38 遞延稅項 (續)

於二零二零年三月三十一日，本集團未動用之稅項虧損為港幣2,887,956,000元(二零一九年：港幣2,776,784,000元)，可用作抵銷將來之應課稅溢利。其中港幣234,400,000元(二零一九年：港幣212,173,000元)之稅項虧損已確認為遞延稅項資產。因未來溢利難以預測，故並無就餘下之稅項虧損港幣2,653,556,000元(二零一九年：港幣2,564,611,000元)確認為遞延稅項資產。稅項虧損包括中國內地及美國附屬公司使用期分別至二零二四年十二月及二零三八年三月之港幣119,696,000元及港幣165,917,000元(二零一九年：港幣104,371,000元及港幣97,953,000元)；而餘下之稅項虧損將可無限期結轉。

於二零二零年三月三十一日，未有就若干附屬公司未分派盈利而可能支付之預扣稅確認遞延稅項負債港幣131,658,000元(二零一九年：港幣127,758,000元)。預期此等款項會用作再投資。

於二零二零年三月三十一日，本集團之未確認可扣減暫時性差異為港幣214,592,000元(二零一九年：港幣137,395,000元)。預計在未來並無足夠之應課稅溢利以用作抵銷有關之可扣減暫時性差異，故並未確認相關之款額為遞延稅項資產。

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39 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

39 綜合現金流量表附註

(a) Cash generated from operations

(a) 來自營運之現金

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Profit before taxation	除稅前溢利	643,141	839,882
Adjustments for:	調整：		
Share of results of associates	所佔聯營公司業績	(150,965)	(125,003)
Share of results of joint ventures	所佔合營企業業績	(840)	(171,448)
Interest income from bank deposits and a joint venture	銀行存款及一間合營企業的利息收入	(60,167)	(43,216)
Interest expenses on bank overdrafts and bank and other borrowings	銀行透支及銀行及其他借款的利息支出	110,577	123,239
Interest expenses on lease liabilities	租賃負債的利息支出	2,768	–
Depreciation	折舊	163,843	135,288
Amortisation of other intangible assets	其他無形資產攤銷	26,898	18,985
Decrease/(increase) in fair value of investment properties	投資物業之公允值減少/(增加)	24,937	(166,406)
Remeasurement gain on transfer from properties for sale to investment properties	由待售物業轉為投資物業之重新計量收益	–	(25,838)
Loss on disposal of investment property	出售投資物業之虧損	320	–
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	6,654	(105)
Gain on disposals of	出售以下公司之收益		
– Moon Colour Group (note 39(b)(iii))	– Moon Colour 集團(附註39(b)(iii))	(166,747)	–
– New Rise (note 39(b)(iii))	– 新升(附註39(b)(iii))	(38,680)	–
– Jumbo Rainbow Group (note 39(b)(iv))	– Jumbo Rainbow 集團(附註39(b)(iv))	(74,251)	–
– other subsidiaries	– 其他附屬公司	–	(231)
Loss on disposal of an associate	出售一間聯營公司之虧損	1,119	–
Loss/(gain) on investments at fair value through profit or loss	按公允值列入損益處理之投資的虧損/(收益)	32,357	(887)
(Gain)/loss on derivative financial instruments	衍生財務工具之(收益)/虧損	(224)	590
Provision for inventories to net realisable value, net	存貨撥備至可變現淨值，淨額	2,642	1,225
Provision recognised on trade and other debtors, net	已確認貿易及其他應收賬款之撥備，淨額	9,155	4,999
Impairment of goodwill	商譽減值	4,381	–
Impairment loss on properties for sale	待售物業之減值虧損	10,304	–
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	547,222	591,074

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39 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

39 綜合現金流量表附註(續)

(a) Cash generated from operations (continued)

(a) 來自營運之現金(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Changes in working capital	營運資金變動		
Increase in amounts due from non-controlling interests	應收非控股權益賬款增加	(2,641)	(4,810)
Increase in investments at fair value through profit or loss, net	按公允值列入損益處理之投資增加·淨額	(41,961)	(122,841)
Decrease in inventories	存貨減少	33,208	13,411
Decrease in properties for sale	待售物業減少	67,717	153,671
Increase in properties under development	發展中物業增加	(154,964)	(491,244)
(Increase)/decrease in debtors, contract assets, deposits and prepayments	應收賬款、合約資產、存出按金及預付款項(增加)/減少	(68,025)	144,650
Cash paid upon maturity of derivative financial instruments	衍生財務工具到期之已付現金	(18)	(619)
Increase in amounts due to non-controlling interests	應付非控股權益賬款增加	66,175	69,334
Increase in creditors, bills payable, deposits, contract liabilities and accruals	應付賬款、應付票據、存入按金、合約負債及預提費用增加	12,402	207,670
Increase in unearned insurance premiums and unexpired risk reserves	遞延保險費及未過期風險儲備增加	90,067	46,386
Decrease in outstanding insurance claims	未決保險索償減少	(28,469)	(17,525)
Other non-cash items	其他非現金項目	17,521	14,761
Cash generated from operations	來自營運之現金	538,234	603,918

(b) Acquisitions and disposals

(b) 收購及出售

(i) Acquisitions of senior housing properties

On 25 May 2018, the Group announced the acquisition of ten senior housing properties in the US at the consideration of US\$65,000,000 (equivalent to approximately HK\$509,600,000). The transaction completed in January 2019.

(i) 收購安老院舍物業

於二零一八年五月二十五日，本集團宣佈收購於美國的十間安老院舍物業，代價為65,000,000美元(相當於約港幣509,600,000元)。此交易已於二零一九年一月完成。

		2019 二零一九年 HK\$'000 港幣千元
Purchase consideration satisfied by:	購買代價之支付方式：	
Cash paid	現金支付	509,600
Fair value of net assets acquired:	所收購資產淨值之公允值：	
Property, plant and equipment (note 16)	物業、廠房及設備(附註16)	458,640
Intangible assets (note 18)	無形資產(附註18)	50,960
		509,600
Acquisition related expenses (included in administrative expenses)	收購相關支出(計入行政支出)	11,342
Net cash outflow arising from the acquisition:	收購之現金流出淨額：	
Cash consideration paid	已付現金代價	(509,600)

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39 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Acquisitions and disposals (continued)

(i) Acquisitions of senior housing properties (continued)

The acquired business contributed revenue of HK\$122,617,000, earnings before interest, tax, depreciation and amortisation (before deducting the acquisition related expenses of HK\$11,342,000) of HK\$4,454,000 and net loss of HK\$35,684,000 to the Group for the period from 1 July 2018 to 31 March 2019.

If the acquisition had occurred on 1 April 2018, pro-forma revenue and net loss for the year ended 31 March 2019 of the acquired business would have been HK\$214,352,000 and HK\$48,488,000 respectively, resulting in consolidated pro-forma revenue and profit for the year ended 31 March 2019 of the Group to be HK\$6,984,449,000 and HK\$686,598,000 respectively. The information is for illustrative purpose only and does not represent actual results for the year.

(ii) Disposal of Moon Colour Holdings Limited and its subsidiaries ("Moon Colour Group")

On 28 March 2019, the Group entered into an agreement to dispose of entire interest in Moon Colour Group at a consideration of approximately HK\$540,000,000. The transaction completed on 1 April 2019.

39 綜合現金流量表附註(續)

(b) 收購及出售(續)

(i) 收購安老院舍物業(續)

所收購業務於二零一八年七月一日至二零一九年三月三十一日期間為本集團貢獻收入港幣122,617,000元，未計利息、稅項、折舊及攤銷前盈利(扣除收購相關支出港幣11,342,000元前)港幣4,454,000元及淨虧損港幣35,684,000元。

倘收購事項於二零一八年四月一日發生，則所收購業務截至二零一九年三月三十一日止年度之備考收入及淨虧損將分別為港幣214,352,000元及港幣48,488,000元，導致截至二零一九年三月三十一日止年度本集團之綜合備考收入及溢利將分別為港幣6,984,449,000元及港幣686,598,000元。此資料僅供參考之用，並非該年度之實際結果。

(ii) 出售Moon Colour Holdings Limited及其附屬公司(「Moon Colour集團」)

於二零一九年三月二十八日，本集團訂立協議以出售Moon Colour集團之全部股權，代價約為港幣540,000,000元。此交易已於二零一九年四月一日完成。

		2020 二零二零年 HK\$'000 港幣千元
Cash consideration	現金代價	540,244
Less: professional fees and other expenses	減：專業費用及其他支出	(2,969)
		537,275
Net assets disposed	已出售之資產淨值	(370,528)
Gain on disposal, net (note 9)	出售之收益，淨額(附註9)	166,747
Net cash inflow arising from the disposal:	出售事項產生的現金流入淨額：	
Cash consideration received	已收現金代價	540,244
Professional fees and other expenses	專業費用及其他支出	(2,969)
		537,275

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39 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Acquisitions and disposals (continued)

(iii) Disposal of New Rise Properties Limited (“New Rise”)

In March 2019, the Group entered into an option agreement with an independent third party. Under the option agreement, the counterparty has right to acquire New Rise. In June 2019, the counterparty exercised the option to acquire New Rise at a consideration of HK\$187,000,000. The transaction completed in the same month.

39 綜合現金流量表附註(續)

(b) 收購及出售(續)

(iii) 出售新升置業有限公司(「新升」)

於二零一九年三月，本集團與一名獨立第三方訂立一份期權協議。根據該期權協議，對方有權收購新升。於二零一九年六月，對方已行使期權以代價港幣187,000,000元收購新升。交易已於同月完成。

		2020 二零二零年 HK\$'000 港幣千元
Cash consideration	現金代價	187,000
Less: professional fees and other expenses	減：專業費用及其他支出	(2,301)
		<hr/>
		184,699
		<hr/>
Net assets disposed	已出售之資產淨值	(146,019)
		<hr/>
Gain on disposal, net (note 9)	出售之收益，淨額(附註9)	38,680
		<hr/>
Net cash inflow arising from the disposal:	出售事項產生的現金流入淨額：	
Cash consideration received	已收現金代價	187,000
Professional fees and other expenses	專業費用及其他支出	(2,301)
		<hr/>
		184,699
		<hr/>

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39 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Acquisitions and disposals (continued)

(iv) Disposal of Jumbo Rainbow Limited and its subsidiary ("Jumbo Rainbow Group")

In June 2019, the Group entered into an agreement to dispose of entire interest in Jumbo Rainbow Group at a consideration of approximately HK\$279,000,000. The transaction completed in October 2019.

39 綜合現金流量表附註(續)

(b) 收購及出售(續)

(iv) 出售 Jumbo Rainbow Limited 及其附屬公司(「Jumbo Rainbow 集團」)

於二零一九年六月，本集團訂立一份協議以出售於 Jumbo Rainbow 集團之全部權益，代價約為港幣 279,000,000 元。此交易已於二零一九年十月完成。

		2020 二零二零年 HK\$'000 港幣千元
Cash consideration	現金代價	279,108
Less: professional fees and other expenses	減：專業費用及其他支出	(2,502)
		<u>276,606</u>
Net assets disposed	已出售之資產淨值	<u>(202,355)</u>
Gain on disposal, net (note 9)	出售之收益，淨額(附註9)	<u>74,251</u>
Net cash inflow arising from the disposal:	出售事項產生的現金流入淨額：	
Cash consideration received	已收現金代價	279,108
Professional fees and other expenses	專業費用及其他支出	(2,502)
		<u>276,606</u>

(c) Reconciliation of liabilities/(assets) arising from financing activities

(c) 融資活動所產生負債/(資產)之對賬

		Bank and other borrowings 銀行及 其他借款 HK\$'000 港幣千元	Pledged bank deposits 已抵押 銀行存款 HK\$'000 港幣千元	Lease Liabilities 租賃負債 HK\$'000 港幣千元
At April 2019, as previously stated	於二零一九年四月， 先前呈報	3,740,210	(54,913)	-
Impact of change in accounting policy (note 3)	會計政策變動影響 (附註3)	(277)	-	75,966
Restated at 1 April 2019	於二零一九年 四月一日經重列	<u>3,739,933</u>	<u>(54,913)</u>	<u>75,966</u>
Cash flows	現金流量	(230,318)	5,165	(16,800)
Transfer to liabilities directly associated with assets held-for-sale	轉撥至與持作出售 資產直接相關之 負債	(124,361)	-	-
Exchange realignment	匯兌調整	(25,928)	-	(3,231)
New lease arrangements	新租賃安排	-	-	4,028
Others	其他	8,741	-	2,860
At 31 March 2020	於二零二零年 三月三十一日	<u>3,368,067</u>	<u>(49,748)</u>	<u>62,823</u>
At 1 April 2018	於二零一八年 四月一日	3,376,502	(54,363)	-
Cash flows	現金流量	363,961	(550)	-
Exchange realignment	匯兌調整	(8,506)	-	-
Others	其他	8,253	-	-
At 31 March 2019	於二零一九年 三月三十一日	<u>3,740,210</u>	<u>(54,913)</u>	<u>-</u>

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40 IMPAIRMENT TESTING OF GOODWILL AND OTHER INTANGIBLE ASSETS

For the purpose of impairment testing, goodwill acquired in business combinations, lease-in-place and others are allocated, at acquisition, to the CGUs that are expected to benefit from such intangible assets. The respective carrying amounts as at 31 March 2020 and 2019 had been allocated as follows:

40 商譽及其他無形資產之減值測試

為進行減值測試，於業務合併購入之商譽、現存租賃及其他乃於收購時分配至預期將從該無形資產中受惠之現金產生單位。於二零二零年及二零一九年三月三十一日，各自之賬面值已獲分配如下：

		Goodwill 商譽 HK\$'000 港幣千元	Lease-in-place 現存租賃 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元
Cost	成本			
Construction and engineering – roads, drainage and waterworks	建築及機械工程 – 道路、渠務 及水務工程	–	–	26,534
Property development and operations – cold storage and public bonded warehouse (note a)	物業發展及營運 – 冷藏倉庫 及公眾保稅倉 (附註a)	66,027	–	3,000
Senior housing (note b)	安老院舍(附註b)	575,091	84,736	–
Insurance and investment	保險及投資	–	–	4,006
Others	其他	8,670	–	11,620
		649,788	84,736	45,160
Accumulated amortisation/impairment loss	累計攤銷/ 減值虧損			
Construction and engineering – roads, drainage and waterworks	建築及機械工程 – 道路、渠務 及水務工程	–	–	(26,534)
Property development and operations – cold storage and public bonded warehouse (note a)	物業發展及營運 – 冷藏倉庫 及公眾保稅倉 (附註a)	(1,461)	–	(3,000)
Senior housing (note b)	安老院舍(附註b)	(4,348)	(58,071)	–
Insurance and investment	保險及投資	–	–	(3,986)
Others	其他	–	–	(2,019)
		(5,809)	(58,071)	(35,539)
Net book value at 31 March 2020	於二零二零年 三月三十一日 之賬面淨值	643,979	26,665	9,621

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40 IMPAIRMENT TESTING OF GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

40 商譽及其他無形資產之減值測試 (續)

		Goodwill 商譽 HK\$'000 港幣千元	Lease-in-place 現存租賃 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元
Cost	成本			
Construction and engineering – roads, drainage and waterworks	建築及機械工程 – 道路、渠務 及水務工程	–	–	26,534
Property development and operations – cold storage and public bonded warehouse (note a)	物業發展及營運 – 冷藏倉庫 及公眾保稅倉 (附註a)	66,027	–	3,000
Senior housing (note b)	安老院舍(附註b)	612,330	85,829	–
Insurance and investment	保險及投資	–	–	4,235
Others	其他	7,242	–	11,505
		<u>685,599</u>	<u>85,829</u>	<u>45,274</u>
Accumulated amortisation/impairment loss	累計攤銷/ 減值虧損			
Construction and engineering – roads, drainage and waterworks	建築及機械工程 – 道路、渠務 及水務工程	–	–	(26,534)
Property development and operations – cold storage and public bonded warehouse (note a)	物業發展及營運 – 冷藏倉庫 及公眾保稅倉 (附註a)	(1,461)	–	(3,000)
Senior housing (note b)	安老院舍(附註b)	–	(31,963)	–
Insurance and investment	保險及投資	–	–	(4,126)
Others	其他	–	–	(1,959)
		<u>(1,461)</u>	<u>(31,963)</u>	<u>(35,619)</u>
Net book value at 31 March 2019	於二零一九年 三月三十一日 之賬面淨值	<u>684,138</u>	<u>53,866</u>	<u>9,655</u>

The Group tests goodwill annually for impairment, or more frequently if there are indications that they might be impaired.

本集團每年均會測試商譽是否出現減值，或當有減值跡象時，會更頻密進行測試。

The Group tests other intangible assets for impairment whenever there is an indication that they might be impaired.

本集團於其他無形資產在出現有可能減值跡象時進行減值測試。

Determining whether goodwill and other intangible assets are impaired require estimations of the higher of the value in use or fair value less cost to sell. Both approaches require the entity to estimate the future cash flows expected to arise from CGUs and suitable discount rates in order to calculate present value.

釐定商譽及其他無形資產有否減值需估計使用中價值或公允值扣除銷售成本之較高者。在使用該兩個計算法時，該企業需估計該現金產生單位產生之未來現金流量及適當貼現率，以計算其現值。

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40 IMPAIRMENT TESTING OF GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

(a) Cold storage and public bonded warehouse business

Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. Management determined budgeted growth rates and gross margins based on past performance and market expectation. The discount rates reflect specific risks relating to the relevant CGUs.

Goodwill, after impairment, of HK\$64,566,000 (2019: HK\$64,566,000) is allocated to the Group's cold storage and public bonded warehouse business. The estimated recoverable amount is determined based on value-in-use approach. The calculation uses post-tax cash flow projections based on financial budgets approved by management covering a one-year period. Cash flows beyond the period are extrapolated using a 2% (2019: 3%) growth rate per annum and a 9% (2019: 9%) discount rate per annum.

(b) Senior housing business

The key assumptions require the entity to estimate the discount rates and net operating income. Management estimates appropriate discount rates that reflect current market assessments of the time value of money and the risks specific to the CGUs.

Goodwill, after impairment, of HK\$570,743,000 (2019: HK\$612,330,000) and lease-in-place, after amortisation, of HK\$26,665,000 (2019: HK\$53,866,000) are allocated to the Group's senior housing business. The estimated recoverable amounts are determined based on value-in-use approach. The calculation uses pre-tax cash flow projections based on financial budgets approved by management covering three to four-year period. Cash flows beyond the period are extrapolated using a 3%-4% (2019: 3%-4%) growth rate per annum and a 9.2%-12.5% (2019: 10.0%-10.5%) discount rate per annum.

An impairment loss of HK\$4,381,000 arose in relation to a senior housing property located at Michigan, the US in view of lower-than-expected occupancy. Any changes in any of the key assumptions used would result in increase or decrease in impairment loss.

The senior housing business operate in a heavily regulated environment which are subject to numerous laws and regulations of federal, state, and local government. These laws and regulations relate to, among other things, such as government healthcare program participation requirements, regulations regarding reimbursement for patient services and related billing, fraud and abuse. Violation of certain laws and regulations could result in the expulsion from government healthcare program. Management was not aware of any actions or potential actions as at 31 March 2020.

40 商譽及其他無形資產之減值測試 (續)

(a) 冷藏倉庫及公眾保稅倉業務

售價及直接成本之變化根據過往慣例及對市場未來轉變之預期而定，管理層根據過往表現及市場預期釐定預算增長率及毛利率。貼現率反映與相關現金產生單位所涉及之特定風險。

減值後商譽港幣 64,566,000 元 (二零一九年：港幣 64,566,000 元) 被分配至本集團之冷藏倉庫及公眾保稅倉業務。估計可收回金額乃按使用中價值法釐定。有關計算使用根據管理層批核之一年期財務預算之除稅後現金流量預測。超過期限之現金流量根據每年 2% (二零一九年：3%) 增長率及 9% (二零一九年：9%) 貼現年率推算。

(b) 安老院舍業務

主要假設需要企業估計貼現率及淨營運收入，管理層估計能反映目前市場對貨幣之時間價值及現金產生單位特有風險之合適貼現率。

減值後商譽港幣 570,743,000 元 (二零一九年：港幣 612,330,000 元) 及攤銷後現存租賃港幣 26,665,000 元 (二零一九年：港幣 53,866,000 元) 被分配至本集團之安老院舍業務。估計可收回金額乃按使用中價值法釐定。有關計算使用根據管理層批核之三至四年期財務預算之除稅前現金流量預測。超過期限之現金流量根據每年 3% 至 4% (二零一九年：3% 至 4%) 增長率及 9.2% 至 12.5% (二零一九年：10.0% 至 10.5%) 貼現年率推算。

鑑於位於美國密歇根州的安老院舍物業入住率低於預期，因此產生減值虧損港幣 4,381,000 元。任何所用主要假設的變動均會導致減值虧損增加或減少。

安老院舍業務處於嚴格受規管的營商環境中，當中面臨多項聯邦、州立及地方政府的法律及法規。相關法律及法規涉及 (其中包括) 政府保健護理計劃參與規定、彌償病患者服務及相關賬單、欺詐及濫用的規例。違反若干法律及規例可能被逐出政府保健護理計劃。管理層於二零二零年三月三十一日並無知悉任何行動或潛在行動。

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41 BENEFITS AND INTERESTS OF DIRECTORS AND EMPLOYEES

41 董事及僱員之福利及權益

(a) Directors' emoluments

Emoluments paid and payable to the Directors are as follows:

(a) 董事酬金

已付及應付董事酬金如下：

		Directors' Fee	Salaries and other benefits	Retirement scheme contribution	Total
		董事酬金	薪金及其他福利	退休計劃之供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
2020	二零二零年				
Executive Directors	執行董事				
Kuok Hoi Sang (Chairman and Managing Director)	郭海生 (主席兼董事總經理)	–	17,080	756	17,836
Tam Kwok Wing (Deputy Managing Director)	譚國榮 (副董事總經理)	–	12,600	525	13,125
Ho Chung Leung	何宗樑	–	3,950	251	4,201
Ma Chi Wing	馬志榮	–	7,400	360	7,760
Lily Chow	周莉莉	–	2,200	165	2,365
Non-Executive Directors	非執行董事				
Yang Chuen Liang, Charles [#]	楊傳亮 [#]	400	–	–	400
Poon Chung Kwong [#]	潘宗光 [#]	350	–	–	350
Irons Sze [#]	施榮懷 [#]	300	–	–	300
Sun Leland Li Hsun ^{**}	孫立勳 ^{**}	300	–	–	300
Chow Vee Tsung, Oscar	周維正	400	–	–	400
Ko Chan Gock, William	高贊覺	100	–	–	100
		1,850	43,230	2,057	47,137

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41 BENEFITS AND INTERESTS OF DIRECTORS AND EMPLOYEES (CONTINUED)

41 董事及僱員之福利及權益(續)

(a) Directors' emoluments (continued)

(a) 董事酬金(續)

	Directors' Fee	Salaries and other benefits	Retirement scheme contribution	Total
	董事酬金	薪金及其他福利	退休計劃之供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元
2019				
Executive Directors	二零一九年			
	執行董事			
Kuok Hoi Sang (Chairman and Managing Director)	郭海生 (主席兼董事總經理)	–	720	16,320
Tam Kwok Wing (Deputy Managing Director)	譚國榮 (副董事總經理)	–	503	12,703
Ho Chung Leung	何宗樑	–	240	4,040
Ma Chi Wing	馬志榮	–	330	7,330
Lily Chow	周莉莉	–	157	2,257
Non-Executive Directors	非執行董事			
Yang Chuen Liang, Charles [#]	楊傳亮 [#]	350	–	350
Poon Chung Kwong [#]	潘宗光 [#]	305	–	305
Irons Sze [#]	施榮懷 [#]	300	–	300
Sun Leland Li Hsun ^{**}	孫立勳 ^{**}	28	–	28
Chow Vee Tsung, Oscar	周維正	350	–	350
Ko Chan Gock, William	高贊覺	100	–	100
Chow Ming Kuen, Joseph ^{***}	周明權 ^{***}	350	–	350
		<u>1,783</u>	<u>1,950</u>	<u>44,433</u>

[#] Independent Non-Executive Director

^{*} Appointed as an Independent Non-Executive Director on 26 February 2019

^{**} Deceased on 13 October 2018

[#] 獨立非執行董事

^{*} 於二零一九年二月二十六日獲委任為獨立非執行董事

^{**} 於二零一八年十月十三日辭世

(b) Employees' emoluments

The five highest paid individuals include three (2019: three) Directors, details of whose emoluments are set out above. The total emoluments paid to the remaining two (2019: two) highest paid individuals are as follows:

(b) 僱員酬金

五名最高薪酬人士包括三名(二零一九年: 三名)董事, 彼等之酬金詳情已載列如上。支付予其餘兩名(二零一九年: 兩名)最高薪酬人士之總薪酬為:

	2020	2019
	二零二零年	二零一九年
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Salaries, allowances and benefits in kind	7,237	7,066
Performance-based bonus	2,649	2,273
Contributions to retirement scheme	18	18
	<u>9,904</u>	<u>9,357</u>

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41 BENEFITS AND INTERESTS OF DIRECTORS AND EMPLOYEES (CONTINUED)

(b) Employees' emoluments (continued)

The emoluments of the remaining two (2019: two) highest paid individuals fall within the following bands.

		2020 二零二零年	2019 二零一九年
HK\$4,500,001 – HK\$5,000,000	港幣 4,500,001 元 – 港幣 5,000,000 元	1	2
HK\$5,000,001 – HK\$5,500,000	港幣 5,000,001 元 – 港幣 5,500,000 元	1	-

The above emoluments paid and payable to Directors and employees also represent only benefits paid to the Group's key management during the years ended 31 March 2020 and 2019.

Directors' material interests in transactions, arrangements or contracts

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

41 董事及僱員之福利及權益(續)

(b) 僱員酬金(續)

其餘兩名(二零一九年:兩名)最高薪酬之人士可按金額劃分為下列組別。

上述向董事及僱員已付及應付之酬金亦即於截至二零二零年及二零一九年三月三十一日止年度內向本集團主要管理層支付之唯一福利。

董事於交易、安排或合約中之重大權益

本公司或其附屬公司概無訂立任何於年結日或年內任何時間仍然存在，而董事或任何與該董事有關連的實體於當中直接或間接擁有重大權益且有關係本集團業務的重大交易、安排或合約。

42 CONTINGENT LIABILITIES

The Group had contingent liabilities in respect of guarantees issued for utilised borrowings in relation to:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Banking facilities granted to associates	授予聯營公司之銀行信貸	1,368	1,398
Guarantees given to banks and housing retirement fund management centres for mortgage facilities granted to certain buyers of properties	給予銀行及住房公積金中心就授予若干物業買家之按揭信貸的擔保	548,760	521,960
		550,128	523,358

The Group's share of contingent liabilities of its joint ventures was as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Guarantees given to banks for mortgage facilities granted to certain buyers of the joint ventures' properties	給予銀行就授予合營企業之物業的若干買家之按揭信貸的擔保	268	287

In respect of a completed engineering contract, the Group has contingent liabilities arising from the claims lodged by a subcontractor for an unprovided amount of approximately HK\$27 million. The ultimate outflow, if any, to settle this possible obligation is subject to the final outcome of the legal proceedings and is uncertain.

42 或然負債

本集團因已動用借款而作出之擔保之或然負債為：

本集團所佔其合營企業之或然負債如下：

就已完成的工程合約而言，本集團因一名分包商就一筆未確定金額約港幣2,700萬元提出索償而產生或然負債，有關結清該可能責任的最終支出(如有)視乎法律訴訟的最終結果而定，而其尚未能確定。

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43 COMMITMENT

The Group had commitment as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contracted but not provided for in the consolidated financial statements in respect of	就下列項目已簽訂合約 但未在綜合財務報表內計提之承擔		
– property development projects	– 物業發展項目	474,492	342,284
– acquisition of property, plant and equipment	– 購入物業、廠房及設備	3,018	1,083
– acquisition of a senior housing property (note 48)	– 購入一間安老院舍物業(附註48)	151,125	–
		<u>628,635</u>	<u>343,367</u>

43 承擔

本集團之承擔如下：

The Group's share of commitment of its joint ventures was as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contracted but not provided for	已簽約但未計提	<u>8,215</u>	<u>8,699</u>

本集團所佔其合營企業之承擔如下：

44 OPERATING LEASES

The Group as lessee

Operating lease commitments for short-term and low value asset leases which were due within one year amounted to HK\$2,680,000.

The Group as lessor

As at 31 March 2020, investment properties and properties for sale with carrying values of HK\$2,974,182,000 and HK\$33,306,000 (2019: HK\$3,064,680,000 and HK\$36,855,000) respectively were rented out under operating leases. These properties have committed tenants within the next thirteen years.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

		2020 二零二零年 HK\$'000 港幣千元
Within one year	一年內	115,028
After 1 year but within 2 years	超過一年但兩年內	91,781
After 2 years but within 3 years	超過兩年但三年內	74,205
After 3 years but within 4 years	超過三年但四年內	62,326
After 4 years but within 5 years	超過四年但五年內	3,934
After five years	超過五年	22,552
		<u>369,826</u>

44 營運租賃

本集團作為承租人

於一年內到期的短期及低價值資產租賃的經營租賃承諾為港幣2,680,000元。

本集團作為出租人

於二零二零年三月三十一日，以營運租賃出租之投資物業及待售物業之賬面值分別為港幣2,974,182,000元及港幣33,306,000元(二零一九年：港幣3,064,680,000元及港幣36,855,000元)。此等物業獲租客承諾於未來十三年內租用。

本集團於報告日期根據不可撤銷之營運租賃而於未來期間應收之未貼現租賃款項如下：

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44 OPERATING LEASES (CONTINUED)

The Group as lessor (continued)

As at 31 March 2019, the future minimum lease payments receivable by the Group under non-cancellable operating leases for each of the following periods is as follows:

		2019 二零一九年 HK\$'000 港幣千元
Within one year	一年內	156,336
In the second to fifth year inclusive	第二至五年內(包括首尾兩年)	337,276
After five years	超過五年	53,641
		<u>547,253</u>

45 RETIREMENT BENEFITS

The Group has established various retirement benefit schemes for the benefit of its staff in Hong Kong and overseas.

In Hong Kong, the Group participates in both defined contribution schemes which are registered under the Occupational Retirement Schemes Ordinance (the "ORSO Schemes") and Mandatory Provident Fund Schemes (the "MPF Schemes") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group and in funds under the control of trustees. The ORSO Schemes are funded by monthly contributions from both employees and the Group at rates ranging from 5% to 7.5% of the employee's basic salary, depending on the length of service with the Group. For members of the MPF Schemes, the Group contributes 5% of the relevant payroll costs per employee, at a maximum of HK\$1,500 per month during the year ended 31 March 2020, to the mandatory contribution of the MPF Schemes.

The Group also participates in the employee pension schemes in countries or locations where the Group operates. The Group is required to make defined contributions at rates calculated as a certain percentage or sum of the monthly payroll.

Where there are employees who leave the ORSO Schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. As at 31 March 2020 and 2019, there were no forfeited contributions, which arose upon employees leaving the ORSO Schemes and which would be available to reduce the contributions payable in future years. No forfeited contributions utilised in this manner during the year ended 31 March 2020 (2019: HK\$nil). As at 31 March 2020, contributions of HK\$3,414,000 (2019: HK\$3,154,000) due in respect of the reporting period were paid over to various schemes in April 2020.

44 營運租賃(續)

本集團作為出租人(續)

於二零一九年三月三十一日，本集團於下列各期間根據不可撤銷之營運租賃而於未來應收之最低租賃金額如下：

45 退休福利

本集團為香港及海外僱員之福利設立多項退休福利計劃。

於香港，本集團參與按《職業退休計劃條例》註冊之界定供款計劃（「職業退休計劃」）及於二零二零年十二月按《強制性公積金計劃條例》設立之強制性公積金計劃（「強積金計劃」）。該等計劃之資產乃由信託人控制之基金持有，與本集團資產分開處理。就職業退休計劃，僱員及本集團每月按僱員底薪之5%至7.5%為供款額，視乎僱員於本集團之年資而定。本集團為強積金計劃之成員，按僱員有關每月入息之5%計算（截至二零二零年三月三十一日止年度內每月最多為港幣1,500元）就強積金計劃作出強制性供款。

本集團亦參與本集團經營業務之國家或地區之僱員退休金計劃。本集團須按以每月薪酬之若干百分比或數目計算之金額作界定供款。

倘僱員於供款全數歸屬前退出職業退休計劃，已沒收供款可作為本集團扣減應付供款之用。於二零二零年及二零一九年三月三十一日，並無因僱員退出職業退休計劃並於來年扣減應付供款之已沒收供款。截至二零二零年三月三十一日止年度內並無以此形式動用之已沒收供款（二零一九年：港幣零元）。於二零二零年三月三十一日，就報告期間應付之各計劃供款港幣3,414,000元（二零一九年：港幣3,154,000元）已於二零二零年四月支付。

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46 RELATED PARTY TRANSACTIONS

Details of the material transactions entered into during the year with related parties are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contract income from a joint venture	來自一間合營企業之合約收入	171,668	153,330
Contract fee to an associate	給予一間聯營公司之合約費用	(1,053)	(7,473)
Management fee income from an associate (note 8)	來自一間聯營公司之管理費收入(附註8)	19,800	19,800
Management fee income from joint ventures (note 8)	來自合營企業之管理費收入(附註8)	1,508	3,136
Maintenance fee to an associate	給予一間聯營公司之保養費用	(7,461)	(4,133)
Management fee to an associate	給予一間聯營公司之管理費用	(341)	(347)
Building management fee income from an associate	來自一間聯營公司之樓宇管理費	763	705
Rental income from an associate	來自一間聯營公司之租金收入	21,466	20,793
Rental expenses to an associate	給予一間聯營公司之租金支出	(141)	(147)
Sales and marketing services income from an associate (note 8)	來自一間聯營公司之銷售及市場推廣服務收入(附註8)	33,922	31,901
Secondment fee income from an associate	來自一間聯營公司之借調費收入	1,670	1,577
Interest income from an associate	來自一間聯營公司之利息收入	205	7
Interest income from a joint venture	來自一間合營企業之利息收入	6,265	13,055
Insurance premium from associates	來自聯營公司之保險費	600	8,254
Insurance premium from a joint venture	來自一間合營企業之保險費	700	2,456

The above transactions were entered at terms mutually agreed between all parties involved.

The emoluments of the Directors, who are also considered to be key management of the Group, during the year is set out in note 41 to the consolidated financial statements.

47 ASSETS HELD-FOR-SALE/LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD-FOR-SALE

Balance as at 31 March 2019

In December 2018, the Group entered into a sale and purchase agreement with an independent third party to dispose of the Group's entire interest in Moon Colour and its wholly owned subsidiaries (together, "Moon Colour Group"; the group engaged in the property development project located at Tai Yip Street, Kwun Tong), at a consideration of approximately HK\$540 million (note 39(b)(iii)).

In March 2019, the Group entered into an option agreement with an independent third party. Under the option agreement, the counterparty has a right to acquire New Rise Properties Limited ("New Rise"; a wholly owned subsidiary of the Group which holds the interest in the property situated at the Ground Floor of Block A and the Ground Floor of Block B, East Sun Industrial Centre together with Car Park Space Nos. 23 and 24, Ground Floor, East Sun Industrial Centre, Kwun Tong), at a consideration of HK\$187 million (note 39(b)(iii)).

As a result of these transactions, the assets and liabilities of Moon Colour Group and New Rise were reclassified as assets and liabilities held-for-sale respectively as at 31 March 2019.

46 有關連人士之交易

於年內與有關連人士之重要交易詳情如下：

上述交易乃按所有有關各方共同議定之條款訂立。

於年內董事(彼等亦被視為本集團主要管理層成員)之薪酬載於綜合財務報表附註41。

47 持作出售資產／與持作出售資產直接相關之負債

於二零一九年三月三十一日之結餘

於二零一八年十二月，本集團與一名獨立第三方訂立一份買賣協議，以出售本集團於Moon Colour及其全資附屬公司(統稱「Moon Colour集團」，即涉及位於觀塘大業街的物業發展項目之集團)之全部權益，代價約為港幣5.40億元(附註39(b)(iii))。

於二零一九年三月，本集團與一名獨立第三方訂立一份期權協議。根據該期權協議，對方有權收購新升置業有限公司(「新升」，本集團之一間全資附屬公司，其持有位於觀塘怡生工業中心A座地下及B座地下的物業連同怡生工業中心地下第23及24號停車位之權益)，代價為港幣1.87億元(附註39(b)(iii))。

由於上述交易，Moon Colour集團及新升之資產及負債分別於二零一九年三月三十一日重新分類為持作出售之資產及負債。

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綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

47 ASSETS HELD-FOR-SALE/LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD-FOR-SALE (CONTINUED)

Balance as at 31 March 2020

In January 2020, the Group entered into a sale and purchase agreement with an independent third party to dispose of the Group's entire interest in eight companies (the "Disposal Group", which owned seven senior housing properties and related assets and liabilities located in North Carolina, the US) at a consideration of approximately US\$42 million (equivalent to approximately HK\$328 million) (on mortgage-free basis). The assets and liabilities of the Disposal Group as at 31 March 2020 were classified as assets held-for-sale and liabilities directly associated with assets held-for-sale respectively. The assets held-for-sale have been stated at the lower of carrying amount and fair value less costs to sell. The transaction is pending for completion as at the date of approval of this consolidated financial statements. Upon completion, the gain on disposal before tax is estimated to be approximately US\$21 million (equivalent to approximately HK\$161 million).

47 持作出售資產／與持作出售資產直接相關之負債(續)

於二零二零年三月三十一日之結餘

於二零二零年一月，本集團與一名獨立第三方訂立一份買賣協議，以出售本集團於八間公司（「出售集團」，其擁有的位於美國北卡羅來納州的七間安老院舍物業以及相關資產及負債）之全部權益，代價約為4,200萬美元（相等於約港幣3.28億元）（不附帶任何按揭的基礎）。出售集團於二零二零年三月三十一日之資產及負債已分別分類為持作出售資產及與持作出售資產直接相關之負債。持作出售資產已按賬面值與公允值之較低者減出售成本列賬。交易於批准此綜合財務報表日期尚未完成。完成後，除稅前出售收益估計將約2,100萬美元（相等於約港幣1.61億元）。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Assets	資產		
Investment properties (note 15)	投資物業(附註15)	-	146,000
Property, plant and equipment (note 16)	物業、廠房及設備(附註16)	123,992	-
Goodwill (note 17)	商譽(附註17)	29,439	-
Properties under development (note 25)	發展中物業(附註25)	-	367,498
Other non-current assets	其他非流動資產	4,198	-
Inventories	存貨	82	-
Deferred tax assets (note 38)	遞延稅項資產(附註38)	4,603	3,028
Debtors, deposits and prepayments	應收賬款、存出按金及預付款項	12,640	23
Bank balances and cash	銀行結存及現金	535	-
Assets of subsidiaries reclassified as held-for-sale	重新分類為持作出售之附屬公司之資產	175,489	516,549
Liabilities of subsidiaries reclassified as held-for-sale	重新分類為持作出售之附屬公司之負債		
Creditors, borrowings, amount due to a non-controlling interest, deposits and accruals	應付賬款、借款、應付一間非控股權益賬款、存入按金及預提費用	128,350	34

48 EVENTS AFTER THE END OF THE REPORTING PERIOD

Acquisition of a senior housing property

In January 2020, OR4 Medford, LLC (a subsidiary of the Group) entered into a sale and purchase agreement with an independent third party to purchase a senior housing property in the US at a consideration of US\$19.5 million (equivalent to approximately HK\$151 million). The transaction completed in May 2020.

48 報告期末後事項

收購一間安老院舍物業

於二零二零年一月，OR4 Medford, LLC（本集團其中一間附屬公司）與一名獨立第三方訂立一份買賣協議，以代價1,950萬美元（相等於約港幣1.51億元）購買一間於美國的安老院舍物業。此交易已於二零二零年五月完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

49 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

Company statement of financial position

As at 31 March 2020

49 本公司財務狀況及儲備變動表

公司財務狀況表

於二零二零年三月三十一日

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current assets	非流動資產		
Interests in subsidiaries	附屬公司之權益	2,711,955	2,774,489
Interests in associates	聯營公司之權益	89,594	89,594
Other intangible assets	其他無形資產	599	599
Investments at fair value through profit or loss	按公允價值列入損益處理之投資	85,936	54,134
Investments at amortised cost	按攤銷成本列賬之投資	23,003	30,851
		<u>2,911,087</u>	<u>2,949,667</u>
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司賬款	4,201,978	5,030,293
Amounts due from associates	應收聯營公司賬款	19,584	17,685
Investments at fair value through profit or loss	按公允價值列入損益處理之投資	15,141	7,858
Investments at amortised cost	按攤銷成本列賬之投資	7,778	3,970
Debtors, deposits and prepayments	應收賬款、存出按金及預付款項	5,815	2,627
Derivative financial instruments	衍生財務工具	242	-
Bank balances and cash	銀行結存及現金	1,466,420	375,927
		<u>5,716,958</u>	<u>5,438,360</u>
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司賬款	4,445,032	4,166,759
Creditors, deposits and accruals	應付賬款、存入按金及預提費用	7,664	9,793
		<u>4,452,696</u>	<u>4,176,552</u>
Net current assets	流動資產淨值	<u>1,264,262</u>	<u>1,261,808</u>
Total assets less current liabilities	總資產減流動負債	<u>4,175,349</u>	<u>4,211,475</u>
Capital and reserves	股本及儲備		
Share capital	股本	377,411	377,411
Reserves (note a)	儲備(附註a)	2,206,938	2,246,064
Total equity	總權益	<u>2,584,349</u>	<u>2,623,475</u>
Non-current liability	非流動負債		
Bank borrowings	銀行借款	1,591,000	1,588,000
Total equity and non-current liability	總權益及非流動負債	<u>4,175,349</u>	<u>4,211,475</u>

Approved by the Board of Directors on 26 June 2020 and signed on its behalf by:

經董事會於二零二零年六月二十六日批准，並由下列董事代表簽署：

KUOK Hoi Sang
郭海生
Director
董事

HO Chung Leung
何宗樑
Director
董事

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For the year ended 31 March 2020
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49 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY (CONTINUED)

Notes:

(a) Reserves movement of the Company

		Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 繳入盈餘 HK\$'000 港幣千元 (note b) (附註 b)	Capital redemption reserve 資本贖回儲備 HK\$'000 港幣千元	Hedging reserve 對沖儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2019	於二零一九年 四月一日	704,087	95,413	8,799	-	1,437,765	2,246,064
Profit and total comprehensive income for the year	年度溢利及全面 收益總額	-	-	-	-	126,935	126,935
Dividends paid	已付股息	-	-	-	-	(166,061)	(166,061)
At 31 March 2020	於二零二零年 三月三十一日	704,087	95,413	8,799	-	1,398,639	2,206,938
At 1 April 2018	於二零一八年 四月一日	704,087	95,413	8,799	3	1,430,871	2,239,173
Profit for the year	年度溢利	-	-	-	-	127,665	127,665
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	指定為現金流量 對沖的衍生財務 工具的公允值調整	-	-	-	(3)	-	(3)
Total comprehensive (expenses)/income for the year	年度全面(支出)/ 收益總額	-	-	-	(3)	127,665	127,662
Dividends paid	已付股息	-	-	-	-	(120,771)	(120,771)
At 31 March 2019	於二零一九年 三月三十一日	704,087	95,413	8,799	-	1,437,765	2,246,064

(b) Contributed surplus represents the difference between the value of net assets of subsidiaries acquired and the nominal amount of the Company's shares issued for their acquisition. Under the Companies Act of 1981 of Bermuda, the contributed surplus of the Company is available for distribution to shareholders.

49 本公司財務狀況及儲備變動表 (續)

附註：

(a) 本公司儲備變動

(b) 繳入盈餘乃代表所收購附屬公司之資產淨值與收購時所發行本公司股份之面值間之差額。根據百慕達《一九八一年公司法》，本公司之繳入盈餘乃可供分派予股東。

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綜合財務報表附註

For the year ended 31 March 2020
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50 PRINCIPAL SUBSIDIARIES

50 主要附屬公司

Name of company 公司名稱	Place or country of incorporation or registration/ operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行 股本/註冊股本之 實際百分比		Percentage of issued share capital/ registered capital held by non- controlling interests 非控股權益持有 已發行股本/ 註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
Ample Trade Limited 貿鉅有限公司	Hong Kong 香港	Ordinary 普通	HK\$1 港幣1元	1	-	100	-	Property development 物業發展
Changchun New Star Universe Sheng Chi Real Estate Development Co., Ltd. (note a) 長春新宇聖馳房地產 開發有限責任公司(附註a)	Mainland China 中國內地	N/A 不適用	RMB675,000,000 人民幣675,000,000元	N/A 不適用	-	96	4	Property development 物業發展
Chevalier (Aluminium Engineering) Hong Kong Limited 其士(鋁工程)香港有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	100	-	Supply and installation of aluminium windows and curtain walls 供應及安裝鋁窗及幕牆
Chevalier (Aluminium Engineering) Limited (note b) 其士(鋁工程)有限公司(附註b)	Hong Kong 香港	Ordinary 普通 Deferred 遞延	HK\$100 港幣100元 HK\$2 港幣2元	100 2	- -	100 100	- -	Supply and installation of aluminium windows and curtain walls 供應及安裝鋁窗及幕牆
Chevalier Automobiles Inc.	Canada 加拿大	Common 普通	CAD101 101加拿大元	200	-	100	-	Sale and servicing of automobiles 汽車銷售及維修服務
Chevalier (Building Supplies & Engineering) Limited (note b) 其士(建材工程)有限公司(附註b)	Hong Kong 香港	Ordinary 普通 Deferred 遞延	HK\$20,000,100 港幣20,000,100元 HK\$2 港幣2元	20,000,100 2	- -	100 100	- -	Supply and installation of building materials 供應及安裝建築材料

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50 PRINCIPAL SUBSIDIARIES (CONTINUED)

50 主要附屬公司(續)

Name of company 公司名稱	Place or country of incorporation or registration/ operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行 股本/註冊股本之 實際百分比		Percentage of issued share capital/ registered capital held by non- controlling interests 非控股權益持有 已發行股本/ 註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
Chevalier Cali Holding (Cal) Inc.	US 美國	Common 普通	US\$4,012,000 4,012,000美元	4,012,000	-	100	-	Grocery trading 雜貨貿易
Chevalier (Chengdu) Investment Management Limited (note c) 其士(成都)投資管理有限公司 (附註c)	Mainland China 中國內地	N/A 不適用	RMB250,000,000 人民幣250,000,000元	N/A 不適用	-	100	-	Investment holding and provision of management service 投資控股及提供管理服務
Chevalier Chrysler Inc.	Canada 加拿大	Common 普通	CAD101 101加拿大元	200	-	100	-	Sale and servicing of automobiles 汽車銷售及維修服務
Chevalier Cold Storage and Logistics Limited 其士冷藏物流有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	75	25	Operation of a cold storage warehouse and logistic business 經營冷凍倉庫及物流業務
Chevalier (Construction) Company Limited 其士(建築)有限公司	Hong Kong 香港	Ordinary 普通	HK\$60,500,000 港幣60,500,000元	60,500,000	-	99.67	0.33	Building construction and maintenance 樓宇建築及保養
Chevalier Construction (Hong Kong) Limited (note b) 其士建築(香港)有限公司(附註b)	Hong Kong 香港	Ordinary 普通	HK\$409,990,000 港幣409,990,000元	40,999,000	-	100	-	Building construction 樓宇建築
		Deferred 遞延	HK\$10,000 港幣10,000元	1,000	-	100	-	
Chevalier (Corporate Management) Limited 其士(企業管理)有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	100	-	Provision of corporate management services 提供企業管理服務
Chevalier Development (S) Pte Ltd	Singapore 新加坡	Ordinary 普通	S\$2,500,000 2,500,000新加坡元	2,500,000	-	100	-	Property investment 物業投資

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50 PRINCIPAL SUBSIDIARIES (CONTINUED)

50 主要附屬公司(續)

Name of company 公司名稱	Place or country of incorporation or registration/ or operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行 股本/註冊股本之 實際百分比		Percentage of issued share capital/ registered capital held by non- controlling interests 非控股權益持有 已發行股本/ 註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
Chevalier (E & M Contracting) Limited 其士(機電工程)有限公司	Hong Kong 香港	Ordinary 普通	HK\$69,200,000 港幣69,200,000元	69,200,000	-	100	-	Installation of electrical and mechanical equipment and provision of project management service 安裝機電設備及提供項目管理 服務
Chevalier (Envirotech) Limited 其士(環境技術)有限公司	Hong Kong 香港	Ordinary 普通	HK\$232,740,000 港幣232,740,000元	232,740,000	-	100	-	Environmental engineering 環保工程
Chevalier (Insurance Brokers) Limited 其士(保險顧問)有限公司	Hong Kong 香港	Ordinary 普通	HK\$1,000,000 港幣1,000,000元	1,000,000	100	-	-	Insurance brokerage 保險顧問
Chevalier Insurance Company Limited 其士保險有限公司	Hong Kong 香港	Ordinary 普通	HK\$200,000,000 港幣200,000,000元	200,000,000	100	-	-	Insurance underwriting 保險業務
Chevalier iTech Services Limited 其士科技工程有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	100	-	Trading and servicing of computers and business machines 電腦及商業機器貿易及維修
Chevalier iTech Thai Limited (note d) (附註d)	Thailand 泰國	Ordinary 普通 Preference 優先	BAHT18,980,000 18,980,000泰銖 BAHT1,020,000 1,020,000泰銖	189,800 10,200	-	100	-	Trading of computers and business machines 電腦及商業機器貿易
Chevalier (Macau) Limited 其士(澳門)有限公司	Macau 澳門	Ordinary 普通	MOP100,000 澳門幣100,000元	4	-	100	-	Building construction and installation of air-conditioning systems, aluminium windows and curtain walls 樓宇建築與安裝冷氣系統、 鋁窗及幕牆

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50 PRINCIPAL SUBSIDIARIES (CONTINUED)

50 主要附屬公司(續)

Name of company 公司名稱	Place or country of incorporation or registration/ operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行 股本/註冊股本之 實際百分比		Percentage of issued share capital/ registered capital held by non- controlling interests 非控股權益持有 已發行股本/ 註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
Chevalier (Network Solutions) Limited 其士(網絡科技)有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	100	-	Network systems and solution services 網絡系統及科技服務
Chevalier Network Solutions Thai Limited	Thailand 泰國	Ordinary 普通	BAHT15,000,000 15,000,000泰銖	150,000	-	100	-	Trading of telecommunication equipment 電訊設備貿易
Chevalier Pacific Limited 其士泛亞有限公司	Hong Kong 香港	Ordinary 普通	HK\$200,000,000 港幣200,000,000元	200,000,000	-	100	-	Property development 物業發展
Chevalier Property Development Limited (note b) 其士物業發展有限公司(附註b)	Hong Kong 香港	Ordinary 普通	HK\$360,000,000 港幣360,000,000元	360,000,000	-	100	-	Property development and investment 物業發展及投資
		Deferred 遞延	HK\$51 港幣51元	51	-	100	-	
Chevalier Property Management Limited (note b) 其士富居物業管理有限公司(附註b)	Hong Kong 香港	Ordinary 普通	HK\$100 港幣100元	100	-	100	-	Property management and security services 物業管理及保安服務
		Deferred 遞延	HK\$1,002 港幣1,002元	1,002	-	100	-	
CIH (BVI) Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通	US\$1 1美元	1	100	-	-	Investment holding 投資控股
CPC Construction Hong Kong Limited (note b) 其士基建香港有限公司(附註b)	Hong Kong 香港	Ordinary 普通	HK\$415,284,200 港幣415,284,200元	4,152,842	-	100	-	General construction and trading business 一般建築及貿易業務
		Deferred 遞延	HK\$25,936,200 港幣25,936,200元	259,362	-	-	100	
Full Ascent Development Limited 騰昇發展有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	75	25	Property investment 物業投資

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50 PRINCIPAL SUBSIDIARIES (CONTINUED)

50 主要附屬公司(續)

Name of company 公司名稱	Place or country of incorporation or registration/ operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行股本/註冊股本之實際百分比		Percentage of issued share capital/ registered capital held by non-controlling interests 非控股權益持有已發行股本/註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
Goldyork Investment Limited 金瑞投資有限公司	Hong Kong 香港	Ordinary 普通	HK\$100 港幣100元	100	49	51	-	Property investment 物業投資
Keystord 1 Limited	Hong Kong 香港	Ordinary 普通	HK\$100,000 港幣100,000元	100,000	-	100	-	Property development 物業發展
Kwai Hei Investments No.1 Limited	Hong Kong 香港	Ordinary 普通	HK\$1 港幣1元	1	-	75	25	Property investment 物業投資
Lac Kar Investment Company Limited 力加置業有限公司	Hong Kong 香港	Ordinary 普通	HK\$3,600,000 港幣3,600,000元	3,600,000	-	100	-	Property investment 物業投資
Macleh (Chevalier) Limited	Canada 加拿大	Common 普通	CAD10,100 10,100加拿大元	10,100	-	100	-	Investment holding of property investment and hotel operation 物業投資及酒店營運之投資控股
Macont Developments Inc.	Canada 加拿大	Common 普通	CAD1,000 1,000加拿大元	1,000	-	100	-	Property investment 物業投資
Matterhorn Properties Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通	US\$1 1美元	1	-	100	-	Property investment 物業投資
M14 Ashford, LLC	US 美國	N/A 不適用	US\$6,980,000 6,980,000美元	N/A 不適用	-	100	-	Operation of senior housing 經營安老院舍
NV4 Cheyenne, LLC	US 美國	N/A 不適用	US\$4,256,000 4,256,000美元	N/A 不適用	-	100	-	Operation of senior housing 經營安老院舍
NC4 Albemarle, LLC	US 美國	N/A 不適用	US\$10,041,476 10,041,476美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍
NC4 Covington, LLC	US 美國	N/A 不適用	US\$5,087,122 5,087,122美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍
NC4 Kingsbridge, LLC	US 美國	N/A 不適用	US\$6,056,405 6,056,405美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍

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50 PRINCIPAL SUBSIDIARIES (CONTINUED)

50 主要附屬公司(續)

Name of company 公司名稱	Place or country of incorporation or registration/ operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足 股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行 股本/註冊股本之 實際百分比		Percentage of issued share capital/ registered capital held by non- controlling interests 非控股權益持有 已發行股本/ 註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
NC4 Magcreek, LLC	US 美國	N/A 不適用	US\$3,464,273 3,464,273美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍
NC4 Magnolia, LLC	US 美國	N/A 不適用	US\$4,464,085 4,464,085美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍
NC4 Oliver, LLC	US 美國	N/A 不適用	US\$2,794,319 2,794,319美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍
NC4 Wellington, LLC	US 美國	N/A 不適用	US\$3,674,901 3,674,901美元	N/A 不適用	-	98.6	1.4	Operation of senior housing 經營安老院舍
Proud Rich Limited (note b) 驕發有限公司(附註b)	Hong Kong 香港	Ordinary 普通 Deferred 遞延	HK\$20 港幣20元 HK\$20 港幣20元	2 2	- -	100 100	- -	Property investment 物業投資
上海其士物業管理有限公司 (note c) (附註c)	Mainland China 中國內地	N/A 不適用	US\$3,650,000 3,650,000美元	N/A 不適用	-	100	-	Property management and provision of property management consultation 物業管理及提供物業管理諮詢
Shanghai Chevalier Trading Co., Ltd. (note c) 上海其士貿易有限公司(附註c)	Mainland China 中國內地	N/A 不適用	US\$3,500,000 3,500,000美元	N/A 不適用	-	100	-	Trading of lifts, escalators, electrical and mechanical equipment 升降機、電扶梯及機電設備 貿易
Shanghai Chonmain Real Estate Development Co., Ltd. (note a) 上海創名房地產發展有限公司 (附註a)	Mainland China 中國內地	N/A 不適用	US\$18,000,000 18,000,000美元	N/A 不適用	-	80	20	Property development and investment 物業發展及投資

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50 PRINCIPAL SUBSIDIARIES (CONTINUED)

50 主要附屬公司(續)

Name of company 公司名稱	Place or country of incorporation or registration/ operation 成立或註冊/ 營業地點或國家	Class of shares held 所持股份類別	Issued and paid up share capital/ registered capital 已發行及繳足股本/註冊股本	Number of shares 股份數目	Effective percentage of issued share capital/ registered capital held by the Company 本公司持有已發行股本/註冊股本之實際百分比		Percentage of issued share capital/ registered capital held by non-controlling interests 非控股權益持有已發行股本/註冊股本之百分比	Principal activities 主要業務
					Directly 直接 %	Indirectly 間接 %		
Tai Tung Industrial Equipment Limited 大同工業設備有限公司	Hong Kong 香港	Ordinary 普通	HK\$30,000,000 港幣30,000,000元	30,000,000	-	87.5	12.5	Logistics services 物流服務
Winfield Development Limited 威方發展有限公司	Hong Kong 香港	Ordinary 普通	HK\$2 港幣2元	2	-	100	-	Property investment 物業投資
Xinyang Chevalier Hotel Co., Ltd. (note c) 信陽其士大酒店有限公司(附註c)	Mainland China 中國內地	N/A 不適用	RMB55,000,000 人民幣55,000,000元	N/A 不適用	-	70	30	Hotel operation 酒店營運
757040 Ontario Limited	Canada 加拿大	Common 普通	CAD10 10加拿大元	10	-	100	-	Property investment 物業投資
四川啟陽汽車貿易有限公司	Mainland China 中國內地	N/A 不適用	RMB15,000,000 人民幣15,000,000元	N/A 不適用	-	40	-	Trading of motor vehicles and provision of maintenance services 汽車貿易及提供保養服務
成都啟陽領航汽車銷售服務有限公司	Mainland China 中國內地	N/A 不適用	RMB30,000,000 人民幣30,000,000元	N/A 不適用	-	40	-	Trading of motor vehicles and provision of maintenance services 汽車貿易及提供保養服務
成都啟陽悅豐汽車銷售服務有限公司	Mainland China 中國內地	N/A 不適用	RMB22,000,000 人民幣22,000,000元	N/A 不適用	-	40	-	Trading of motor vehicles and provision of maintenance services 汽車貿易及提供保養服務
成都啟陽錦悅汽車銷售服務有限公司	Mainland China 中國內地	N/A 不適用	RMB10,000,000 人民幣10,000,000元	N/A 不適用	-	40	-	Trading of motor vehicles and provision of maintenance services 汽車貿易及提供保養服務

Notes:

- Established in Mainland China as sino-foreign owned equity joint ventures.
- All deferred shares are non-voting and practically have no rights to participate in any distribution upon winding up.
- Established in Mainland China as wholly-foreign owned enterprises.
- Preference shares are 10% non-cumulative and every four preference shares of this company carry one vote.

附註：

- 於中國內地成立之中外合營企業。
- 所有遞延股份皆無投票權，而實際上亦無權在公司清盤時獲得任何分派。
- 於中國內地成立之外商獨資企業。
- 優先股為非累計10%，而該公司之每四股優先股帶有一投票權。

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51 PRINCIPAL ASSOCIATES

51 主要聯營公司

Name of associate	Place or country of incorporation or registration/ operation	Class of shares held	Effective percentage of issued share capital/registered capital held by the Company 本公司持有已發行股本/註冊股本之實際百分比 %	Principal activities	Measurement method
聯營公司名稱	成立或註冊/營業地點或國家	所持股份類別		主要業務	計量方法
Cafe Deco Holdings Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通	25.28	Investment holding 投資控股	Equity 權益
Chevalier (HK) Limited 其士(香港)有限公司	Hong Kong 香港	Ordinary 普通	49	Marketing, installation and maintenance of lifts and escalators and security devices 營銷、安裝及保養升降機、電扶梯及保安裝置	Equity 權益
東芝電梯(中國)有限公司	Mainland China 中國內地	N/A 不適用	20	Manufacturing, sales, installation, repair and maintenance of lifts and escalators 製造、銷售、安裝、維修及保養升降機及電扶梯	Equity 權益
Toshiba Elevator (Shenyang) Co., Ltd. 東芝電梯(瀋陽)有限公司	Mainland China 中國內地	N/A 不適用	20	Manufacturing, sales, installation, repair and maintenance of lifts and escalators 製造、銷售、安裝、維修及保養升降機及電扶梯	Equity 權益

Note: The Group's entitlement to share of the profit or loss in these associates is in proportion to its ownership interest.

附註：本集團按其擁有權益之比例計算其所佔該等聯營公司之溢利或虧損。

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52 PRINCIPAL JOINT VENTURES

52 主要合營企業

Name of joint venture	Place or country of incorporation or registration/ operation	Class of shares held	Effective percentage of issued share capital/registered capital held by the Company 本公司持有已發行股本/註冊股本之實際百分比 %	Principal activities	Measurement method
合營企業名稱	成立或註冊/ 營業地點或國家	所持股份類別		主要業務	計量方法
Lam Woo & Company Limited 聯益建造有限公司	Hong Kong 香港	Ordinary 普通	50	Civil engineering 土木工程	Equity 權益
Rosy Value Limited 達賞有限公司	Hong Kong 香港	Ordinary 普通	50	Property development 物業發展	Equity 權益
Seavest Core Fund I, LLC	US 美國	N/A 不適用	95	Medical office building investment 醫療辦公室大樓投資	Equity 權益
北京鳳桐祥瑞房地產開發有限公司	Mainland China 中國內地	N/A 不適用	44	Property development 物業發展	Equity 權益
成都啓陽華通豐田汽車銷售服務有限公司	Mainland China 中國內地	N/A 不適用	21.33	Trading of motor vehicles and provision of maintenance services 汽車貿易及提供保養服務	Equity 權益

Note: The Group's entitlement to share of the profit or loss in these joint ventures is in proportion to its ownership interest.

附註：本集團按其擁有權益之比例計算其所佔該等合營企業之溢利或虧損。



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