



AV CONCEPT HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

Stock Code: 595

(於開曼群島註冊成立之有限公司)

股份代號: 595

ANNUAL REPORT 2017 年報

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Financial Highlights

財務重點

		2017 二零一七年 HK\$'million 百萬港元	2016 二零一六年 HK\$'million 百萬港元	2015 二零一五年 HK\$'million 百萬港元	2014 二零一四年 HK\$'million 百萬港元	2013 二零一三年 HK\$'million 百萬港元
Revenue	收益					
- Semiconductor distribution	- 半導體分銷	1,304.9	992.4	1,893.1	2,677.7	2,230.1
- Consumer electronic product sales	- 消費類電子產品銷售	36.8	41.7	62.8	69.7	100.8
- Others	- 其他	0.7	2.9	1.8	2.5	3.6
		1,342.4	1,037.0	1,957.7	2,749.9	2,334.5
Profit/(loss) before interest, tax, depreciation, amortisation and non-cash items	除利息、稅項、折舊、攤銷及非現金項目前溢利/(虧損)					
- Corporate	- 公司	(22.2)	(25.9)	(4.5)	(8.5)	24.1
- Venture capital	- 創投	14.0	(23.4)	(38.3)	26.1	15.2
- Semiconductor distribution	- 半導體分銷	227.2	118.0	104.6	76.5	47.3
- Consumer electronic product sales	- 消費類電子產品銷售	(7.6)	(3.9)	(7.9)	(7.8)	(2.5)
- Others	- 其他	(6.4)	(6.9)	(12.9)	(5.6)	(2.9)
		205.0	57.9	41.0	80.7	81.2
Depreciation and amortisation	折舊及攤銷	(3.0)	(6.8)	(10.8)	(13.8)	(14.9)
Profit/(loss) for the year attributable to	以下人士應佔本年度溢利/(虧損)					
- Owners of the Company	- 本公司擁有人	276.1	2.1	(94.2)	3.4	9.2
- Non-controlling interests	- 非控股權益	-	-	29.3	(9.7)	(16.1)
		276.1	2.1	(64.9)	(6.3)	(6.9)
Dividend	股息					
- Proposed final	- 建議末期	15.5	-	-	-	6.0
Dividend per share (HK cents)	每股股息(港仙)					
- Proposed final	- 建議末期	2.0	-	-	-	1.0

Financial Highlights

財務重點

		2017 二零一七年 HK\$'million 百萬港元	2016 二零一六年 HK\$'million 百萬港元	2015 二零一五年 HK\$'million 百萬港元	2014 二零一四年 HK\$'million 百萬港元	2013 二零一三年 HK\$'million 百萬港元
Total assets	資產總值	1,280.9	884.5	1,140.1	1,335.5	1,482.8
Total assets less current liabilities	總資產減流動負債	1,094.0	681.0	679.3	694.1	674.8
Total equity	權益總額	1,078.3	657.6	654.2	668.7	647.2
Borrowings and finance lease payables	借款及應付融資租賃款項	118.4	137.2	350.8	511.4	536.3
Cash and cash equivalents	現金及等同現金項目	111.6	69.6	131.7	87.8	87.0
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資	102.1	73.0	89.2	199.1	186.2
Cash and cash equivalents and equity investments	現金及等同現金項目及股本投資	213.7	142.6	220.9	286.9	273.2
Total debt to total equity	債務總額與權益總額之比率	11%	21%	54%	76%	83%
Current assets to current liabilities	流動資產與流動負債之比率	335%	147%	138%	152%	122%
Cash and cash equivalents and equity investments per share (HK\$)	每股現金及等同現金項目及股本投資(港元)	0.28	0.18	0.29	0.40	0.45
Total equity per share (HK\$)	每股權益總額(港元)	1.40	0.85	0.85	0.94	1.07
Revenue to property, plant and equipment (x)	收益與物業、廠房及設備比率(倍)	34.2	25.5	46.1	51.9	19.6
Revenue to inventories (x)	收益與存貨比率(倍)	17.2	15.0	13.3	10.5	6.7
Revenue to trade receivables (x)	收益與應收貿易賬款比率(倍)	27.2	16.2	9.3	12.5	10.4
Revenue to trade payables, deposits received and accrued expenses (x)	收益與應付貿易賬款、已收按金及應計費用比率(倍)	24.2	16.6	18.7	20.9	8.1
Revenue to borrowings (x)	收益與借款比率(倍)	11.6	7.6	5.6	5.4	4.4

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. So Yuk Kwan (*Chairman*)
Mr. So Chi On (*Chief Executive Officer*)
Mr. So Kevin Chi Heng
Mr. So Chi Sun Sunny

Independent Non-Executive Directors

Dr. Lui Ming Wah, SBS, JP
Mr. Charles Edward Chapman
Mr. Wong Ka Kit

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. Chan Chi Hang

AUDIT COMMITTEE

Dr. Lui Ming Wah, SBS, JP (*Chairman*)
Mr. Charles Edward Chapman
Mr. Wong Ka Kit

REMUNERATION COMMITTEE

Dr. Lui Ming Wah, SBS, JP (*Chairman*)
Mr. Charles Edward Chapman
Mr. Wong Ka Kit

NOMINATION COMMITTEE

Dr. Lui Ming Wah, SBS, JP (*Chairman*)
Mr. Charles Edward Chapman
Mr. Wong Ka Kit

CORPORATE GOVERNANCE COMMITTEE

Dr. Lui Ming Wah, SBS, JP (*Chairman*)
Mr. Charles Edward Chapman
Mr. Wong Ka Kit

REGISTERED OFFICE

P. O. Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

董事會

執行董事

蘇煜均博士 (*主席*)
蘇智安先生 (*行政總裁*)
蘇智恒先生
蘇智樂先生

獨立非執行董事

呂明華博士 · SBS · 太平紳士
Charles Edward Chapman先生
黃家傑先生

首席財務總監兼公司秘書

陳志恒先生

審核委員會

呂明華博士 · SBS · 太平紳士 (*主席*)
Charles Edward Chapman先生
黃家傑先生

薪酬委員會

呂明華博士 · SBS · 太平紳士 (*主席*)
Charles Edward Chapman先生
黃家傑先生

提名委員會

呂明華博士 · SBS · 太平紳士 (*主席*)
Charles Edward Chapman先生
黃家傑先生

企業管治委員會

呂明華博士 · SBS · 太平紳士 (*主席*)
Charles Edward Chapman先生
黃家傑先生

註冊辦事處

P. O. Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Corporate Information

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

6th Floor
Enterprise Square Three
39 Wang Chiu Road
Kowloon Bay
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Hang Seng Bank Limited
China CITIC Bank International Limited

LEGAL ADVISOR

Angela Ho & Associates

AUDITOR

Ernst & Young

CAYMAN ISLANDS SHARE REGISTRAR

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE (BRANCH REGISTRAR)

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

STOCK CODE

595

WEBSITE

www.avconcept.com

總辦事處及主要營業地點

香港
九龍灣
宏照道39號
企業廣場三期
6樓

主要往來銀行

香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
恒生銀行有限公司
中信銀行(國際)有限公司

法律顧問

何文琪律師事務所

核數師

安永會計師事務所

開曼群島股份過戶登記處

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

香港股份過戶登記處(分處)

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

595

網址

www.avconcept.com



Chairman's Statement
主席致辭

Chairman's Statement 主席致辭



Dr. So Yuk Kwan 蘇煜均博士
Chairman 主席

On behalf of the Board of Directors, I am honored to present the annual results of AV Concept Holdings Limited ("AV Concept" or the "Company") together with its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2017 (the "year under review").

During the year under review, profit attributable to owners of the Company recorded a profit of HKD276.1 million (2016: HKD 2.1 million), the significant increase in profit was primarily due to the increase in share of profits from a joint venture that is engaged in trading of Samsung electronics product, gain in fair value of equity investments at fair value through profit or loss and gain on deemed disposal of an associate with the successful listing of Me2On Co., Ltd.. During the year under review, tremendous effort was spent on cost control, resulting in a 23.2% decrease in administrative expenses. We will continue adopting prudent and stringent cost control measures in the future. We are hoping to reallocate and centralise resources on our semiconductor distribution business in the joint venture and a subsidiary operating in Singapore for better returns.

Continuing its upward trend, China semiconductor industry is still expanding in current year. In our view, the year 2017 will be another year of steady growth for China semiconductor distribution industry given the pickup in business momentum and domestic spending. China will continue playing an increasingly influential role in the global industry and all signs point to continue moderate but sustainable growth over the next few years. Other than the market in China, we decided to put more resources in Singapore, India and other Asia Pacific regions market for better development prospect. We believe our semiconductor business will maintain healthy growth in the mid-long run.

本人謹代表董事會欣然向股東提呈AV Concept Holdings Limited (「AV Concept」或「本公司」)及其附屬公司(統稱「本集團」)截至二零一七年三月三十一日止年度(「回顧期內」)之全年業績。

於回顧期內內，本公司股東應佔溢利錄得盈利為276,100,000港元(二零一六年：盈利2,100,000港元)，盈利的顯著增長主要原因是本公司於一間從事三星電子貿易業務的合營企業的利潤份額的增長、損益按公平價值列賬之股本投資的公平價值虧損或盈利的增加、視作出售一間附屬公司之收益及Me2On Co., Ltd.的成功上市。於回顧期內，本公司在成本控制方面花費大量精力，使得行政支出大幅下降23.2%。今後，我們將繼續採取審慎、嚴格的成本控制措施。我們亦希望重新分配及集中資源在合營企業和新加坡的半導體分銷業務，以獲得更好的回報。

中國半導體行業延續了其增長趨勢，至今仍在持續擴展。我們認為，鑒於中國半導體行業的商業勢頭和國內消費的增長，2017年將是中國半導體行業穩定增長的一年。中國將繼續在全球工業中扮演愈來愈具有影響力的角色，所有跡象都表明，未來幾年中國將繼續保持溫和但持續的增長。除中國市場外，我們決定在新加坡市場投入更多資源以取得更好的發展前景。我們相信，本集團的半導體業務將在中長期維持健康增長。

Chairman's Statement

主席致辭

The Group is also putting efforts in developing other digital businesses including digital marketing and mobile games. We are working on developing casual games as well as exploring and expanding digital advertising customer base. Our team is focusing on further enriching games content, enhancing gamers' experience and promoting engagement in making mobile application business the Group's another important income driver. Whereas for consumer electronic products, continuous effort has been spent on fine-tuning the product mix and the Group is currently covering a broad spectrum of traditional household white goods and high-tech personal gadgets. We have good faith towards the steadily growing consumer electronics market.

For the past years, we have always been engaging in semiconductor distribution, design, development and sale of consumer electronics product, as well as introduces and distributes well-known overseas electronic products. Our prudent and practical development strategies have been rewarded by satisfactory operating results. Looking ahead, I hope the Group will continue improving and growing healthily, to become a credible partner for our customers and suppliers, and to bring rewarding returns to our shareholders.

Lastly, I would like to extend my gratitude to the Board, the management team and our staffs for their enthusiasm, commitment and diligence. My appreciation also goes to our shareholders, customers, suppliers and business partners for their ongoing trust and support.

So Yuk Kwan
Chairman

Hong Kong
26 June 2017

本集團在發展包括數碼營銷和移動遊戲在內的其他電子業務亦有所努力。我們正致力於開發休閒遊戲，並探索和擴大線上廣告的客戶基礎。我們團隊正專注於進一步豐富遊戲內容、優化遊戲玩家的體驗及提高移動應用業務的參與度，以促使手機應用業務成為本集團另一個重要的收入來源。而對於消費類電子產品而言，我們在產品組合的調整方面不斷努力著。本集團目前覆蓋了廣泛的大型傳統耐用白色家電和高科技個人電子產品。我們對消費類電子產品市場的穩定增長充滿信心。

多年來，本公司一直從事半導體分銷，消費類電子產品的設計，開發及銷售，並同時引進和銷售海外知名電子產品。我們審慎、務實的發展戰略取得了滿意成果。未來，我希望本集團繼續提升和穩健成長，成為客戶和供應商可靠的合作夥伴，並為我們的股東帶來豐厚的回報。

最後，本人謹藉此機會衷心感謝公司董事會、管理團隊及全體員工的熱情、承諾和勤奮。同時十分感謝各位股東、客戶、供應商及商業合作夥伴一直以來的信任和支持。

主席
蘇煜均

香港
二零一七年六月二十六日



Management Discussion and Analysis
管理層討論及分析

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

The following sets out the financial highlights for the year ended 31 March 2017, with the comparative figures for the corresponding financial year of 2016.

業務回顧及前景

下表載列截至二零一七年三月三十一日止年度之財務重點，連同二零一六年財政年度同期之比較數字。

		2017 二零一七年 HK\$'million 百萬港元	2016 二零一六年 HK\$'million 百萬港元
<i>Revenue by segment</i>	<i>按分部之收益</i>		
Semiconductor distribution	半導體分銷	1,304.9	992.4
Consumer electronic product sales	消費類電子產品銷售	36.8	41.7
Venture capital	創投	18.1	(18.8)
Others	其他	0.7	2.9
		1,360.5	1,018.2
<i>Profit/(loss) before interest, tax, depreciation, amortisation and non-cash items</i>	<i>除利息、稅項、折舊、攤銷及非現金項目前溢利／(虧損)</i>		
Corporate	公司	(22.2)	(25.9)
Venture capital	創投	14.0	(23.4)
Semiconductor distribution	半導體分銷	227.2	118.0
Consumer electronic product sales	消費類電子產品銷售	(7.6)	(3.9)
Others	其他	(6.4)	(6.9)
		205.0	57.9
<i>Depreciation and amortisation</i>	<i>折舊及攤銷</i>		
Corporate	公司	(0.0)	(0.0)
Venture capital	創投	(0.4)	(0.5)
Semiconductor distribution	半導體分銷	(2.5)	(4.4)
Consumer electronic product sales	消費類電子產品銷售	(0.1)	(0.0)
Others	其他	(0.0)	(1.9)
Total depreciation and amortisation	折舊及攤銷總額	(3.0)	(6.8)
Profit before interest and tax	除利息及稅項前溢利	279.1	6.1
Interest expenses	利息開支	(3.2)	(5.8)
Bank interest income	銀行利息收入	0.5	0.4
Profit before tax	除稅前溢利	276.4	0.7
Income tax	所得稅	(0.3)	1.4
Profit for the year	年內溢利	276.1	2.1
Profit for the year attributable to:	以下人士應佔年內溢利：		
Owners of the Company	本公司擁有人	276.1	2.1
Non-controlling interests	非控股權益	-	-
		276.1	2.1

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

After a lackluster outturn in 2016, economic activity slowly picked up pace in the first quarter in 2017, especially in emerging market and developing economies. However, there is a wide dispersion of possible outcomes around the projections, given uncertainty surrounding the policy stance of the incoming United States of America (“U.S.”) administration and its global ramifications. However, China’s economy grew 6.9 percent in the first quarter of 2017, beating expectations in the latest sign of stabilization in the world’s second-largest economy. Positive changes kept emerging and major indicators performed better than expected.

During the year under review, the Group’s revenue by segment was HK\$1,360.5 million (2016: HK\$1,018.2 million), increased by 33.6%. Among which semiconductor distribution business recorded a revenue of HK\$1,304.9 million (2016: HK\$992.4 million), consumer electronic product business recorded a revenue of HK\$36.8 million (2016: HK\$41.7 million), venture capital business recorded a revenue of HK\$18.1 million (2016: HK\$(18.8) million) and mobile application business recorded a revenue of HK\$0.7 million (2016: HK\$2.9 million).

Semiconductor Distribution Business

Worldwide semiconductor revenue is forecast to total \$386 billion in 2017, an increase of 12.3% from 2016, according to Gartner, Inc., the world’s leading research and advisory company. Favourable market conditions that gained momentum in the second half of 2016, have accelerated and raised the outlook for the market in 2017 and 2018.

During the year under review, semiconductor distribution business recorded a turnover of HK\$1,304.9 million (2016: HK\$992.4 million). Among which Singapore remains the Group’s major market contributing approximately HK\$937.4 million, followed by Hong Kong and Korea with turnover of approximately HK\$215.0 million and HK\$152.5 million respectively. Key products selling to Singapore market include memory chips and thin-film transistor liquid-crystal display. Going forward Singapore will be the core hub covering businesses in Singapore, India and other Asia Pacific regions.

During the year under review, the joint venture of the Group, AVP Electronics Limited and its subsidiaries (“AVPEL Group”), continued to record satisfactory results. Its turnover, though not being consolidated into the Group’s consolidated financial statements, recorded a 30.5% surge to HK\$20,039 million (2016: HK\$15,357 million). The revenue growth is mainly contributed by Samsung electronics products under distribution, including multi-chip packages and CMOS images sensors. With the increase in share of profits from AVPEL Group during the year, profit attributable to owners of the Company of HK\$276.1 million (2016: HK\$2.1 million) was recorded in the year.

業務回顧

2016年經濟疲軟過後，經濟活動在2017年首季度緩慢回升，尤其是新興市場和發展中經濟體。然而，考慮到美國政府的政策立場及其全球發展的不確定性，市場將出現各種各樣的可能。儘管如此，中國經濟在2017年首季度增長了6.9%，高於市場對世界第二大經濟體的預期。積極正面的經濟活動變化不斷湧現，同時主要指標亦勝預期。

回顧期內，本集團的按分部劃分之營業額約為1,360,500,000港元（二零一六年：1,018,200,000港元），上升33.6%；其中半導體分銷業務錄得營業額港幣1,304,900,000港元（二零一六年：992,400,000港元），消費類電子產品業務錄得營業額為36,800,000港元（二零一六年：41,700,000港元），創投業務錄得營業額為18,100,000港元（二零一六年：(18,800,000)港元）和手機應用業務錄得營業額為700,000港元（二零一六年：2,900,000港元）。

半導體分銷業務

世界領先的研究和諮詢機構Gartner公司表示，2017年全球半導體收入預計將達到3,860億美元，比2016年增長12.3%。同時由於2016年下半年獲得有利市況勢頭有所加快，機構亦提高了對2017年和2018年的市場展望預期。

回顧期內，半導體分銷業務的營業額為1,304,900,000港元（二零一六年：992,400,000港元）。其中新加坡仍為本集團主要市場貢獻約937,400,000港元，其次為韓國及香港，營業額分別約為215,000,000港元及152,500,000港元。銷往新加坡市場的主要產品包括存儲器芯片和薄膜晶體管液晶顯示器。未來新加坡將成為包括新加坡、印度等亞太地區核心樞紐。

回顧期內，本集團的合營企業同憶有限公司及其附屬公司（統稱「同憶」）錄得理想的業績。其營業額雖無合併到本集團財務報表，錄得30.5%增長至約20,039,000,000港元（二零一六年：15,357,000,000港元）。營業額增長主要受惠於分銷三星電子之多製層封裝芯片及影像傳感器。隨著於報告期內來自同憶的利潤份額的增長，本年度之本公司擁有人應佔盈利錄得276,100,000港元（二零一六年：2,100,000港元）。

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According to International Data Corporation, approximately 347 million smartphones were shipped worldwide in the first quarter of 2017, a 4.3% jump from the previous year. As the smartphone market gradually matures, most of the future growth will come from more affordable models in a variety of markets, which provides growth momentum for the Group's semiconductor distribution business. Further, despite the stabilizing demand for liquid-crystal display televisions and intensified competition within tablet sector, the Group is hoping that new technologies and changes in consumption habits may continue bringing new opportunities to market players. In view of the satisfactory segment results, in particular the decent contribution from AVPEL, the Group will focus more resources on the semiconductor distribution business in the mid-long run.

Consumer Electronic Product Business

During the year under review, consumer electronic product business recorded a turnover of HK\$36.8 million (2016: HK\$41.7 million). With the mission to improve the quality of life of our customers, the Group is focusing on fine-tuning the product mix to include a broader spectrum of goods that accommodate all aspects of life. The Group is currently carrying a wide range of products from durable traditional household white goods, to personal gadgets, high-tech products and lifestyle goods. Among which Akai, Nakamichi and Crazybaby are the most popular and reputable brands. For getting more timely information and updated trends in the world's electronic products, the Group actively involves in e-Expo and product fairs every year to bring the trendiest products to Asian consumers. In view of the satisfactory development of the Group's consumer electronics business, the Group will focus on increasing the introduction of high-tech products to capture the growing market.

Mobile Application Business

During the year under review, the turnover for mobile application business was HK\$0.7 million (2016: HK\$2.9 million) with contributions from the steadily developing Koozell Limited ("Koozell"). After the rearrangement of business into two separate lines and entities in the prior year, namely online advertising and game development, Koozell continued to grow healthily. For game development, the Group is now focusing the resources to develop the casual games that require shorter period of time to develop than the traditional game. Also, the Group considers casual game will be a trend in game industry in the future. The Group has published the casual game, namely "Blocky Run", in the market during the year under review. For online advertising, the Group is still trying to increase the market share by finding more customers who are interested in digital advertising.

據市場研究機構International Data Corp.於2017年第一季度，全球智能手機出貨量達3.47億部，比上年增長4.3%。隨著智能手機市場逐漸成熟，未來的大部分增長將來自於多個市場上更為實惠的型號，亦為集團的半導體分銷業務提供了增長動力。此外，儘管液晶顯示電視的需求穩中有升，平板電腦市場競爭加劇，本集團希望新技術和消費習慣的改變為市場參與者帶來新機遇。有見半導體分銷業務業績令人滿意，其中同憶的貢獻尤其理想，本集團將於中長期內投放更多的資源用於該業務。

消費類電子產品業務

回顧期內，消費類電子產品業務的營業額為36,800,000港元（二零一六年：41,700,000港元）。以提高客戶生活質素為使命，本集團正致力於微調產品的組合，務求引入更廣泛多元的產品以配合客戶生活上的各種需要。本集團目前代理多種產品，包括傳統耐用的白色家電，個人用品，高科技產品及生活用品等，當中Akai、Nakamichi和Crazybaby為較受歡迎和知名的品牌。而為更實時掌握世界電子產品的資訊和趨勢，集團每年均積極參與各地的電子博覽及產品展銷會，務求把最時尚的產品帶給亞洲的消費者。有見本集團消費類電子業務發展令人滿意，本集團將重點加大引進高科技產品的力度，搶占不斷增長的市場。

手機應用業務

回顧期內，手機應用業務的營業額為港幣700,000港元（2016年：2,900,000港元），貢獻來自穩步發展的Koozell Limited（「Koozell」）。自去年重整業務為兩項獨立業務及實體，分別為線上廣告以及遊戲開發後，Koozell繼續健康增長。遊戲發展方面，本集團現在正集中資源發展開發時間比傳統遊戲較短的休閒遊戲。此外，本集團認為休閒遊戲將來將成為遊戲行業的發展趨勢。本集團於回顧期內於市場上發佈了「Blocky Run」休閒遊戲。線上廣告方面，本集團仍在努力通過發掘更多對數碼廣告領域感興趣的客戶以增加市場份額。

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Venture Capital Business

During the year under review, the turnover for venture capital business was HK\$18.1 million (2016: HK\$(18.8) million) that is mainly for the fair value gain/(losses) on equity investments in the current period. As of 31 March 2017, various funds, investments in an associate and a joint venture, convertible bonds, equity investments and debt securities were held at fair market value of HK\$102.1 million (31 March 2016: HK\$73.0 million) in the Group. During the year under review, as compared to same period in last year, the venture capital business of the Group recorded a fair value gain on equity investments of HK\$16.4 million (2016: fair value loss of HK\$18.3 million). In view of the rapid development of hi-tech industry during recent years, the Group has made relevant investments including investment in Korean-listed companies, IE Limited and Me2On Co., Ltd. ("Me2On"). IE Limited mainly engages in game development and influencer marketing platform. IE Limited is the mobile game developer which currently owned Korea's most popular webtoon licenses, and acquired Korea's number one influence marketing platform, SmartPosting, in 2016. Me2On is a mobile game developer and publisher with headquarter in Korea.

Venture capital business has always been a good income source for the Group. The Group's recent investment in Korea's innovative technology sector also achieved satisfactory results. Korea ranked the first in the year 2015 to 2017 out of 200 economies in Bloomberg Innovation Index, their research and development intensity, industrial added-value and the number of patents granted also topped the charts. The Group is targeting this world's innovation powerhouse, investing in its network services, mobile game development and distribution business, hoping to catch up with unprecedented opportunities for broader income source.

Prospects

The continued recovery in global semiconductors demand helped pull in the segment's strong performance as demand in key end markets like smartphone and other home applications remained healthy. Electronics cluster continued to drive growth momentum in the semiconductor sector, the growth is expected to sustain for the rest of the year. And yet, in view of the considerable downside risks and certain headwinds in the macro-environment, the Group is cautiously optimistic about the business and industry outlook.

The fast-pace development of the global electronic information industry created a promising prospect for the upstream electronic component industry. The takeoff and the rapid growth of automobile electronics, smart phones, laptops and set-top boxes enabled the development of the electronic component industry. Among telecommunications products, mobile telecommunications require largest quantities of components. In addition, strong demand also arises from computer-related products as well as consumer electronic products. Further, as China embarks on the "Made in China 2025" plan with electronics and semiconductor technology as one of the Top 10 focus areas, China's semiconductor industry has an unprecedented growth opportunity. The Group is therefore confident in maintaining healthy growth in semiconductor distribution business segment.

創投業務

回顧期內，創投業務的營業額為18,100,000港元（二零一六年：(18,800,000)港元），主要由於本期公平價值列賬之股本投資錄得收益／（虧損）。截至二零一七年三月三十一日，本集團持有各種基金，於一間聯營公司及一間合營公司之投資，可轉換債券，股本投資和債務證券以公平市值總值102,100,000港元（二零一六年三月三十一日：73,000,000港元）。回顧期內，與去年同期相比，本集團的創投業務錄得公平價值列賬之股本收益為16,400,000港元（2016年：公平價值虧損18,300,000港元）。有見近年高新科技發展迅速，本集團亦作出了相關的投資，包括投資了在韓國上市的IE Limited及Me2On Co., Ltd. (Me2On)。IE Limited主要從事遊戲開發和影響力營銷平台，現時為擁有韓國最受歡迎的webtoon授權的移動遊戲開發商，並且於2016年收購了韓國排名第一的影響力營銷平台SmartPosting。Me2On則是一家總部設於韓國的手機遊戲開發商和發行商。

創投業務一直為集團帶來可觀收入。其中本集團近年大舉投資於韓國的創新科技板塊亦造出理想業績。彭博創新指數(Bloomberg Innovation Index)統計了超過200個經濟體，韓國於2015至2017年均排名第一，同時在科技研發開支、工業增值、專利數量皆稱冠。本集團瞄準這個世界高新科技重地，投資其網絡服務及手機遊戲開發和發行業務，期望能捉緊這前所未有的發展機遇，開拓於更廣闊收入來源。

展望

隨著智能手機和其他家庭應用等關鍵終端市場的需求維持穩健，全球對半導體的需求持續復甦亦有助於推動該行業的強勁表現。電子集群繼續推動半導體行業的增長勢頭，預計今年餘下時間將持續增長。有見宏觀環境仍存在巨大的下行風險和一定阻力，本集團對業務及行業前景維持謹慎樂觀。

全球電子信息產業快速發展為上游電子元件行業創造了前景光明。汽車電子，智能手機，筆記本電腦和機頂盒的起飛和高速發展，使得電子元件行業得到理想發展。在電訊產品中，移動通訊需要大量的組件。同時，計算機相關產品以及消費類電子產品的需求也很強勁。隨著中國以電子和半導體技術為中心的「2025年中國製造」計劃納入十大重點領域之一，中國半導體產業也迎來前所未有的增長機遇。因此，本集團有信心其半導體分銷業務板塊將保持健康發展。

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After the business realignment of Koocell in the prior year, the Group has been focusing resources on game development and digital advertising to seize the unprecedented opportunities. From the latest report issued by Bloomberg, the 600 million gamers in China generated \$24.6 billion of the industry's \$101.1 billion global market value over 2016, just ahead of the U.S.'s \$24.1 billion. Moreover, China accounted for 31 percent of the total \$18 billion generated by mobile games, compared with just 3 percent of the \$2.4 billion total in 2012. With mobile devices staking an increasingly significant claim on the overall digital market in China for several years, mobile gaming and digital advertising will be the Group's two core focus. The Group is working on further enriching games content, enhancing gamers' experience, promoting engagement as well as scaling up its targeted mobile advertising for making mobile applications business a good revenue driver in the future.

For consumer electronic products, the growing convergence of information, communication and entertainment is bringing a new era of the global consumer electronics industry. With increasing household income, more active launching of innovative technological products and rising awareness of quality living, the prospect of global consumer electronic products market remains positive. The Group is continuously working on broadening the product category with focus on lifestyle products and high-tech gadgets to capture the latest market trend.

Given the continued success of the Group's business as a comprehensive distributor for semiconductors, consumer electronic products and mobile applications, the Group will, by leveraging its leading position, goodwill and competitive advantage, continue adopting prudent development strategies for achieving sustainable growth and bringing satisfactory returns to shareholders.

LIQUIDITY AND FINANCIAL RESOURCES

The total debt position as at 31 March 2017 and the corresponding gearing ratio are shown as follows:

自去年Koocell的業務重組後，本集團一直集中資源於在線廣告和遊戲開發，以捉緊這前所未有的機會。彭博社發佈的最新報告顯示，截至2016年，全球遊戲產業營收為1,011億美元，其中中國的6億遊戲玩家帶來246億美元營收，略高於美國的241億美元。另外2016年全球移動遊戲營收為180億美元，中國市場占到了31%。相比之下，全球移動遊戲在2012年只獲得了24億美元營收，來自中國的貢獻僅為3%。隨著這數年間移動設備在中國整個電子市場上的應用越來越多，移動遊戲和數字廣告將是本集團的兩個核心焦點。本集團正努力，通過進一步豐富遊戲內容，提升遊戲玩家的體驗和參與度，以及擴展其具目標性的移動廣告業務規模，使移動應用業務成為未來幾年的另一個重要的收入來源。

至於消費類電子產品，信息、通訊和娛樂的日益融合讓全球的消費電子產業進入了全新時代。隨著家庭收入的增加，創新技術產品的推陳出新以及人們對優質生活的意識的提高，全球消費類電子產品市場的前景仍然樂觀。本集團繼續致力於擴大產品類別，尤其專注於生活品味家品和高科技電子產品，以捕捉最新的市場趨勢。

有見本集團作為半導體、消費類電子產品和手機應用業務的綜合分銷商業務持續取得成功，本集團將利用其領先地位、良好的商譽及競爭優勢，繼續採取審慎的發展策略，以實現可持續增長，並為股東帶來滿意的回報。

流動資金及財政資源

於二零一七年三月三十一日之債務總額狀況及相應資本負債比率如下：

		2017 二零一七年 HK\$'million 百萬港元	2016 二零一六年 HK\$'million 百萬港元
Cash and cash equivalents	現金及等同現金項目	111.6	69.6
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資	102.1	73.0
Cash and cash equivalents and equity investments	現金及等同現金項目及股本投資	213.7	142.6
Borrowings and finance lease payables	借款及應付融資租賃款項	118.4	137.2
Total equity	權益總額	1,078.3	657.6
Total debt to total equity	債務總額與權益總額之比率	11%	21%

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As at 31 March 2017, the Group had cash and cash equivalents (i.e., cash and bank balances and deposits with other financial institutions) of HK\$111.6 million (2016: HK\$69.6 million), while the Group's equity investments at fair value through profit or loss amounted to HK\$102.1 million (2016: HK\$73.0 million). The equity investments included a balanced mix of fixed income, equity and alternative investments and such amount represented the cash reserves held for the Group's medium to long term business development and would form an integral part of the Group's treasury.

The total debt to total equity ratio as at 31 March 2017 was 11% (2016: 21%), while the Group's total equity as at 31 March 2017 was HK\$1,078.3 million (2016: HK\$657.6 million), with the total balances of cash and cash equivalents and equity investments as at 31 March 2017 of HK\$213.7 million (2016: HK\$142.6 million).

The working capital position of the Group remains healthy. As at 31 March 2017, the liquidity ratio was 335% (2016: 147%).

於二零一七年三月三十一日，本集團之現金及等同現金項目（即現金及銀行結存以及於其他財務機構之存款）為111,600,000港元（二零一六年：69,600,000港元），而本集團透過損益按公平價值列賬之股本投資為102,100,000港元（二零一六年：73,000,000港元）。股本投資包括固定收入、股本及另類投資之平衡組合，而該等款額指本集團持有作中期至長期業務發展之現金儲備，並將成為本集團資金之一部分。

於二零一七年三月三十一日之債務總額與權益總額之比率為11%（二零一六年：21%），本集團之權益總額於二零一七年三月三十一日為1,078,300,000港元（二零一六年：657,600,000港元），而現金及等同現金項目及股本投資於二零一七年三月三十一日之結餘總額為213,700,000港元（二零一六年：142,600,000港元）。

本集團之營運資金狀況仍然穩健。於二零一七年三月三十一日，流動資金比率為335%（二零一六年：147%）。

		2017 二零一七年 HK\$'million 百萬港元	2016 二零一六年 HK\$'million 百萬港元
Current assets	流動資產	625.5	298.2
Current liabilities	流動負債	(186.8)	(203.5)
Net current assets	流動資產淨值	438.7	94.7
Current assets to current liabilities	流動資產與流動負債之比率	335%	147%

Management is confident that the Group follows a prudent policy in managing its treasury position, and maintains a high level of liquidity to ensure that the Group is well placed to take advantage of growth opportunities for the business.

管理層相信，本集團依循審慎政策管理其財資水平，並維持高度流動資金，以確保本集團能夠隨時把握業務增長機會。

SIGNIFICANT INVESTMENTS

As at 31 March 2017, the Group recorded equity investments at fair value through profit or loss of approximately HK\$102.1 million (31 March 2016: approximately HK\$73.0 million) and available-for-sale investments of approximately HK\$282.9 million (31 March 2016: approximately HK\$20.9 million). For a detailed breakdown of equity investments at fair value through profit or loss, please refer to note 22 in consolidated financial statements. For the performance during the year and future prospects of equity investments at fair value through profit or loss, please refer to the section "Business Review – Venture Capital Business" on page 13 of this annual report.

重大投資

於二零一七年三月三十一日，本集團錄得透過損益按公平價值列賬之股本投資約102,100,000港元（二零一六年三月三十一日：約73,000,000港元）及可供出售投資約282,900,000港元（二零一六年三月三十一日：約20,900,000港元）。有關透過損益按公平價值列賬之股本投資明細，請參閱綜合財務報表附註22。有關透過損益按公平價值列賬之股本投資於年內之表現及未來前景，請參閱本年報第13頁「業務回顧－創投資業務」一節。

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For the available-for-sale investments, it comprised carrying amount of HK\$261.3 million (31 March 2016: nil) investment in a Korean-listed company, Me2On and HK\$21.6 million (31 March 2016: HK\$20.9 million) for key management insurance contracts. For the key management insurance contracts, it is insignificant when compared to the total assets of the Group. During the year ended 31 March 2017, the Group's equity interest in Me2On has been diluted and the Group no longer had significant influence over it. As such, the Group's investment in Me2On was reclassified from investments in associates to available-for-sale investments, and the Group ceased to account for Me2On using the equity method.

As at both 31 March 2016 and 2017, the Group held 4,288,212 shares in the issued capital of Me2On, which represented approximately 14.2% of the issued capital of Me2On as at 31 March 2017. The Group did not receive any dividend from Me2On during the year. During the year ended 31 March 2017, the Group recorded a fair value gain for investment in Me2On of approximately HK\$147.3 million that was recognised in other comprehensive income. As disclosed in the annual report of Me2On for the year ended 31 December 2016, Me2On recorded a consolidated net profit attributable to owners of approximately KRW3,217.9 million (equivalent to approximately HK\$20.7 million) for the year ended 31 December 2016. With regards to the future prospects of Me2On, based on published information, the directors of the Company noted that Me2On would continue to focus on mobile game development and being a mobile game publisher with headquarters in Korea.

EMPLOYEES

As at 31 March 2017, the Group employed a total of approximately 194 (31 March 2016: approximately 192) full-time employees. The Group recruits and promotes individuals based on merit and their development potentials for the positions offered. Remuneration package is determined with reference to their performance and the prevailing salary levels in the market. In addition, the Group operates share option schemes for eligible employees to provide incentive to the participants for their contribution and continuing efforts to promote the interests of the Group. Share options and discretionary bonuses are granted based on the Group's and individual's performances.

可供出售投資方面，包括於韓國上市公司Me2On之投資之賬面金額261,300,000港元（二零一六年三月三十一日：無）及主要管理人員保險合約之賬面金額21,600,000港元（二零一六年三月三十一日：20,900,000港元）。主要管理人員保險合約與本集團資產總值比較並不重大。截至二零一七年三月三十一日止年度，本集團於Me2On之股本權益已被攤薄，而本集團對其不再有重大影響力。因此，本集團於Me2On之投資由於聯營公司之投資重新分類為可供出售投資，而本集團不再使用權益法將Me2On入賬。

於二零一六年及二零一七年三月三十一日，本集團持有Me2On已發行股本中4,288,212股股份，佔二零一七年三月三十一日Me2On已發行股本約14.2%。本集團於年內並無收取Me2On任何股息。截至二零一七年三月三十一日止年度，本集團就於Me2On之投資錄得公平價值收益約147,300,000港元，已於其他全面收益確認。誠如Me2On截至二零一六年十二月三十一日止年度之年報所披露，Me2On於截至二零一六年十二月三十一日止年度錄得擁有人應佔綜合純利約3,217,900,000韓圓（相等於約20,700,000港元）。有關Me2On之未來前景，根據已發佈資料，本公司董事注意到Me2On將繼續專注開發手機遊戲，為一家總部設於韓國之手機遊戲發行商。

僱員

於二零一七年三月三十一日，本集團合共聘用約194名（二零一六年三月三十一日：約192名）全職僱員。本集團乃根據員工之功績及員工於職位上之發展潛力而聘用及提供晉升機會。薪酬組合乃參照員工之表現及市場當時之薪金水平而釐定。此外，本集團為合資格僱員營辦一項購股權計劃，就各參與僱員之貢獻及提升本集團利益之不懈努力提供獎勵。本集團亦會按本集團及僱員個人表現授出購股權及酌情花紅。



**Profile of Directors and
Senior Management**
董事及高級管理層履歷

Profile of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Dr. So Yuk Kwan (“Dr. So”), aged 67, is the founder, Chairman and Executive Director of the Company. Dr. So is the father of Mr. So Chi On, Mr. So Kevin Chi Heng and Mr. So Chi Sun Sunny. In the early 1980’s, he founded AV Concept Limited. Dr. So is primarily responsible for overall business strategies and business development to the Company. Dr. So has over 41 years of experience in the electronics industry. Under his leadership, AV Concept achieved remarkable results in the sales and marketing of semiconductors contributing to the appointment by Samsung Electronics as its distributor since 1982. In 1989, AV Concept Singapore Pte. Ltd. was established to develop its electronic business in Singapore, South-east Asia countries and subsequently expanded to the market in the People’s Republic of China through vertical integration in early 90’s. In April 1996, AV Concept Holdings Limited listed on the Main Board of The Stock Exchange of Hong Kong Limited. The Group continuously received numerous awards, including Samsung Electronics’s “Best Performance Award” in recognition of the excellent sales and marketing performance as well as contribution to cultivate strong customers relationship in the semiconductors market.

Dr. So holds an honorary degree, Doctor of Philosophy in Business Administration from the International American University and a Master Degree in Business Administration from the University of East Asia (now known as University of Macau) and he is also a Fellow Member of the British Institute of Management. Presently, he is the Vice Chairman of the Executive Committee of the Hong Kong Electronic Industries Association Limited (“HKEIA”) and the Chairman of Education Fund of HKEIA. Dr. So is also the Vice President of The Hong Kong Semiconductor Industry Council. Further, Dr. So is a Fellow Member of The Hong Kong Institute of Directors and the Honorary Chairman of Advisory Committee (Industry) of Cooperative Education Centre of City University of Hong Kong.

Mr. So Chi On (“Mr. So”), aged 40, is the Chief Executive Officer and Executive Director of the Company. Mr. So is responsible for the overall corporate strategies and operation of the Group. Mr. So joined the Group in 1999 and was appointed as an Executive Director of the Company in March 2001. Mr. So has over 18 years of experience in corporate and financial management. Mr. So holds a Bachelor Degree of Business Administration from the University of Wisconsin Madison. Mr. So is the son of Dr. So, Chairman and an Executive Director of the Company and the brother of Mr. So Kevin Chi Heng and Mr. So Chi Sun Sunny, Executive Directors of the Company.

Mr. So Kevin Chi Heng (“Mr. Kevin So”), aged 31, is the Chief Operation Officer and Executive Director of the Company responsible for operation of the Group and AV Concept Singapore Pte. Ltd.. Mr. Kevin So joined the Group in 2011 and was appointed as an Executive Director of the Company in November 2015. Mr. Kevin So obtained a Bachelor of Science degree (major in Management) from Bentley College in May 2008 and a Master of Business Administration degree from Bentley University in February 2010. Prior to joining the Group, Mr. Kevin So had pursued a career in corporate finance in an international financial institution. Mr. Kevin So is the son of Dr. So, Chairman and an Executive Director of the Company, the brother of Mr. So , Chief Executive Officer and an Executive Director of the Company and the brother of Mr. So Chi Sun Sunny, an Executive Director of the Company.

執行董事

蘇焯均博士（「蘇博士」），67歲，為本公司之創辦人、主席及執行董事。蘇博士為蘇智安先生、蘇智恒先生及蘇智樂先生之父親。彼於二十世紀八十年代初創辦先思行有限公司。蘇博士主要負責本公司整體業務策略及業務發展。蘇博士於電子業擁有超過41年工作經驗。在蘇博士之領導下，AV Concept在半導體銷售及市場推廣方面屢創佳績，並從一九八二年起獲三星電子委任為分銷商。於一九八九年，AV Concept Singapore Pte. Ltd.成立以於新加坡及東南亞國家發展其電子業務，其後於九十年代初憑藉垂直整合開拓中華人民共和國市場。AV Concept Holdings Limited於一九九六年四月在香港聯合交易所有限公司主板上市。本集團多年來屢獲多個獎項，包括三星電子頒發之「最佳銷售表現獎」，藉以表揚於半導體銷售及市場推廣之優秀表現，及與客戶之友好關係。

蘇博士持有國際美洲大學工商管理榮譽哲學博士學位及東亞大學（現稱澳門大學）工商管理碩士學位，亦為英國管理學會之院士。目前，彼為香港電子業商會有限公司（「香港電子業商會」）執行委員會副主席及香港電子業商會教育基金主席，以及香港半導體行業協會副會長。蘇博士亦為香港董事學會資深會員及香港城市大學協作教育中心工業顧問委員會榮譽主席。

蘇智安先生（「蘇先生」），40歲，為本公司行政總裁及執行董事，負責本集團之整體公司策略及營運。蘇先生於一九九九年加入本集團，並於二零零一年三月獲委任為本公司執行董事。蘇先生於企業及財務管理方面積逾18年經驗。蘇先生持有威斯康辛大學麥迪遜分校工商管理學士學位。蘇先生為本公司主席及執行董事蘇博士之兒子以及本公司執行董事蘇智恒先生及蘇智樂先生之胞兄。

蘇智恒先生，31歲，為本公司營運總裁及執行董事，負責本集團及AV Concept Singapore Pte. Ltd.之業務營運。蘇智恒先生於二零一一年加入本集團，並於二零一五年十一月獲委任為本公司執行董事。蘇智恒先生於二零零八年五月取得本特利大學理學士學位（主修管理學），並於二零一零年二月取得本特利大學工商管理碩士學位。加入本集團之前，蘇智恒先生於一間國際金融機構發展企業融資事業。蘇智恒先生為本公司主席及執行董事蘇博士之兒子、本公司行政總裁及執行董事蘇先生之胞弟及本公司執行董事蘇智樂先生之胞兄。

Profile of Directors and Senior Management

董事及高級管理層履歷

Mr. So Chi Sun Sunny (“Mr. Sunny So”), aged 29, is the Executive Director of the Company, the vice president and chief executive officer of Koocell Limited, an indirectly wholly-owned subsidiary of the Company, which is principally engaged in mobile applications business and online advertising. Mr. Sunny So joined the Group in 2011 and was appointed as an Executive Director of the Company in November 2015. Mr. Sunny So obtained a Bachelor of Science degree (major in Graphic Design) from Northeastern University in January 2011. Mr. Sunny So is the son of Dr. So, Chairman and an Executive Director of the Company, the brother of Mr. So, Chief Executive Officer and an Executive Director of the Company and the brother of Mr. Kevin So, an Executive Director of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Lui Ming Wah (“Dr. Lui”), SBS, JP, aged 79, has been an Independent Non-executive Director of the Company since 1996. Dr. Lui is an established industrialist. Dr. Lui was a member of the Legislative Council of the HKSAR between 1998 – 2008 and also a member of the Chinese People’s Political Consultative Conference. He is now an Honorary Chairman of The Chinese Manufacturers Association of Hong Kong, The HKEIA and The Hong Kong Shandong Chamber of Commerce. In addition, he is also an Advisor of the Hong Kong International Arbitration Centre and a member of the Hong Kong Economic Development Commission. Dr. Lui obtained a Master Degree in Applied Science from the University of New South Wales in Australia and a Doctorate in Engineering from the University of Saskatchewan in Canada. He is currently the Managing Director of Keystone Electronics Co. Ltd..

Mr. Charles Edward Chapman (“Mr. Chapman”), aged 68, has been an Independent Non-executive Director of the Company since 2000. He was Executive Director of the HKEIA and Managing Director of the HKEIA’s subsidiary publishing company, the Hong Kong Electronics Promotions Ltd. from May 1988 to June 2007 when he retired. Currently, Mr. Chapman is an Independent Non-executive Director of Mobicon Group Limited and he is also a Senior Industry Consultant for a number of overseas-based trade fair organisers. Prior to joining the HKEIA, Mr. Chapman worked for 12 years as Economics Editor at the Hong Kong Trade Development Council and for 8 years as Business Editor in a local English-language newspaper.

Mr. Wong Ka Kit (“Mr. Wong”), aged 40, has been an Independent Non-executive Director of the Company since September 2004. Mr. Wong is the Senior Vice President, Mergers and Acquisitions of a Hong Kong listed property company. Mr. Wong holds a Bachelor Degree in Accounting, Finance and Economics from the University of Wisconsin Madison.

蘇智樂先生，29歲，為本公司執行董事及本公司間接全資附屬公司Koocell Limited之副總裁及行政總裁。Koocell Limited主要從事手機應用程式業務及網上廣告。蘇智樂先生於二零一一年加入本集團，並於二零一五年十一月獲委任為本公司執行董事。蘇智樂先生於二零一一年一月取得東北大學理學士學位（主修平面設計）。蘇智樂先生為本公司主席及執行董事蘇博士之兒子以及本公司行政總裁及執行董事蘇先生及本公司執行董事蘇智恒先生之胞弟。

獨立非執行董事

呂明華博士（「呂博士」），SBS，太平紳士，79歲，自一九九六年以來一直擔任本公司之獨立非執行董事。呂博士為知名工業家。呂博士於一九九八年至二零零八年期間出任香港特別行政區立法會議員，亦為中國人民政治協商會議之委員。彼現為香港中華廠商聯合會、香港電子業商會及香港山東商會之榮譽主席。此外，彼亦為香港國際仲裁中心顧問及香港經濟發展委員會成員。呂博士持有澳洲新南威爾斯大學應用科學碩士學位及加拿大沙省大學工程學博士學位。彼現時為文明電子有限公司之董事總經理。

Charles Edward Chapman先生（「Chapman先生」），68歲，自二零零零年以來一直擔任本公司之獨立非執行董事。自一九八八年五月起至二零零七年六月退休前，彼一直出任香港電子業商會執行幹事，以及香港電子業商會旗下出版公司香港電子促進有限公司董事總經理。Chapman先生現時為萬保剛集團有限公司之獨立非執行董事，亦為多家海外貿易展覽籌辦商之高級工業顧問。加入香港電子業商會前，Chapman先生曾於香港貿易發展局任職經濟編輯達12年，並於一份本地英文報章任商業編輯達八年。

黃家傑先生（「黃先生」），40歲，自二零零四年九月以來一直擔任本公司之獨立非執行董事。黃先生為一間香港上市物業公司之併購事務高級副總裁。黃先生持有威斯康辛大學麥迪遜分校之會計、財務及經濟學學士學位。

Profile of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Choi Joon Yun (“Mr. Choi”), aged 53, was appointed as the President and Chief Executive Officer of AV Concept Limited, a subsidiary of the Company from 2006 – 2011. Mr. Choi currently is the President and Chief Executive Officer of AVP Electronics Limited, a joint venture of the Group since January 2012. Mr. Choi has over 28 years of experience in Sales and Marketing. Prior to joining the Group, Mr. Choi was the Sales and Marketing Director of Samsung Electronics Co., Ltd. (Shanghai), and the Sales and Marketing Senior Manager of Samsung Electronics Co., Ltd. (Hong Kong and Shenzhen). He had also been working for Samsung Electronics Co., Ltd. (Semiconductor Business) as Sales and Marketing Manager for Asian market.

Mr. Chan Chi Hang (“Mr. Chan”), aged 40, was appointed as the Company Secretary and the Chief Financial Officer of the Company since August 2015. Mr. Chan has extensive experience in accounting and auditing, and is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

高級管理層

崔俊淵先生（「崔先生」），53歲，於二零零六年至二零一一年獲委任為本公司附屬公司先思行有限公司之總裁及行政總裁。崔先生於二零一二年一月獲委任為本集團合營企業同憶有限公司之總裁及行政總裁。崔先生於銷售及市場推廣方面擁有逾28年經驗。加入本集團之前，崔先生曾任三星電子有限公司（上海）之銷售及市場推廣總監以及三星電子有限公司（香港及深圳）之銷售及市場推廣高級經理，亦曾任職三星電子有限公司（半導體業務）之亞洲市場銷售及市場推廣經理。

陳志恒先生（「陳先生」），40歲，自二零一五年八月起獲委任為本公司之公司秘書及首席財務總監。陳先生於會計及審計方面擁有豐富經驗，並為香港會計師公會會員及英國特許公認會計師公會資深會員。



Directors' Report
董事會報告

Directors' Report

董事會報告

The Directors of the Company present their report and the audited consolidated financial statements for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The principal activities of the Group consist of the marketing and distribution of electronic components, the design, development and sale of electronic products, and venture capital investment.

Further discussion and analysis of business review as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the Chairman's Statement and Management Discussion and Analysis set out on pages 6 to 16 of this annual report. The above discussion forms part of this directors' report.

Principal risks and uncertainties

The management of the Company, as assisted by the audit committee of the Company, oversees the Group's internal control and risk management system, and conducts periodic reviews of such system to ensure good corporate governance practice. The supervision process and outcome of the latest review is set out in more detail in the section headed "Internal Control" in corporate governance report in this annual report. The following is a discussion of the principal risks and uncertainties facing by the Group. The management of the Company meets periodically to discuss these risks, and where appropriate, will monitor the situation closely and adopt any necessary risk mitigation measures.

Industry risk

The sale and distribution of electronic components and design, development and sales of electronic products are sensitive to technology change. The industry is also subject to rapidly changing market trends and intense competition amongst different players. This may materially and adversely affect the Group's business performance. To maintain competitiveness, the management of the Company will meet regularly to update the technology change and the industry environment.

Economy risk

The performance of the Group is affected by the overall economy growth, especially in the electronic components market. If the economy slows down, it is highly likely that the demand for electronic components may be reduced. Any continued economic slowdown or recession may result in a decrease in sales, and may lead to a material adverse effect on the Group's business and results of operations.

本公司董事謹此提呈截至二零一七年三月三十一日止年度之董事會報告及經審核綜合財務報表。

主要業務及業務回顧

本公司之主要業務為投資控股。本集團主要從事電子元件之市場推廣及分銷、電子產品之設計、開發及銷售以及創業投資業務。

香港公司條例附表5所規定有關業務回顧之進一步討論及分析，包括本集團所面對之主要風險及不確定因素論述，以及本集團業務之可能未來發展指標，均可於本年報第6頁至第16頁之主席致辭及管理層討論及分析中閱覽。上述討論構成本董事會報告一部分。

主要風險及不明朗因素

本公司管理層在本公司審核委員會協助下監管本集團之內部監控及風險管理制度，並定期檢討有關制度，確保實行良好企業管治常規。監管程序及最近期之檢討結果進一步詳情載於本年報企業管治報告「內部監控」一節。本集團所面對之主要風險及不明朗因素論述如下。本公司管理層定期會面，以商討該等風險，並將於適當時候密切監察情況，採取任何所需舒緩風險措施。

行業風險

電子元件之銷售及分銷以及電子產品之設計、開發及銷售對科技轉變反應敏感。業內之市場趨勢瞬息萬變、同業間競爭激烈，或會對本集團之業務表現構成重大不利影響。為保持競爭力，本公司管理層將定期會面，以緊貼科技轉變及行業環境。

經濟風險

本集團之表現受整體經濟增長，尤其是電子元件市場影響。倘經濟放緩，則電子元件需求極有可能減少。倘經濟持續下滑或衰退，均可能導致銷售額減少，並可能對本集團之業務及經營業績造成重大不利影響。

Financial risk

Credit risk

To minimise credit risk, the Group has monitoring procedures to ensure there is follow-up action to recover overdue debts. The Group also reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Board therefore considers that the Group's credit risk is significantly reduced.

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents which it deems adequate to finance the Group's operations and mitigate the effects of cash flow fluctuations.

Interest rate risk

The Group is exposed to risk of changes in market interest rates related primarily to the Group's interest-bearing bank borrowings with floating interest rates. It does not currently has any interest rate hedging policy, but closely monitors its exposure to interest rate risk due to changes in market rates and will consider hedging changes should the need arise.

Market price risk

The Group is exposed to the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The management of the Company monitors the changes of securities prices and may change the investment portfolio held if needed.

Environmental policies and performance

The Group is committed to the long term sustainability of the environment and communities in which it engages. The Group strives to minimise its impact on the environment by reducing its use of electricity and water and encouraging recycle of office supplies and other materials. The Group has complied with all relevant laws and regulations regarding environmental protection, health and safety, workplace conditions and employment.

Compliance with the laws and regulations

The Group recognises the importance of compliance with regulatory requirements and the risks of non-compliance with the applicable laws and regulations. During the year under review, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. There was no material breach or non-compliance with the applicable laws and regulations by the Group during the year under review.

財務風險

信貸風險

為了減輕信貸風險，本集團設有監察程序，確保採取跟進行動收回逾期債項。本集團亦於各報告期間結束時檢討各個別債項之可收回金額，確保就不可收回金額計提足夠減值虧損。因此，董事會認為，本集團之信貸風險已大為減輕。

流動資金風險

本集團監察現金及等同現金項目，並將其維持於本集團認為足以應付其營運所需，同時減輕現金流量波動影響之水平。

利率風險

本集團因市場利率變動而面臨之風險主要與本集團按浮動利率計息之附息銀行借款有關。本集團目前並無任何利率對沖政策，惟密切留意其因市場利率變動而面臨之利率風險，並將於有需要時考慮對沖有關變動。

市價風險

本集團因股票指數水平及個別證券價值之變動而面臨股本證券公平價值下降之風險。本公司管理層監察證券價格變動，並可能於有需要時改變所持投資組合。

環境政策及表現

本集團致力於其經營所在環境及社區之長期可持續性。本集團努力透過節約用水用電及鼓勵循環利用辦公用品及其他物料，盡可能減輕對環境的影響。本集團已遵守所有有關環境保護、健康及安全、工作場所環境及僱傭之相關法例及規例。

遵守法例及規例

本集團深明遵守監管規定之重要性以及不遵守適用法例及規例之風險。於回顧年度，本集團一直於重大方面遵守對本集團業務及經營有重大影響之相關法例及規例。於回顧年度，概無發生本集團嚴重違反或不遵守適用法例及規例之情況。

Directors' Report

董事會報告

Relationship with employees, clients, suppliers and other stakeholders

The Group understands the success of the Group's business depends on the support from its key stakeholders, including employees, clients, suppliers, banks, regulators and shareholders. During the year under review, there were no material and significant disputes between the Group and its key stakeholders. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

RESULTS AND DIVIDEND

The Group's profit for the year ended 31 March 2017 and the Group's financial position at that date are set out in the consolidated financial statements on pages 62 to 179 of this annual report.

The Board has recommended the payment of a final dividend of HK\$0.02 (2016: Nil) per share for the year ended 31 March 2017.

The proposed final dividend, if approved at the forthcoming annual general meeting to be held on Monday, 28 August 2017, will be payable on Tuesday, 19 September 2017 to shareholders whose names appear on the registrar of members of the Company on Tuesday, 5 September 2017. Based on 772,944,419 shares in issue as of the date of this report, the total dividend will amount to approximately HK\$15.5 million.

CLOSURE OF REGISTER OF MEMBERS

The Annual General Meeting of the Company is scheduled on Monday, 28 August 2017. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 23 August 2017 to Monday, 28 August 2017, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 22 August 2017.

In order to determine the list of shareholders who are entitled to receive the proposed final dividend for the year ended 31 March 2017, the Company's register of members will be closed from Monday, 4 September 2017 to Tuesday, 5 September 2017, both days inclusive. Shareholders are reminded that in order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited at the above address for registration not later than 4:30 p.m. on Friday, 1 September 2017.

與僱員、客戶、供應商及其他持份者之關係

本集團明白其業務成功取決於僱員、客戶、供應商、銀行、監管機構及股東等主要持份者之支持。於回顧年度，本集團與其主要持份者之間並無任何重大及重要爭議。本集團將繼續確保與各主要持份者進行有效溝通並維持良好關係。

業績及股息

本集團截至二零一七年三月三十一日止年度之溢利以及本集團於該日之財務狀況，載於本年報第62頁至第179頁之綜合財務報表。

董事會建議派付截至二零一七年三月三十一日止年度之末期股息每股0.02港元（二零一六年：無）。

建議末期股息如於二零一七年八月二十八日（星期一）舉行之應屆股東週年大會上獲得批准，將於二零一七年九月十九日（星期二）派付予於二零一七年九月五日（星期二）名列本公司股東名冊之股東。按照於本報告日期已發行772,944,419股股份計算，股息總額將約為15,500,000港元。

暫停辦理股份過戶登記手續

本公司謹訂於二零一七年八月二十八日（星期一）舉行股東週年大會。為釐定出席股東週年大會並於會上投票之資格，本公司將於二零一七年八月二十三日（星期三）至二零一七年八月二十八日（星期一）（首尾兩天包括在內）期間暫停辦理股份過戶登記手續，期間將不會登記任何股份過戶手續。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票，須於二零一七年八月二十二日（星期二）下午四時三十分前，送交本公司之香港股份過戶登記處卓佳登捷時有限公司（地址為香港皇后大道東183號合和中心22樓），以供登記。

為釐定有權收取截至二零一七年三月三十一日止年度建議末期股息之股東名單，本公司將於二零一七年九月四日（星期一）至二零一七年九月五日（星期二）（首尾兩天包括在內）期間暫停辦理股份過戶登記手續。謹此提醒各股東，為符合資格收取建議末期股息，所有股份過戶文件連同有關股票，須於二零一七年九月一日（星期五）下午四時三十分前，送交本公司之香港股份過戶登記處卓佳登捷時有限公司（地址如上），以供登記。

Directors' Report

董事會報告

SHARE CAPITAL AND SHARE OPTIONS

Details of the Company's share capital and share options are set out in notes 29 and 30 to the consolidated financial statements, respectively.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association (the "Articles of Association") or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year.

DISTRIBUTABLE RESERVES

At 31 March 2017, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands, amounted to approximately HK\$351,750,000. The share premium of the Company is available for distribution or paying dividends to the shareholders provided that immediately following the distribution or the payment of dividends, the Company is able to pay its debts as they fall due in the ordinary course of business.

股本及購股權

本公司股本及購股權之詳情，分別載於綜合財務報表附註29及30。

優先購買權

本公司之組織章程細則（「章程細則」）或開曼群島法例概無載列本公司必須按持股比例向現有股東提呈發售新股份之優先購買權條文。

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

可供分派儲備

於二零一七年三月三十一日，按開曼群島公司法之規定計算，本公司可供分派之儲備約為351,750,000港元。本公司之股份溢價可供分派或支付股息予股東，惟緊隨分派或支付股息後，本公司必須能償還其於日常業務中到期之債務。

Directors' Report

董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the published results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

RESULTS

		Year ended 31 March 截至三月三十一日止年度				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
CONTINUING OPERATIONS	持續經營業務					
REVENUE	收益	1,342,399	1,037,023	1,957,690	2,749,902	2,334,475
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)	276,396	757	(49,839)	53,888	52,301
Income tax	所得稅	(274)	1,389	(564)	(210)	(3,368)
PROFIT/(LOSS) FOR THE YEAR	年內溢利/(虧損)	276,122	2,146	(50,403)	53,678	48,933
DISCONTINUED OPERATION	已終止經營業務					
Loss for the year from a discontinued operation	已終止經營業務之 年內虧損	-	-	(14,538)	(60,023)	(55,811)
		276,122	2,146	(64,941)	(6,345)	(6,878)
Attributable to:	以下人士應佔:					
Owners of the Company	本公司擁有人	276,122	2,147	(94,287)	3,353	9,237
Non-controlling interests	非控股權益	-	(1)	29,346	(9,698)	(16,115)
		276,122	2,146	(64,941)	(6,345)	(6,878)

Assets and liabilities

資產及負債

		As at 31 March 於三月三十一日				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
TOTAL ASSETS	資產總值	1,280,877	884,514	1,140,104	1,335,459	1,482,833
TOTAL LIABILITIES	負債總額	(202,583)	(226,952)	(485,938)	(666,806)	(835,606)
		1,078,294	657,562	654,166	668,653	647,227

Directors' Report

董事會報告

DIRECTORS

The Directors of the Company during the year were:

Executive Directors:

Dr. So Yuk Kwan (*Chairman*)

Mr. So Chi On (*Chief Executive Officer*)

Mr. So Kevin Chi Heng

(*Chief Operation Officer*)

Mr. So Chi Sun Sunny

Independent Non-executive Directors:

Dr. Lui Ming Wah, SBS, JP

Mr. Charles Edward Chapman

Mr. Wong Ka Kit

The Company has received annual written confirmation from each of the Independent Non-executive Directors, namely Dr. Lui Ming Wah ("Dr. Lui"), SBS, JP, Mr. Charles Edward Chapman and Mr. Wong Ka Kit, confirming their independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and considers the Independent Non-executive Directors to be independent.

Profiles of the Directors and senior management of the Group as at the date of this annual report are set out on pages 17 to 20 of this annual report.

REMUNERATION POLICY

The remuneration of the Directors is recommended by the Remuneration Committee, and approved by the board of Directors (the "Board"), as authorised by shareholders in the annual general meeting of the Company, having regard to their skills, knowledge and involvement in the Company's affairs. No Directors are involved in deciding their own remuneration.

We offer competitive remuneration package, including medical and retirement benefits, to eligible employees. Apart from basic salary, executive Directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

In order to attract, retain and motivate the eligible employees, including the Directors, the Company and a subsidiary have adopted share option schemes. The schemes enable the eligible persons to obtain an ownership interest in the Company and that subsidiary and thus will motivate them to optimise their continuing contributions to the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director nor a connected entity of Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which any of the Company's subsidiaries was a party during the year.

董事

年內之本公司董事如下：

執行董事：

蘇煜均博士（主席）

蘇智安先生（行政總裁）

蘇智恒先生

（營運總裁）

蘇智樂先生

獨立非執行董事：

呂明華博士，SBS，太平紳士

Charles Edward Chapman先生

黃家傑先生

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第3.13條，本公司已收到各獨立非執行董事，即呂明華博士（「呂博士」），SBS，太平紳士，Charles Edward Chapman先生及黃家傑先生各自所發出之年度確認書，確認彼等之獨立性，並認為各獨立非執行董事均為獨立人士。

各董事及本集團高級管理層於本年報日期之履歷載於本年報第17頁至第20頁。

薪酬政策

董事之薪酬乃由薪酬委員會作出建議，並由董事會經股東在本公司股東週年大會授權下批准，當中已考慮彼等之技能、知識及對本公司事務之參與程度。各董事不得參與釐定其本身之薪酬。

本集團向合資格僱員提供具競爭力之薪酬組合，包括醫療及退休福利。除基本薪金外，執行董事及僱員亦可享受酌情花紅，此乃經考慮市況以及公司與個人於年內之表現等因素後發放。

為吸引、保留及激勵合資格僱員（包括董事），本公司及一間附屬公司已採納購股權計劃。該等計劃讓合資格人士可擁有本公司及該附屬公司之所有權權益，從而推動彼等持續為本集團作出最大貢獻。

董事於交易、安排或合約之權益

各董事或其關連實體於年內概無於本公司任何附屬公司所訂立任何對本集團業務屬重大之交易、安排或合約中直接或間接擁有重大權益。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2017, the interests of the Directors and chief executive of the Company in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, are as follows:

Long position in shares of the Company

(a) Interests in shares of the Company

Name of Director and chief executive	Nature of interest and capacity	Number of ordinary shares of the Company	Approximate percentage of interest in the issued shares
董事及最高行政人員姓名	權益性質及身份	本公司普通股數目	已發行股份權益概約百分比
Dr. So 蘇博士	Corporate interest 公司權益	249,894,189	
	Beneficial owner 實益擁有人	17,782,000 (Note 1) (附註1)	34.63%
Dr. Lui, SBS, JP 呂博士·SBS·太平紳士	Beneficial owner 實益擁有人	5,100,000 (Note 2) (附註2)	0.66%
	Interest of spouse 配偶之權益		

Notes:

- These shares include (i) 169,254,300 shares held by B.K.S. Company Limited ("BKS"); (ii) 80,639,889 shares held by Jade Concept Limited ("Jade Concept"); and (iii) 17,782,000 shares held by Dr. So as beneficial owner. Dr. So is deemed to be interested in 249,894,189 shares by virtue of his interests in BKS and Jade Concept, the particulars are more fully described in the section headed "Interests of Substantial Shareholders" below.
- This represents the total number of shares held by the spouse of Dr. Lui, SBS, JP. By virtue of the SFO, Dr. Lui, SBS, JP is deemed to be interested in 5,100,000 shares of the Company.

附註:

- 該等股份包括(i)由B.K.S. Company Limited (「BKS」)持有之169,254,300股股份；(ii)由Jade Concept Limited (「Jade Concept」)持有之80,639,889股股份；及(iii)由蘇博士(作為實益擁有人)持有之17,782,000股股份。根據蘇博士在BKS及Jade Concept之權益，彼被視為於249,894,189股股份中擁有權益，有關詳情於下文「主要股東之權益」一節進一步詳述。
- 該等股份指由呂博士·SBS·太平紳士之配偶持有之股份總數。根據證券及期貨條例，呂博士·SBS·太平紳士被視為於5,100,000股本公司股份中擁有權益。

董事及最高行政人員於股份及相關股份之權益

於二零一七年三月三十一日，本公司董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中擁有本公司根據證券及期貨條例第352條之規定須予保存之登記冊所記錄之權益，或根據上市規則所載上市發行人董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

於本公司股份之好倉

(a) 於本公司股份之權益

Directors' Report

董事會報告

(b) Interests in underlying shares of the Company

Name of Director and chief executive	Nature of interest and capacity	Number of ordinary shares of the Company 本公司 普通股數目	Approximate percentage of interest in the Company 本公司權益 概約百分比
董事及最高行政人員姓名	權益性質及身份		
Dr. So Yuk Kwan 蘇煜均博士	Beneficial owner 實益擁有人	600,000 (Note) (附註)	0.08%

Note:

These underlying shares in the Company represent interest in the share options granted to Dr. So pursuant to the share option scheme adopted by the Company.

(b) 於本公司相關股份之權益

附註：

本公司之該等相關股份指根據本公司所採納之購股權計劃授予蘇博士之購股權權益。

(c) Interests in underlying shares of associated corporations of the Company

Name of Director and chief executive	Nature of interest and capacity	Name of associated corporations	Number of ordinary shares of associated corporations 相聯法團 普通股數目	Approximate percentage of interest in associated corporations 相聯法團權益 概約百分比
董事及最高行政人員姓名	權益性質及身份	相聯法團名稱		
Mr. So Chi Sun Sunny 蘇智樂先生	Beneficial owner 實益擁有人	Koocell Limited	220,000 (Note) (附註)	30.98%

Note:

These underlying shares in Koocell Limited, a subsidiary of the Company, represent interest in the share options granted to Mr. Sunny So pursuant to the share option scheme adopted by Koocell Limited.

(c) 於本公司相聯法團相關股份之權益

附註：

Koocell Limited (本公司一間附屬公司)之該等相關股份指根據Koocell Limited所採納之購股權計劃授予蘇智樂先生之購股權權益。

The interests of the Directors in the share options of the Company and a subsidiary of the Company are separately disclosed in note 30 to the consolidated financial statements.

董事於本公司及本公司一間附屬公司購股權之權益另於綜合財務報表附註30披露。

Save as disclosed above, as at 31 March 2017, none of the Directors and chief executive of the Company had registered any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code.

除上文所披露者外，於二零一七年三月三十一日，概無本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中登記擁有根據證券及期貨條例第352條之規定須予保存之登記冊所記錄或根據標準守則須另行知會本公司之任何權益或淡倉。

Directors' Report

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and Chief Executive's Interests in Shares and Underlying Shares" and in the share option schemes disclosed in note 30 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2017, the following substantial shareholders (other than the Directors and chief executive of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long position in the shares of the Company

Name of shareholder	Nature of capacity	Number of shares held	Approximate percentage of interest in the issued shares 已發行股份權益 概約百分比
股東名稱／姓名	身份性質	所持股份數目	
BKS	Beneficial owner 實益擁有人	169,254,300 (Note 1) (附註1)	21.90%
Jade Concept	Beneficial owner 實益擁有人	80,639,889 (Note 2) (附註2)	10.43%
Central Investments Limited	Beneficial owner 實益擁有人	61,836,000	8.00%
Madam Yeung Kit Ling ("Madam Yeung") 楊潔玲女士(「楊女士」)	Interest of spouse 配偶之權益	268,276,189 (Note 3) (附註3)	34.71%

Notes:

1. BKS is beneficially owned by Dr. So. By virtue of the SFO, Dr. So is deemed to be interested in 169,254,300 shares of the Company held by BKS.
2. Jade Concept is beneficially owned by Dr. So. By virtue of the SFO, Dr. So is deemed to be interested in 80,639,889 shares of the Company held by Jade Concept.
3. As Madam Yeung is the spouse of Dr. So, by virtue of the SFO, she is deemed to be interested in the shares of the Company held by BKS and Jade Concept in which Dr. So has interest and 17,782,000 shares and 600,000 share options held by Dr. So.

Save as disclosed above, as at 31 March 2017, the Company has not been notified by any person or corporation (other than the Directors and chief executive of the Company whose interests are set out above) having interests in the shares and underlying shares of the Company which were required to be notified to the Company pursuant to Part XV of the SFO or which are recorded in the register required to be kept by the Company under section 336 of the SFO.

董事購買股份或債券之權利

除「董事及最高行政人員於股份及相關股份之權益」一節所披露者及綜合財務報表附註30所披露之購股權計劃外，概無於年內任何時間向任何董事或彼等各自之配偶或未成年子女授予可藉購買本公司股份或債券而獲得利益之權利，彼等亦概無行使該等權利；而本公司或其任何附屬公司亦概無參與訂立任何安排，致使董事可於任何其他法人團體獲得該等權利。

主要股東之權益

於二零一七年三月三十一日，以下之主要股東（本公司董事及最高行政人員除外）於本公司股份中擁有根據證券及期貨條例第336條之規定須予保存之登記冊所記錄之5%或以上權益：

於本公司股份之好倉

Name of shareholder	Nature of capacity	Number of shares held	Approximate percentage of interest in the issued shares 已發行股份權益 概約百分比
股東名稱／姓名	身份性質	所持股份數目	
BKS	Beneficial owner 實益擁有人	169,254,300 (Note 1) (附註1)	21.90%
Jade Concept	Beneficial owner 實益擁有人	80,639,889 (Note 2) (附註2)	10.43%
Central Investments Limited	Beneficial owner 實益擁有人	61,836,000	8.00%
Madam Yeung Kit Ling ("Madam Yeung") 楊潔玲女士(「楊女士」)	Interest of spouse 配偶之權益	268,276,189 (Note 3) (附註3)	34.71%

附註：

1. BKS由蘇博士實益擁有。根據證券及期貨條例，蘇博士被視為於BKS持有之169,254,300股本公司股份中擁有權益。
2. Jade Concept由蘇博士實益擁有。根據證券及期貨條例，蘇博士被視為於Jade Concept持有之80,639,889股本公司股份中擁有權益。
3. 由於楊女士為蘇博士之配偶，故根據證券及期貨條例，彼被視為於蘇博士擁有權益之BKS及Jade Concept持有之本公司股份及蘇博士持有之17,782,000股股份及600,000份購股權中擁有權益。

除上文所披露者外，於二零一七年三月三十一日，本公司並無接獲任何人士或法團（本公司董事及最高行政人員除外，彼等之權益載於上文）通知，表示彼等於本公司股份及相關股份中擁有根據證券及期貨條例第XV部須知會本公司或本公司根據證券及期貨條例第336條之規定須予保存之登記冊所記錄之權益。

RELATED PARTY TRANSACTIONS

Details of the significant related party transactions undertaken in the normal course of business are provided under note 35 to the consolidated financial statements. None of the related party transactions as disclosed in note 35 to the consolidated financial statements is subject to the reporting, announcement and independent shareholders' approval requirements of the Listing Rules.

SHARE OPTION SCHEMES

The Company and a subsidiary of the Company operate share option schemes (the "Schemes") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operation. Further details of the Schemes are disclosed in note 30 to the consolidated financial statements.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions amounting to HK\$231,000 (2016: HK\$365,000).

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 32% of the Group's total sales for the year and sales to the largest customer included therein amounted to approximately 9%. Purchases from the Group's five largest suppliers for the year accounted for approximately 97% of the Group's total purchases and purchases from the largest supplier included therein amounted to approximately 87%.

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

DIRECTORS' INTEREST IN COMPETING BUSINESSES

During the year, none of the Directors or their respective associates (as defined in the Listing Rules) were considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, other than those businesses of which the Directors were appointed as directors to represent the interests of the Company and/or the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued shares were held by the public during the year ended 31 March 2017 and as at the date of this report.

有關連人士交易

於正常業務過程中進行之重大有關連人士交易之詳情，載於綜合財務報表附註35。綜合財務報表附註35所披露之有關連人士交易概毋須遵守上市規則之申報、公告及獨立股東批准之規定。

購股權計劃

本公司及其一間附屬公司設有購股權計劃（「該等計劃」），旨在向對本集團之營運成就作出貢獻之合資格參與者提供獎勵及回報。有關該等計劃之進一步詳情於綜合財務報表附註30披露。

慈善捐款

年內，本集團作出慈善捐款231,000港元（二零一六年：365,000港元）。

主要客戶及供應商

於回顧年度，對本集團五位最大客戶之銷售額佔本集團年內總銷售額約32%，其中對最大客戶之銷售額佔總銷售額約9%。年內向本集團五位最大供應商作出之採購額佔本集團總採購額約97%，其中向最大供應商作出之採購額佔總採購額約87%。

董事或彼等之任何聯繫人（定義見上市規則）或任何股東（就董事所知擁有本公司已發行股本5%以上者）概無於本集團五位最大客戶或供應商中擁有任何實益權益。

董事於競爭業務之權益

年內，概無董事或彼等各自之聯繫人（定義見上市規則）被視為於與本集團業務直接或間接構成或可能構成競爭之業務中擁有權益（董事獲委任出任董事以代表本公司及／或本集團利益之業務除外）。

足夠公眾持股量

根據本公司從公開途徑可得之資料及據董事所知，於截至二零一七年三月三十一日止年度及於本報告日期，本公司已發行股份總數至少25%由公眾持有。

Directors' Report

董事會報告

MANAGEMENT CONTRACTS

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

PERMITTED INDEMNITY PROVISION

During the year under review and as at the date of this report, an indemnity provision was in force. The Company has arranged appropriate directors' liability insurance coverage for the Directors during the year under review.

CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out on pages 34 to 43 of this annual report.

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 31 March 2017, the aggregate amount of financial assistance to, and (where applicable) guarantee given for the loan facilities granted to, affiliated companies of the Company, exceeds 8% under the assets ratio as defined under Rule 14.07 (1) of the Listing Rules. In compliance with the requirement of Rule 13.22 of the Listing Rules, the combined statement of financial position of the affiliated companies (with attributable interest of the Group in the affiliated companies) as at the latest applicable date is set out below:

管理合約

年內概無訂立或存在有關本公司整體或任何重大部分業務之管理及行政合約。

獲准許彌償條文

於回顧年度及於本報告日期，有一項彌償條文生效。本公司已於回顧年度為董事安排適當董事責任保險保障。

企業管治

本公司企業管治常規之詳情，載於本年報第34頁至第43頁。

根據上市規則第13.22條作出之披露

於二零一七年三月三十一日，本公司聯屬公司獲得之財務資助及（如適用）就其獲授貸款融資提供之擔保之總額超過上市規則第14.07(1)條所界定之資產比率之8%。為符合上市規則第13.22條之規定，於最近適用日期，聯屬公司之合併財務狀況表（包括本集團於聯屬公司中應佔權益）載列如下：

		Combined statement of financial position 合併財務狀況表	Group's attributable interest 本集團應佔權益
		HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產	26,346	19,759
Current assets	流動資產	3,621,497	2,716,123
Current liabilities	流動負債	(3,040,008)	(2,280,006)
Non-current liabilities	非流動負債	(142)	(106)
		607,693	455,770
Share capital	股本	120,000	90,000
Reserves	儲備	487,693	365,770
		607,693	455,770

Directors' Report

董事會報告

AUDITOR

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

On Behalf of the Board

So Yuk Kwan

Chairman

Hong Kong, 26 June 2017

核數師

安永會計師事務所任滿告退，本公司將在應屆股東週年大會上提呈決議案，續聘其為本公司之核數師。

代表董事會

主席

蘇煜均

香港，二零一七年六月二十六日



Corporate Governance Report
企業管治報告

Corporate Governance Report

企業管治報告

The Group is committed to maintain a high standard of corporate governance and enhance its transparency and corporate value. The Group believes that good corporate governance provides a framework between the Board and the shareholders so as to enhancing shareholders' interest and value as a whole. The Board continually reviews and improves its corporate governance practices to ensure the Company keeps abreast of the expectation of shareholders of the Company ("Shareholders").

The purpose of this report is to provide Shareholders with information on the major principles and corporate governance practices adopted by the Company.

Throughout the year ended 31 March 2017, the Company has applied the major principles with the code provisions set out in the Code on Corporate Governance and Corporate Governance Report (the "Corporate Governance Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Further details of the Company's corporate governance practices will be described in the following sections.

BOARD OF DIRECTORS

The Board should assure responsibility for leadership and control of the Company and its subsidiaries, and is collectively responsible for directing and supervising the Company and its subsidiaries affairs.

The Board, led by the Chairman, is responsible for the formulation of the Group's business objectives and strategies. Matters reserved for the Board are those affecting the Group's overall strategic policies, finance and risk management. The senior management is responsible for the day-to-day operations of the Group directed by leadership of the Executive Directors. To this end, the senior management has to implement, manage and monitor the business plans, internal controls and corporate governance practices developed by the Board.

本集團一直致力維持高水平之企業管治，並承諾提高其透明度及企業價值。本集團相信，良好之企業管治為董事會與股東之間提供框架，藉以提高股東之整體利益及價值。董事會將持續檢討及改善其企業管治常規，以確保本公司之運作達致本公司股東（「股東」）之期望。

本報告旨在為股東提供有關本公司所採納主要原則及企業管治常規之資料。

於截至二零一七年三月三十一日止年度內，本公司一直應用香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治守則及企業管治報告（「企業管治守則」）載列之守則條文主要原則。有關本公司企業管治常規之進一步詳情，將於以下各節詳述。

董事會

董事會須承擔領導及監控本公司及其附屬公司之職責，並共同負責指導及監督本公司及其附屬公司之事務。

董事會由主席領導，負責制定本集團之業務目標及策略。董事會專責處理影響本集團整體策略政策、財務及風險管理之事宜。在執行董事之領導下，高級管理層負責本集團之日常營運。為達到此目的，高級管理層須實施、管理及監察董事會所制定之業務計劃、內部監控及企業管治常規。

Corporate Governance Report

企業管治報告

Board Composition

The composition of the Board ensures a balance of skills and experience appropriate for the requirements of the business of the Company.

As at 31 March 2017, the Board comprised four Executive Directors and three Independent Non-executive Directors (“INEDs”). One of the INEDs has appropriate professional qualifications, or accounting or related financial management expertise as required under the Listing Rules.

Each of the INEDs has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers the INEDs to be independent. Having the INEDs in the Board ensure that independent judgment is exercised and that a proper balance of power is maintained for full and effective control of the Group and its executive management. The Directors believe that the existing Board composition reflects the Company’s respect for high standards of business conduct commonly adopted by multinational enterprises. The INEDs perform an important role in safeguarding the Shareholders’ interests.

The Board as a whole is responsible for reviewing the Board composition (which include an assessment of the skills, knowledge and experience of the existing Directors and suitable candidates) and for formulating procedures for appointment of its own members and for nominating them for election by the Shareholders on the first appointment and thereafter at regular intervals through the retirement by rotation process pursuant to the Articles of Association of the Company.

Each of the INEDs has been appointed for specific term and has entered into a service agreement with the Company for a term of one year, which shall continue thereafter unless and until terminated by either party giving the other not less than three months’ notice in writing. All the Directors are subjected to retirement by rotation in accordance with the Articles of Association of the Company.

In accordance with article 112 of the Articles of Association of the Company, Mr. Wong Ka Kit (“Mr. Wong”) will retire from the office by rotation and is being eligible to offer himself for re-election at the forthcoming annual general meeting. Mr. Wong has served as an independent non-executive director for more than 9 years. The Board has assessed the independence of Mr. Wong who has met the independence guidelines set out in rule 3.13 of the Listing Rules. He has given an annual confirmation concerning his independence to the Company. The Board, therefore, considers him to be independent.

董事會組成

董事會之組成確保在技能與經驗方面取得適合本公司業務所需之平衡。

於二零一七年三月三十一日，董事會由四名執行董事及三名獨立非執行董事組成。其中一名獨立非執行董事具備上市規則所規定之適當專業資格或會計或相關財務管理專業知識。

各獨立非執行董事已根據上市規則第3.13條發出年度獨立性確認書。本公司認為各獨立非執行董事均為獨立人士。董事會擁有獨立非執行董事，可確保其作出獨立判斷及維持恰當之權力平衡，好能全面及有效地監控本集團及其行政管理。董事相信現有之董事會組成反映本公司重視跨國企業所普遍採納之高水平營業操守。獨立非執行董事在保障股東利益方面起着重要作用。

董事會全體負責檢討董事會組成（包括評估現任董事及適當候選人之技能、知識及經驗），並制定程序委任其本身成員及於首次委任時提名彼等以供股東選舉及其後根據本公司之章程細則以輪值告退方式定期委任。

各獨立非執行董事均有指定任期，並與本公司訂立服務協議，為期一年，其後將持續有效，直至任何一方對對方發出不少於三個月之書面通知予以終止為止。全體董事均須根據本公司之章程細則輪值告退。

按照本公司之章程細則第112條，黃家傑先生（「黃先生」）將於應屆股東週年大會上輪值告退，並符合資格及願意膺選連任。黃先生擔任獨立非執行董事已過九年。董事會已評核黃先生之獨立性，彼符合上市規則第3.13條所載之獨立性指引。彼已向本公司提供有關其獨立性之年度確認書。因此，董事會認為彼乃獨立人士。

Corporate Governance Report

企業管治報告

Chairman and Chief Executive Officer

The position of the Chairman and Chief Executive Officer (the “CEO”) are held by separate individuals. Such division of responsibilities helps to reinforce their independence and accountability and responsibility.

The Chairman is responsible for providing leadership to, and overseeing the functioning of the Board to ensure that the Board acts in the best interest of the Company and the Shareholders as a whole. The Chairman determines that the Board is provided with direction and sufficient consultation for the Directors in effectively discharging their responsibilities for different aspects of the business.

The CEO, supported by senior management, are responsible for implementation of corporate goals, business strategies and policies resolved by the Board from time to time. The CEO assumes full accountability to the Board in respect of the Group’s operations and development.

Save as Dr. So, the Chairman, is the father of Mr. So, the CEO, Mr. Kevin So, the Chief Operation Officer, and Mr. Sunny So, there is no relationship among members of the Board.

Board Meetings

Board meetings are scheduled to be held at about quarterly interval. The senior management of the Group from time to time reports to the Directors information on the activities and development of the Group’s business. In addition, the Directors have full access to information on the Group and independent professional advice whenever deemed necessary by the Directors.

The attendance record of regular four board meetings held during the year is set out below:

Name of Directors	Attendance/ Number of meetings	董事姓名	會議出席/ 舉行次數
<i>Executive Directors</i>			
Dr. So Yuk Kwan (Chairman)	4/4	蘇煜均博士 (主席)	4/4
Mr. So Chi On (Chief Executive Officer)	4/4	蘇智安先生 (行政總裁)	4/4
Mr. So Kevin Chi Heng (Chief Operation Officer)	4/4	蘇智恒先生 (營運總裁)	4/4
Mr. So Chi Sun Sunny	4/4	蘇智樂先生	4/4
<i>Independent Non-executive Directors</i>			
Dr. Lui Ming Wah, SBS, JP	4/4	呂明華博士, SBS, 太平紳士	4/4
Mr. Charles Edward Chapman	4/4	Charles Edward Chapman先生	4/4
Mr. Wong Ka Kit	3/4	黃家傑先生	3/4

主席及行政總裁

主席及行政總裁之職位由不同人士擔任。此職能區分有助加強彼等之獨立性、問責性及職責。

主席負責領導董事會及監督董事會之運作，以確保董事會按本公司及股東整體之最佳利益行事。主席須確保董事會獲提供指引及充足商議，以便董事有效地就不同業務方面履行其職責。

行政總裁在高級管理人員協助下負責落實董事會不時議決之企業目標、業務策略及政策。行政總裁就本集團之營運及發展對董事會負全責。

主席蘇博士為行政總裁蘇先生、營運總裁蘇智恒先生及蘇智樂先生之父親，除此以外，董事會各成員之間概無關連。

董事會會議

董事會會議預定大約每季舉行一次。本集團之高級管理層不時向董事報告有關本集團業務之活動及發展資料。此外，董事可取閱本集團之一切資料，並於彼等認為有需要時徵詢獨立專業意見。

年內舉行之四次常規董事會會議之出席記錄載列如下：

Corporate Governance Report

企業管治報告

Board Committees

As at the date of the report, there were four Board Committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee in operation and each one of them was established with specific terms of references to assist the Board discharging its responsibilities and maintaining proper internal controls and to promote good corporate governance as a whole.

Audit Committee

As at 31 March 2017, the Audit Committee comprises three Independent Non-executive Directors, namely Dr. Lui Ming Wah, SBS, JP (the Chairman of the Audit Committee), Mr. Charles Edward Chapman and Mr. Wong Ka Kit.

The principal duties of the Audit Committee include (i) to discuss with the external auditor before the audit commence, the nature and scope of the audit and confirm their independence and objectivity; (ii) to review the Group's financial information before submission to the Board; (iii) to review the Group's financial reporting system and the effectiveness of the audit process with internal control procedure; and (iv) to review external auditor's management letter and the relationship with the Group.

In accordance with the terms of reference of the Audit Committee, the Audit Committee meets at least twice a year to review the interim results and the final results of the Company.

During the year, two Audit Committee meetings were held. The Audit Committee had reviewed the Group's audited consolidated financial statements for the year ended 31 March 2016 and the interim results for the six months ended 30 September 2016. The Audit Committee had also reviewed and discussed with the management the accounting principles and practices adopted by the Group, and discussed auditing, internal control and financial reporting matters including the consolidated financial statements for the year ended 31 March 2017.

The attendance record of the Audit Committee meetings held during the year is set out below.

Name of Audit Committee Members	Attendance/ Number of meetings
Dr. Lui Ming Wah, SBS, JP (<i>Chairman</i>)	2/2
Mr. Charles Edward Chapman	2/2
Mr. Wong Ka Kit	1/2

董事委員會

於本報告日期，本公司設有四個董事委員會，即審核委員會、薪酬委員會、提名委員會及企業管治委員會，各委員會均具有特定職權範圍以協助董事會履行其職責及維持適當內部監控以及促進整體良好企業管治。

審核委員會

於二零一七年三月三十一日，審核委員會由三名獨立非執行董事組成，分別為呂明華博士，SBS，太平紳士（審核委員會主席）、Charles Edward Chapman先生及黃家傑先生。

審核委員會之主要職責包括：(i)於審核開始前與外聘核數師商討審核之性質及範圍並確認彼等之獨立性及客觀性；(ii)於向董事會提交本集團之財務資料前先作審閱；(iii)按內部監控程序檢討本集團之財務申報制度及審核過程之有效性；及(iv)檢討外聘核數師之管理函件及與本集團之關係。

根據審核委員會之職權範圍，審核委員會須每年至少舉行兩次會議，以審閱本公司之中期業績及全年業績。

年內，審核委員會共舉行了兩次會議。審核委員會已審閱本集團截至二零一六年三月三十一日止年度之經審核綜合財務報表及截至二零一六年九月三十日止六個月之中期業績。審核委員會亦已與管理層檢討及討論本集團所採納之會計原則及慣例，並討論審核、內部監控及財務申報事宜，包括截至二零一七年三月三十一日止年度之綜合財務報表。

年內舉行之審核委員會會議之出席記錄載列如下。

審核委員會成員姓名	會議出席/ 舉行次數
呂明華博士，SBS，太平紳士（主席）	2/2
Charles Edward Chapman先生	2/2
黃家傑先生	1/2

Corporate Governance Report

企業管治報告

Remuneration Committee

As at 31 March 2017, the Remuneration Committee consists of three Independent Non-executive Directors. The Remuneration Committee is chaired by Dr. Lui Ming Wah, SBS, JP and the other members include Mr. Charles Edward Chapman and Mr. Wong Ka Kit. One Remuneration Committee meeting was held during the year to consider the salary increment of the Directors and all members had attended the meeting.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to the Company's performance and profitability as well as remuneration benchmarks in the industry and the prevailing market conditions. No Director or any of his associates shall be involved in deciding his own remuneration. The Remuneration Committee normally meets once a year and at other times as required. The Remuneration Committee had reviewed the Directors' remuneration for the year ended 31 March 2017.

The attendance record of the Remuneration Committee meeting held during the year is set out below.

Name of Remuneration Committee Members	Attendance/ Number of meetings
Dr. Lui Ming Wah, SBS, JP (<i>Chairman</i>)	1/1
Mr. Charles Edward Chapman	1/1
Mr. Wong Ka Kit	1/1

Nomination Committee

As at 31 March 2017, the Nomination Committee comprises three Independent Non-executive Directors. The members of the Nomination Committee are Dr. Lui Ming Wah, SBS, JP, Mr. Charles Edward Chapman and Mr. Wong Ka Kit, all are the Independent Non-executive Directors. Dr. Lui Ming Wah, SBS, JP is the chairman of the Nomination Committee.

The principal responsibilities of the Nomination Committee include (i) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; (iii) assess the independence of Independent Non-executive Directors; and (iv) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the CEO.

薪酬委員會

於二零一七年三月三十一日，薪酬委員會由三名獨立非執行董事組成。薪酬委員會之主席為呂明華博士，SBS，太平紳士，而其他成員包括Charles Edward Chapman先生及黃家傑先生。薪酬委員會於年內舉行了一次會議以考慮董事加薪，全體成員均有出席。

薪酬委員會之主要職責包括就本公司董事及高級管理層之薪酬政策及架構向董事會提供建議，並參照本公司之表現及盈利能力，以及業內薪酬基準及現行市況，檢討所有執行董事及高級管理層之具體薪酬組合。董事或其任何聯繫人均不得參與釐定其本身之薪酬。薪酬委員會一般每年舉行一次會議，並於有需要時再舉行會議。薪酬委員會已檢討截至二零一七年三月三十一日止年度之董事薪酬。

年內舉行之薪酬委員會會議之出席記錄載列如下。

薪酬委員會成員姓名	會議出席/ 舉行次數
呂明華博士，SBS，太平紳士（主席）	1/1
Charles Edward Chapman先生	1/1
黃家傑先生	1/1

提名委員會

於二零一七年三月三十一日，提名委員會由三名獨立非執行董事組成。提名委員會成員為呂明華博士，SBS，太平紳士、Charles Edward Chapman先生及黃家傑先生，均為獨立非執行董事。呂明華博士，SBS，太平紳士為提名委員會主席。

提名委員會之主要職責包括(i)至少每年檢討董事會之架構、人數及組成（包括技能、知識及經驗），並就任何為配合本公司之企業策略而擬對董事會作出之變動提出建議；(ii)物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提出建議；(iii)評核獨立非執行董事之獨立性；及(iv)就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議。

Corporate Governance Report

企業管治報告

The Nomination Committee meeting held at least once a year and additional meeting may be held as required. During the year, the Nomination Committee held a meeting and reviewed the structure, size and composition of the Board.

The attendance record of the Nomination Committee meeting held during the year is set out below:

Name of Nomination Committee Members	Attendance/ Number of meetings
Dr. Lui Ming Wah, SBS, JP (<i>Chairman</i>)	1/1
Mr. Charles Edward Chapman	1/1
Mr. Wong Ka Kit	1/1

Corporate Governance Committee

As at 31 March 2017, the Corporate Governance Committee comprises three Independent Non-executive Directors. The members of the Corporate Governance Committee are Dr. Lui Ming Wah, SBS, JP, Mr. Charles Edward Chapman and Mr. Wong Ka Kit, all are the Independent Non-executive Directors. Dr. Lui Ming Wah, SBS, JP is the Chairman of the Corporate Governance Committee.

The Corporate Governance Committee is primarily responsible for developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board and reviewing the Company's compliance with the Corporate Governance Code.

The Corporate Governance Committee meeting held at least once a year. During the year, the Corporate Governance Committee held a meeting and reviewed the Company's policies and practices on compliance with legal and regulatory requirements.

The attendance record of the Corporate Governance Committee meeting held during the year is set out below:

Name of Corporate Governance Committee Members	Attendance/ Number of meetings
Dr. Lui Ming Wah, SBS, JP (<i>Chairman</i>)	1/1
Mr. Charles Edward Chapman	1/1
Mr. Wong Ka Kit	1/1

提名委員會至少每年舉行一次會議，並於有需要時再舉行會議。年內，提名委員會已舉行一次會議，於會上檢討董事會之架構、人數及組成。

年內舉行之提名委員會會議之出席記錄載列如下：

提名委員會成員姓名	會議出席/ 舉行次數
呂明華博士，SBS，太平紳士（主席）	1/1
Charles Edward Chapman先生	1/1
黃家傑先生	1/1

企業管治委員會

於二零一七年三月三十一日，企業管治委員會由三名獨立非執行董事組成。企業管治委員會成員為呂明華博士，SBS，太平紳士、Charles Edward Chapman先生及黃家傑先生，均為獨立非執行董事。呂明華博士，SBS，太平紳士為企業管治委員會主席。

企業管治委員會主要負責制定及檢討本公司之企業管治政策及常規，並向董事會提出建議，以及檢討本公司遵守企業管治守則之情況。

企業管治委員會至少每年舉行一次會議。年內，企業管治委員會已舉行一次會議，檢討本公司遵守法律及監管規定之政策及常規。

年內舉行之企業管治委員會會議之出席記錄載列如下：

企業管治委員會成員姓名	會議出席/ 舉行次數
呂明華博士，SBS，太平紳士（主席）	1/1
Charles Edward Chapman先生	1/1
黃家傑先生	1/1

Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Board reviews the Group's internal control system from time to time and will take any necessary and appropriate action to maintain an adequate internal control system to safeguard Shareholders' interests. An internal audit function which is internally resourced and forms part of the Group's permanent establishment is in charge for overall review on the effectiveness of the internal control system and will be discussed annually with the Audit Committee.

During the financial year under review, the internal audit function had arranged to conduct reviews over the effectiveness of the Group's internal control system to provide reasonable assurance on the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding Group's assets, providing reliable financial reporting, and complying with applicable laws and regulations.

The Board has also reviewed the adequacy of resources, qualifications and experience of staff for the Company's accounting and financial reporting function and their training programmes and budget. Both the Audit Committee and the Board were satisfied that the internal control system of the Group has been functioned effectively during the year and no material internal control aspects of any significant problems were noted.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules. Having made specific enquiry with the Directors, all Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 March 2017.

內部監控

董事會不時檢討本集團之內部監控制度，並採取任何必需而適當之行動，以維持足夠之內部監控制度，保障股東利益。內部審核職能以內部資源支持，為本集團永久建制一部分，負責對內部監控制度之整體成效進行檢討，並將每年與審核委員會進行討論。

於回顧財政年度內，內部審核職能已安排就本集團內部監控制度之成效進行檢討，為營運之效能及效率提供合理保證，好能達致既定之企業目標、保障本集團資產、提供可靠之財務報告及遵守適用之法例及規例。

董事會亦已就本公司會計及財務報告職能檢討本公司僱員之資源、資歷及經驗是否足夠，以及檢討彼等之培訓計劃及預算。審核委員會及董事會均信納，本集團之內部監控制度於年內一直行之有效，並無發現有關主要內部監控之任何重大問題。

董事進行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標準守則。經對董事作出具體查詢後，所有董事均確認彼等於截至二零一七年三月三十一日止整個年度內均已遵守標準守則所載之規定準則。

Corporate Governance Report

企業管治報告

AUDITOR'S REMUNERATION

The remuneration paid/payable to the Company's independent auditor during the year, is set out as follows:

Services rendered	所提供服務	Fee paid/payable 已付／應付費用 HK\$'000 千港元
Audit of financial statements	審核財務報表	1,850

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group.

With the assistance of the Finance Department which is under the supervision of the Chief Financial Officer, the Directors ensure the preparation and publication of the Group's consolidated financial statements in a timely manner in accordance with the applicable laws, rules, regulations and accounting standards. The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the Group's consolidated financial statements.

A statement by the Company's auditor about their reporting responsibilities on the Group's consolidated financial statements is set out in the Independent Auditor's Report on pages 54 to 61 of this report.

INVESTORS RELATIONS

The Company established a dedicated investor relations section in order to provide timely information to the investors as well as Shareholders and institutional investors. The Company also conducts a meeting with institutional investors and analysts from time to time and to maintain updated information opened to the public regarding recent development of the Company. Relevant information of investor relations is available on the Company's website (http://www.avconcept.com/html/en/investor_relations.html).

核數師酬金

年內，已付／應付本公司獨立核數師之酬金載列如下：

董事就財務報表須承擔之責任

董事確認彼等有責任編製本集團之綜合財務報表。

在首席財務總監監督之財務部門協助下，董事確保本集團之綜合財務報表乃根據適用法例、規則、規例及會計準則及時編製及刊登。董事於作出適當查詢後，認為本集團擁有足夠資源於可見將來繼續進行營運，有鑑於此，董事認為於編製本集團之綜合財務報表時採納持續經營基準乃屬恰當。

本公司核數師就彼等有關於本集團綜合財務報表之報告責任發出之聲明，載於本報告第54頁至第61頁之獨立核數師報告。

投資者關係

本公司專設投資者關係部門，以向投資者及股東以及機構投資者提供及時資料。本公司亦不時與機構投資者及分析師舉行會議，並向公眾提供有關本公司近期發展之更新資料。投資者關係之有關資料於本公司網站 (http://www.avconcept.com/html/tc/investor_relations.html) 可供查閱。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

The Company recognises the rights of Shareholders and their opinions are valuable to the Company. The Shareholders are encouraged to participate in general meetings or to appoint proxies or corporate representatives to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. The Shareholders are encouraged to raise their enquiries on the operations, corporate governance, corporate strategy and further development of the Company during the meeting by way of shareholders' rights. The process of the Company's general meeting will be monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served. The Board members, in particular, either the chairmen or deputy chairmen of Board Committees or their delegates, appropriate management executives and external auditor will attend annual general meetings to answer Shareholders' questions.

SHAREHOLDERS COMMUNICATION POLICY

The Company has established Shareholders Communication Policy in providing a communication platform to the Shareholders of the Company with information about the Company and enabling them to engage actively with the Company and exercise their rights as shareholders in an informed manner. Effective and timely dissemination of information to Shareholders shall be ensured at all times. Any question regarding this policy shall be directed to the company secretary of the Company or the board of directors of the Company. Appropriate arrangements for the annual general meeting shall be in place to encourage Shareholders' participation and all corporate communication will be provided to Shareholders in plain language and in both English and Chinese version to facilitate Shareholders' understanding, including but not limited to interim reports, annual reports, results announcements, notice of general meeting, circulars, and associated explanatory documents, other announcements and monthly return on movements in the Company's securities for each month and next day disclosure returns in relation to the Company, which are available on the Company's website (<http://www.avconcept.com>).

股東權利

本公司認同股東之權利及彼等之意見對本公司非常寶貴。本公司鼓勵股東參與股東大會，股東如未克出席會議，可委派代表或公司代表代其出席並於會上投票。本公司鼓勵股東於會上行使股東權利就本公司之運作、企業管治、企業策略及進一步發展作出查詢。本公司會監察及定期檢討股東大會程序，如有需要將作出改動，以確保其切合股東需要。董事會成員（尤其是董事委員會主席或副主席或彼等之代表）、適當管理人員及外聘核數師將出席股東週年大會回答股東提問。

股東通訊政策

本公司已制定股東通訊政策，向本公司股東提供有關本公司資料之溝通平台，並讓彼等能積極與本公司溝通，在知情情況下行使彼等作為股東之權利。本公司時刻確保有效率地向股東傳達及時資訊。如對本政策有任何疑問，應向本公司之公司秘書或本公司董事會提出。股東週年大會將有適當安排鼓勵股東參與其中，所有向股東發放之公司通訊將以淺白中、英雙語編寫，以便股東理解，該等通訊（包括但不限於中報、年報、業績公佈、股東大會通告、通函及相關說明文件及其他公佈，以及本公司每月證券變動之月報表及有關本公司之翌日披露報表）於本公司網站(<http://www.avconcept.com>)可供查閱。



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

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION

AV Concept Holdings Limited and its subsidiaries' (refer to as the "Group") specialty areas include the sales and distribution of electronic components, especially semiconductors, and consumer electronic products in Hong Kong, the People's Republic of China (refer to as the "PRC") and the Asia Pacific region; design and development of electronic products; and the Group's mobile application development business as well.

With the semiconductor distribution segment remaining as the Group's core business, and the new market-focused businesses driving future growth, we are dedicated to building an environmentally-friendly corporation. Meanwhile we consider social and environmental responsibilities as one of the core values in our business operation, we strive for greater sustainability and transparency, as well as to actively searching for potential products that could foster a sustainable environment for future generation.

This report summarizes the environmental, social and governance issues the Group views as among the most important to our business and our relevant implemented policies and strategies in relation to the Group's operational practices and environmental protection.

REPORTING FRAMEWORK AND SCOPE

This is the Group's first Environmental, Social and Governance ("ESG") report. The ESG Report is prepared based on "Environmental, Social and Governance Reporting Guide" under Appendix 27 of the Listing Rules. The reporting period is from 1 April 2016 to 31 March 2017.

The report content is focused largely on the Group's operations, including the headquarter office in Hong Kong (refer to as the "Company") and all of its subsidiaries in Hong Kong, the PRC, and the South East Asia, unless stated otherwise.

MATERIALITY ASSESSMENT

We have maintained close communication with our stakeholders since our listing. Through multiple discussions and direct communications, we understand the issues that matter most to our stakeholders.

The recognition of sustainable development and environmental reform are the most fundamental elements to the operation of the Group; as well as the relationship and happiness of all our stakeholders play an undeniably important role in our Group's operation.

緒言

AV Concept Holdings Limited及其附屬公司(下稱「本集團」)之專業領域包括於香港、中華人民共和國(下稱「中國」)及亞太區銷售及分銷電子元件(尤其是半導體)及消費類電子產品;設計及開發電子產品;及本集團之手機應用程式開發業務。

本集團繼續以半導體分銷分部為其核心業務,並藉以市場為本之新業務推動未來增長,矢志成為環保企業。與此同時,本集團肩負社會及環境責任,視之為業務營運核心價值之一,致力提升可持續發展能力及透明度,同時積極地搜尋可為下一代營造可持續環境之潛力產品。

本報告概列環境、社會及管治方面之議題,而本集團認為有關議題對旗下業務及本集團就營運常規及環保實行之相關政策及策略最為重要。

報告框架及範圍

此乃本集團首份環境、社會及管治(「ESG」)報告。ESG報告乃按照上市規則附錄二十七「環境、社會及管治報告指引」編製。報告期由二零一六年四月一日起至二零一七年三月三十一日為止。

除非另有註明,否則報告內容大致以本集團之營運為主,包括香港總部(下稱「本公司」)及其於香港、中國及東南亞之所有附屬公司。

重要性評估

本集團自上市起一直與各權益人緊密溝通。透過多方討論及直接通訊,本集團了解對權益人最為重要之議題。

對可持續發展及環境改革之認同乃本集團營運最根本之要素,而與全部權益人之關係及其福祉無疑對本集團之營運亦極為重要。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group is dedicated to fair and equal treatment in all areas of human resources, including recruitment and promotion, compensation and dismissal, working hours, benefits and welfare.

ENVIRONMENTAL SUSTAINABILITY

The Group is committed to fulfill sustainable development and promote preservation of resources with its environmental responsibility. We strictly comply with all appropriate laws and regulations of Environmental Protection Department, and always uphold the principle of equal emphasis on operation and environmental protection.

Environmental Protection

As a distributor of electronic products that does not own any production facilities, the Group relies on external suppliers to manufacture products. We understand that all stages generate wastes for the environment and, if not treated responsibly, much pollution would be generated for our future generation. Thus, the Group is fully devoted to the implementation of all kind of measures and policies to better control the adverse impact of the business on the ecological environment.

The Group is committed to protecting and sustaining the environment through reduced consumption of electrical power and paper use at the office.

Emission

The Group's major greenhouse gas emissions come from the use of electricity, including lighting system, air-conditioning and office equipments.

In order to reduce our collective carbon footprint and toxic emission in the atmosphere, we have installed energy-efficient lighting system in our headquarter office; our lights are shut off during non-working hours by automatic controls, it reduces both electrical consumption and as well as maintenance expenses. Our employees are highly encouraged to switch off their computers and other office equipments when not utilized which fosters a culture of energy awareness.

Use of Resources

The Group has actively practicing green management in the office; our objectives are to use resources efficiently and to cultivate an environmental awareness among office workers, who consume large amounts of paper daily. We encourage our employees to print only when necessary to reduce paper wastage and to help cut energy required to run printer, as well as promote double-sided printing. Used paper constitutes the majority of waste in our headquarter office, which comprised of office paper and poster. Waste papers are generally collected from the office by recyclers, who will process and directly recycle at paper mills.

本集團致力於公平而平等地看待各人力資源範疇，包括招聘及晉升、薪酬及解僱、工作時數、待遇及福利。

環境可持續發展

本集團矢志履行其環境責任，落實可持續發展並推廣資源保育。本集團嚴加遵守環境保護署所有適用法律及規例，時刻秉持營運與環保並重原則。

環保

本集團為並無自設生產設施之電子產品分銷商，依靠外部供應商製造產品。本集團深知各個階段均會產生環境廢棄物，如以不負責任方式處理，會對下一代造成更大污染。因此，本集團不遺餘力地推行各類措施及政策，務求更完善地控制業務對生態環境造成之不利影響。

本集團致力透過減少辦公室耗電及用紙，保護及維持環境。

排放物

本集團之主要溫室氣體排放來自用電，包括照明系統、空調及辦公室設備。

為減少本集團全體之碳足印及有毒大氣排放物，本集團已於總部辦公室裝設具能源效益之照明系統，自動控制裝置會於非辦公時段關燈，既可減少耗電，亦可降低維修開支。本集團大力鼓勵僱員關閉無需用之電腦及其他辦公設備，營造注重節能之文化。

資源使用

本集團於辦公室內積極推行綠色管理，旨在以有效益之方式使用資源，為每日大量用紙之辦公室人員培養環保意識。本集團鼓勵僱員僅於必要時打印文件，從而減少製造廢紙，並有助減少打印機所用能源，同時亦提倡雙面打印。廢紙為本集團總部辦公室之主要廢棄物，當中包括辦公用紙及海報。廢紙一般經由回收商從辦公室收集，再於造紙廠加工處理，直接循環再用。

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In addition, the Group's transportation fleets in Hong Kong use environmental friendly trucks that meet the emission and noise control standards issued by the local government.

Waste Management

We aim to minimize the impact of our business operation on the environment, the Group implements measures for environmental protection, including using energy efficient appliances and equipment to achieve additional energy savings and reduce gas emissions, operating lighting control systems for regional power supply based on actual need and recycling used papers regularly.

The waste produced by the Group's operation is mainly generated in the daily life and by the operation of the office, including paper, plastic, glass, and kitchen waste. The Group assigned an administrative staff to manage and transport the wastes and recyclables for both garbage and recycled waste pick-ups.

The staff duties include but not limited to the following:

- Organizing, maintaining and cleaning the garbage and recycled waste holding areas.
- Sorting recycled waste into appropriate receptacles, educating employees on sorting methods if needed.
- Placing appropriate signage on walls and bins, stating what type of waste or recyclable should be placed in the bin.
- Ensure that no garbage is to be placed on building colonnade areas.

SOCIAL RESPONSIBILITY

We believe building strong and lasting relationship with our employees and suppliers is essential to our on-going commitment as a socially responsible company. Besides, maintaining an honest and authentic dialogue with our consumers is indispensable to be a responsible organization and partner to our stakeholders.

此外，本集團之香港運輸車隊使用環保貨車，符合本地政府頒佈之排放及噪音管制標準。

廢棄物管理

本集團的目標為盡量減輕旗下業務營運對環境造成之影響。本集團推行不同環保措施，包括使用具能源效益之電器及設備以加強節能及減少氣體排放，操作照明控制系統以按實際需要分區供電，以及定期回收廢紙。

本集團營運產生之廢棄物主要於日常生活中因辦公室運作而產生，包括紙張、塑膠、玻璃及廚餘。本集團已指派行政管理職員負責管理及運送廢棄物及回收資源，前者送往垃圾站，後者送往回收廢棄物收集站。

有關職員之職責包括但不限於以下各項：

- 整理、維持及清理垃圾及回收廢棄物暫存區。
- 將回收廢棄物分類，放進合適收集箱，教育僱員分類方法（如有需要）。
- 於牆壁及垃圾箱上張貼合適標示，註明箱中應存放之廢棄物或可回收類別。
- 確保大廈走廊通道並無存放垃圾。

社會責任

本集團一直致力成為克盡社會責任之企業，本集團相信與僱員及供應商建立緊密長期關係乃其中關鍵。此外，本集團身為對權益人負責任之組織及夥伴，與顧客保持真誠對話實屬必要。

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Employment and Remuneration Policies

In order to maintain the best people in our Group, we retain and invest in our employees. We implemented job relocation as one of our employee retention strategies to strengthen our employee's commitment to the Group. Employees are expected to retire from work upon reaching the age of 65. Nevertheless, if they wish to stay with the Group after the normal retirement date, it is at the discretion of the Group whether or not to extend the employment.

The employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The promotion and remuneration of the Group's employees are subject to review regularly.

Our employee's remuneration package for our employees includes the following:

- 13 months payment;
- Overtime payment with management approval;
- Annual leave, and compensation leave for employees who are under Hong Kong employment;
- Compensation leave for overtime work on the rest day or Government Gazette Holidays;
- Our female employees are entitled to maternity leave pay, while male employees are entitled to paternity leave pay.

Our insurance benefits also include the following:

- Medical insurance;
- Life insurance;
- Employee compensation insurance;
- Business travel insurance;
- Mandatory Provident Fund Schemes is offered for the retirement of employees in Hong Kong.

During the reporting period, the Group did not find significant violations of laws and regulations relating to human resources.

僱傭及薪酬政策

為保有最優秀之人才，本集團挽留及投資於旗下僱員。本集團以調職為挽留僱員其中一項策略，藉此增強僱員對本集團之歸屬感。本集團預期凡年屆65歲之僱員會退下工作崗位，然而，彼等如欲於正常退休日期後繼續為本集團效力，則本集團會酌情考慮是否延長僱傭關係。

本集團僱員均享有具競爭力之薪酬，並按表現及經驗獲得獎勵。本集團僱員之晉升及薪酬會作定期檢討。

本集團僱員之薪酬待遇包括以下各項：

- 13個月工資；
- 超時工作工資，須經管理層批准；
- 於香港聘用之僱員享有年假及補假；
- 於休息日或政府刊憲公眾假期超時工作可享補假；
- 女性僱員享有有薪分娩假期，而男性僱員亦享有有薪待產假。

本集團之保險福利亦包括以下各項：

- 醫療保險；
- 人壽保險；
- 僱員補償保險；
- 商務旅遊保險；
- 香港僱員退休可享強制性公積金計劃。

於報告期內，本集團並無發現嚴重違反人力資源相關法律及規例之情況。

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Employment

The Group is an equal opportunity employer and does not discriminate on the basis of personal characteristics. The Employee Handbook outlines the terms and conditions of employment, expectation for employees' conducts and behaviors, employees' rights and benefits. We establish and implement policies that promote a harmony and respectful workplace. With the aim of ensuring fair and equal protection for all employees, the Group has zero tolerance on sexual harassment or abuse in the workplace in any form, which is a violation of Hong Kong law. We discourage and disallow any behavior that violates the regulations under the Employee Handbook and Code of Business Conduct (refer to as the "Code"), and Anti-Bribery and Corruption policy in Hong Kong. The Group reserves the right to terminate an employment without notice or payment in lieu of notice in case of misconduct or material breach of employment contract.

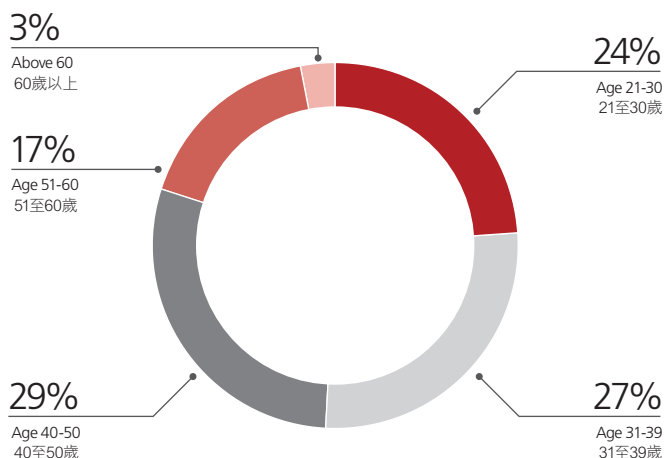
The chart represents the distribution of the workforce population for five different age groups. During the reporting period, the two younger working-age groups are ages 21 to 30 and 31 to 39 accounted for about half of the workforce. Besides, the older age group population, age 51 to 60 and above 60 accounted for only total 20 percent of workforce; while the employees at the middle age group ranging from age 40 – 50 made up of 29 percent of the total workforce.

僱傭

本集團為平等機會僱主，不會因個人特質而歧視僱員。僱員手冊列明僱傭條款及條件、對僱員操守及行為之期望及僱員權利及福利。本集團制訂及落實各項政策，提倡融洽和諧、互相尊重之工作環境。為確保全體僱員均受到公平而平等之保障，本集團絕不容忍工作場所出現任何形式之性騷擾或侵犯行為，此等行為有違香港法例。本集團不鼓勵亦不容許有違僱員手冊及商業操守守則（下稱「守則」）規例以及香港防止賄賂及貪污政策之一切行為。如遇行為失當或嚴重違反僱傭合約之情況，本集團保留權利在不予通知或代通知金之情況下終止僱傭關係。

下圖按五個不同年齡組別劃分員工分佈情況。於報告期內，21至30歲及31至39歲兩個較年輕之工作年齡組別約佔半數員工。此外，51至60歲及60歲以上較年長之年齡組別合共僅佔員工人數20%，而年齡介乎40至50歲中年齡組別之僱員佔員工總數29%。

Total Workforce by Age Group 按年齡組別劃分之員工總數



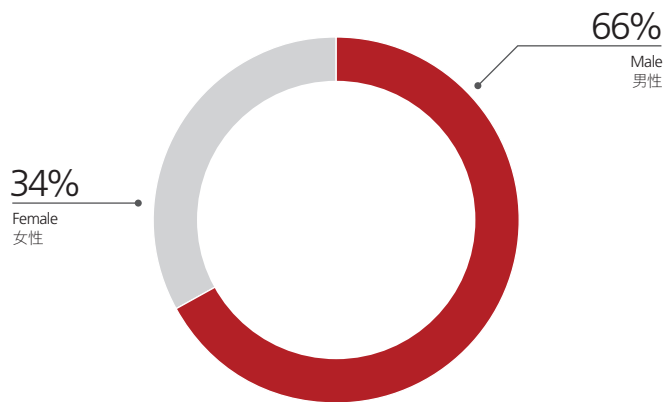
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In addition, the following chart represents the distribution of the workforce population by gender. During the reporting period, the female population of total workforce accounted for 65 people, which made up of 34 percent of the total workforce, whilst the male population of total workforce account for 129 people, which made up of 66 percent of total workforce.

此外，下圖按性別劃分員工分佈情況。於報告期內，女性員工總數為65人，佔員工總數34%，而男性員工總數為129人，佔員工總數66%。

Total Workforce by Gender Group 按性別劃分之員工總數



During the reporting period, the Group did not find any cases of violation of laws and regulations relating to the prevention of children or forced labor.

於報告期內，本集團並無發現違反防止童工或強制勞工相關法律及規例之情況。

Health and Safety

The Group always places our workplace safety as our top concern, we pride ourselves on providing a safe, effective and congenial work environment as we believe that employees are the valuable assets of an enterprise and regards human resources as its corporate wealth.

健康與安全

本集團時刻將工作安全視為首要考慮因素。本集團為能夠提供安全、有效率而舒適之工作環境而自豪，原因在於本集團相信僱員為企業之寶貴資產，並視人力資源為其企業財富。

The Group has developed healthcare information system that offers a comprehensive health care support for our employees to be healthier, happier and more productive. With our adequate arrangements, training and guidelines, we ensure the working environment is healthy and safe.

本集團已建立健康照護信息制度，為僱員提供全面健康照護支援，讓彼等能夠更健康、更喜悅、更具生產力。在本集團之充足安排、培訓及指引下，本集團確保工作環境健康及安全。

The Group is committed to maintaining a high standard of occupational safety and health to all employees. For the employees' own protection and the protection of others, our employees are expected to observe all safety regulations and precautions at all times, and report any observations of unsafe conditions to Human Resources and Administrative Department.

本集團致力為全體僱員維持高水平之職業安全及健康。為保障僱員自身及保護他人，本集團期望僱員時刻遵行所有安全規例及預防措施，如觀察到任何有欠安全之情況，應向人力資源及行政部匯報。

All employees have the responsibility to:

全體僱員均有責任：

- Follow all the Group's policies, procedures and instructions;
- Use of any equipment and not to misuse anything which can cause harm to others;

- 謹遵本集團一切政策、程序及指示；
- 於使用任何設備時，避免誤用以致傷害他人；

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- Avoid employees who are adversely affecting their own health and safety to others, for example, an employee who has contracted with influenza or other contagious disease, is to apply for sick leave immediately.

During the reporting period, the Group did not find any case of violations of laws and regulations in relation to the health and safety of the workplace.

Staff Development Sponsorship

The Group regards its staff as the most important asset and resource of the Group as they help to sustain its core values and culture. The Group provides orientation training to new employees for ensuring them to have a good understanding on the goals and vision of the Group, which also supports them to achieve a good performance with their position in the Group. The Group encourages staffs to attend seminars, courses and take professional examinations in areas related to their work in order to improve job performance, professional knowledge and technical skills. Employees are eligible to apply for the sponsorship if he/she is a full-time employee, has completed three full years service and with management approval.

Labor Standards

Most of staff employed by the Group is located in Hong Kong. The Group established and implemented an "Employee Handbook" which contains the policies relating to relevant labor laws, regulations and industry practices, covering areas such as compensation, dismissal, promotion, working hours, dismissal, recruitment, rest periods, diversity and other benefits and welfare.

The Group works to ensure an equal and fair working environment. The Group has complied with labor laws, the Code, Bribery and Corruption, offences against laws, proprietary information and government regulations set by Hong Kong, other regions in the PRC and Singapore. No employee is paid less than the minimum wage specified by the government regulations in different jurisdictions. The Group strictly prohibits the employment of children or forced labor and sets out the policies in our labor code to eradicate child labor, juvenile workers and forced labor. The prohibition of child labor and anticorruption practices are both set in accordance with all relevant laws and regulations that applied in the Group's headquarter office and its subsidiaries. The Group has strictly complied with the all rules throughout the year ended 31 March 2017.

OPERATING POLICIES

The Group established supplier management system to ensure operations is fully complied with Hong Kong laws and regulations in relation to social and environment aspects in the most sustainable manner.

- 避免接觸危害自身以至他人健康及安全之僱員，例如患有感冒或其他傳染性疾病之僱員應即時申請病假。

於報告期內，本集團並無發現違反工作健康與安全相關法律及規例之情況。

資助員工發展

本集團視其員工為最重要之資產及資源，原因在於彼等有助秉持本集團之核心價值及文化。本集團為新入職僱員提供迎新培訓，確保彼等充分了解本集團目標及願景，同時有助彼等緊守本集團崗位，展示良好表現。本集團鼓勵員工出席涉及工作範圍之研討會及課程，並參與相關專業考試，以提升工作表現、專業知識及技術技能。僱員如屬全職僱員，且年資已滿三年，即合資格申請資助，供管理層審批。

勞工準則

本集團僱用之員工大部分位於香港。本集團制訂並落實「僱員手冊」，當中載有有關相關勞工法例、規例及行業慣例之政策，涵蓋範圍如薪酬、解僱、晉升、工作時數、解僱、招聘、假期、多元性及其他待遇及福利。

本集團努力確保工作環境平等而公平。本集團已遵守香港、中國其他地區及新加坡制定之勞工法例、守則、賄賂及貪污、干犯法例罪行、專利資料及政府規例。概無任何僱員支薪少於不同司法權區政府規例所訂之最低工資。本集團嚴禁僱用童工或強制勞工，並於勞工守則中載列有關政策，以杜絕童工、未成年勞工及強制勞工。禁止童工及反貪污常規均按照所有相關法律及規例制訂，已應用於本集團總部辦事處及其附屬公司。本集團於截至二零一七年三月三十一日止年度一直嚴格遵守所有規則。

營運政策

本集團已制訂供應商管理系統，以確保營運以最符合可持續發展之方式全面遵守有關社會及環境範疇之香港法例及規例。

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Supply Chain Management

The Group understands there is potential supply chain risk associated with our key suppliers, we established Supply Chain Risk Management team to regularly visit and conduct assessments of risk with our suppliers and contractors, to ensure the possibility of a supply chain disruption could be avoided through a formal risk detection and mitigation.

In addition, we promote fair and open competition that aims to develop long-term relationships based on mutual trust with our suppliers. We ensure that all parties involved in the procurement process participate fairly, honestly and in good faith. We recognize that adherence to the principles of fair and vigorous competition is essential to the maintenance of the integrity of procurement process.

Product Responsibility

The procurement from suppliers is conducted in a manner consistent with the highest ethical standards. Supplier Code of Conduct helps to ensure high products quality at all times to gain the confidences of customers, suppliers and the public.

We respect intellectual property rights and safeguard customers' information. Our suppliers and employees are instructed to handle customer information with due care. They may get information about the customer only when there is a good reason to do so. We collect and use customer information in a responsible and non-discriminatory manner by restricting the use of the customer information to the purposes consistent with those identified in our contracts.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress during the year.

供應鏈管理

本集團明白存在與主要供應商相關之潛在供應鏈風險。本集團已成立供應鏈風險管理團隊，定期到訪供應商及承包商，並評估與彼等有關之風險，以確保可透過正式風險偵測及減輕程序避免供應鏈中斷。

此外，本集團提倡公平公開之競爭，旨在基於互信與供應商發展長期關係。本集團確保參與採購程序之所有人士公平誠實地本著真誠參與。本集團肯定，恪守公平而激烈之競爭原則，對維持採購程序公正至關重要。

產品責任

本集團按照與最高道德標準相符之方式向供應商進行採購。供應商操守守則有助確保產品一貫優質，贏得顧客、供應商及公眾人士之信心。

本集團尊重知識產權及捍衛顧客資料。本集團指示供應商及僱員，於處理顧客資料時應小心謹慎。彼等僅於具備充分理由時方可取得顧客資料。我們以負責而一視同仁之方式收集及使用顧客資料，將顧客資料用途限於與合約所訂者一致之目的。

本集團並不知悉年內曾嚴重違反有關所提供產品及服務之健康與安全、廣告、標籤及私隱事宜以及補救方法，而對本集團有重大影響之相關法律及規例。

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Anti-corruption

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability. The Code and guidelines are incorporated in the Employee Handbook; employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. It is every employee's responsibility and it is all interest of the Group to ensure that any inappropriate behavior or organizational malpractice that compromises the interest of the shareholders, investors, customers and the wider public does not occur.

The acceptance of gifts with significant material value, lavish entertainment, or other gratuities of substantial worth can raise doubts to the employee's objectivity and could damage the reputation of the group for fair dealing. These problems can be avoided by implementing conducts to clearly demonstrate that the Group manages the business in an ethical manner.

During the reporting period, the Group did not find any cases that violated the relevant laws and regulations.

COMMUNITY INVOLVMENT

As a corporate citizen, the Group is committed to participate in the community events to the improvement of community well-being and social services. The Group believes that by encouraging staff to participate in a wide range of charitable events, concerns for the community will be raised and boosted, which would inspire more people to take part in serving the community.

During the reporting period, the Group made charitable contribution amounting to HK\$231,000 to communities; including Tung Wah Group of Hospitals, Grace Foundation (Hong Kong) Ltd. and Vocational Training Council.

SUSTAINABILITY

The Group understands the importance of achieving economic, environmental and social sustainability for the long term success of our business. Our sustainability guidelines lay out our principle and action for managing and performing ethically and sustainably, throughout our operational flow. The Group will continue to deliver safe and quality technical products served by our enthusiastic team members, without endangering the environment. We will also continue to provide hearty service to our customers and contribute back to the community.

反貪污

本集團竭力追求並保持高透明度、誠信和問責性。僱員手冊已結合守則及指引的內容，各級僱員均須正直、公正和誠實地行事。每一名僱員均須以本集團之利益為依歸，防止損害股東、投資者、客戶以至廣大公眾利益之任何不當或有組織瀆職行為發生。

僱員收受昂貴饋贈、奢華娛樂或其他貴重酬禮可令其客觀性受質疑，繼而影響本集團廉潔之商譽。本集團在管理業務時明確提倡商業操守，以避免上述情況發生。

於報告期內，本集團並無發現違反相關法律及規例之情況。

社區參與

作為企業公民，本集團致力參與社區活動，以改善社區福祉及社會服務。本集團相信，鼓勵員工參與各類慈善活動，可引起及提升對社區之關注，進而激發更多人參與，為社區服務。

於報告期內，本集團向社區作出慈善捐款231,000港元，受惠機構包括東華三院、佳美基金（香港）有限公司及職業訓練局。

可持續發展

本集團深明在經濟、環境及社會方面達致可持續發展對旗下業務長期成功極為重要。本集團之可持續發展指引列出於整個營運流程中以符合道德及可持續之方式管理及表現之原則及行動。本集團將繼續在不危害環境之情況下，經由資深熟練之團隊成員提供安全而優質之技術產品。本集團亦將繼續全心全意為顧客提供服務，同時回饋社會。



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To the shareholders of AV Concept Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

致AV Concept Holdings Limited
(於開曼群島註冊成立之有限公司)
全體股東

OPINION

We have audited the consolidated financial statements of AV Concept Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 62 to 179, which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

意見

我們已審計載於第62頁至第179頁的AV Concept Holdings Limited (「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括二零一七年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益報表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註(包括主要會計政策摘要)。

我們認為，綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實公平地反映貴集團於二零一七年三月三十一日的綜合財務狀況以及截至該日期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編製。

意見基準

我們已根據香港會計師公會頒佈的香港審計準則的規定進行審計。我們於該等準則下的責任於本報告「核數師就審計綜合財務報表須承擔的責任」一節進一步闡述。按照香港會計師公會的「專業會計師道德守則」(「守則」)，我們獨立於貴集團，並已按照守則履行其他道德責任。我們相信，我們所獲得的審計憑證充分且適當地為我們的意見提供基礎。

關鍵審計事項

關鍵審計事項為根據我們的專業判斷，對我們審計本期間綜合財務報表最為重要的事宜。此等事宜於我們審計綜合財務報表及就此出具意見時一併處理，而我們不會就此等事宜另行提供意見。我們於審計過程中如何處理下文所述各項事宜的描述以此為基準提供。

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

Key audit matter

關鍵審計事項

Estimation of fair values of investment properties

投資物業公平價值估計

As at 31 March 2017, the Group's investment properties measured at fair value amounted to approximately HK\$116 million, with the corresponding fair value changes recognised in the statement of profit or loss. The valuation process is inherently subjective, and dependent on a number of estimates such as estimated rental value, term yield, reversionary yield, adjusted unit price, etc. The Group has engaged an independent valuer to value the investment properties at the end of the reporting period.

於二零一七年三月三十一日，貴集團按公平價值計量之投資物業約為116,000,000港元，而相應公平價值變動於損益表確認。估值程序本身具有主觀性，並須依賴多項估計，如估計租值、年期收益、復歸收益、經調整單位價格等。貴集團已委聘獨立估值師於報告期末為投資物業進行估值。

The significant accounting judgements and estimates and disclosures about fair values of investment properties are included in notes 3 and 13 to the consolidated financial statements.

主要會計判斷及估計以及有關投資物業公平價值之披露資料分別載於綜合財務報表附註3及13。

我們已履行本報告「核數師就審計綜合財務報表須承擔的責任」一節所述的責任，包括有關此等事宜的責任。因此，我們的審計工作包括執行專為應對我們對綜合財務報表出現重大錯誤陳述的風險的評估而設的程序。我們的審計程序（包括為處理下列事宜而執行的程序）的結果為我們對隨附綜合財務報表的審計意見提供基礎。

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

We evaluated the competence, capabilities and objectivity of the independent valuer engaged by the Group. We also obtained an understanding of the work of the independent valuer and evaluated its work by assessing the relevance, completeness and accuracy of the data used as inputs for the valuation, and assessing the major assumptions and methodologies adopted in the valuation by checking to the price or rental rate of similar properties. We also involved our internal valuation expert to assist us in evaluating the major assumptions and methodologies of the valuation of certain investment properties held by the Group.

我們已評估貴集團委聘之獨立估值師是否勝任、其能力是否足夠及是否客觀。我們亦已了解獨立估值師之工作，並透過評估用作估值輸入值之數據是否相關、完整及準確，評價獨立估值師之工作，以及查核類似物業之價格或租金，以評估估值採用之主要假設及方法。我們亦動員內部估值專家協助評估貴集團所持若干投資物業之主要假設及估值方法。

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Key audit matter

關鍵審計事項

Investment in convertible bonds issued by IE Limited

於IE Limited所發行可換股債券之投資

During the year, the Group subscribed the convertible bonds issued by a company listed in Korea at a consideration of US\$7,500,000 (equivalent to HK\$58,275,000). The convertible bonds have a maturity period of two years and can be converted into shares at pre-determined conversion prices after the first anniversary of the issue date. Management has designated the convertible bonds as financial assets at fair value through profit or loss. Management has engaged an independent valuer to value the convertible bonds at the end of the reporting period. The valuation of convertible bonds requires management to make assumptions on the expected future cash flows, credit risk, volatility and discount rates, which involves significant judgement.

年內，貴集團認購一間韓國上市公司發行之可換股債券，代價為7,500,000美元（相等於58,275,000港元）。可換股債券為期兩年，可於發行日期第一週年後按預定轉換價轉換為股份。管理層已指定可換股債券為透過損益按公平價值列賬之金融資產。管理層已委聘獨立估值師於報告期末為可換股債券進行估值。可換股債券估值需要管理層就預期未來現金流量、信貸風險、波幅及貼現率作出假設，而此舉牽涉重大判斷。

The significant accounting judgements and estimates and disclosures about fair value of the convertible bonds are included in notes 3 and 37 to the consolidated financial statements.

主要會計判斷及估計以及有關可換股債券公平價值之披露資料分別載於綜合財務報表附註3及37。

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

We evaluated the competence, capabilities and objectivity of the independent valuer engaged by the Group. We also obtained an understanding of the work of the independent valuer and evaluated its work by assessing the relevance, completeness and accuracy of the data used as inputs for the valuation, and assessing the major assumptions and methodologies adopted in the valuation by benchmarking with market data and referring to similar convertible bonds available in the market. We also involved our internal valuation expert to assist us in evaluating the major assumptions and methodologies for valuation of convertible bonds held by the Group. We also reviewed the subscription agreement to ensure the relevant disclosures are included in the consolidated financial statements.

我們已評估 貴集團委聘之獨立估值師是否勝任、其能力是否足夠及是否客觀。我們亦已了解獨立估值師之工作，並透過評估用作估值輸入值之數據是否相關、完整及準確，評價獨立估值師之工作，以及基準化分析市場數據及參照市場上類似可換股債券，以評估估值採用之主要假設及方法。我們亦動員內部估值專家協助評估 貴集團所持可換股債券之主要假設及估值方法。我們亦已審閱認購協議以確定綜合財務報表所載之相關披露資料。

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Key audit matter

關鍵審計事項

Provision against inventories

存貨撥備

As at 31 March 2017, the gross inventories balance and inventory provision of the Group amounted to HK\$86 million and HK\$8 million, respectively.

於二零一七年三月三十一日，貴集團之存貨結餘總額及存貨撥備分別為86,000,000港元及8,000,000港元。

The Group is engaged in the marketing and distribution of electronic components and design, development and sale of electronic products, which are subject to changing market demands and market competition. Management judgement is required for assessing the appropriate level of inventory provision in light of the current challenging business environment.

貴集團主要從事電子元件之市場推廣及分銷以及電子產品之設計、開發及銷售，受市場需求轉變及市場競爭影響。鑑於現時營商環境挑戰重重，管理層於評估存貨撥備合適水平時需要作出判斷。

The significant accounting judgements and estimates and disclosures of the balance of inventories are included in notes 3 and 19 to the consolidated financial statements.

主要會計判斷及估計以及有關存貨結餘之披露資料分別載於綜合財務報表附註3及19。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

We understood and evaluated the basis which management used in estimating the level of provision for inventories by considering the stock ageing as at 31 March 2017 and the subsequent sales after year ended 31 March 2017. We also performed analytics on stock holding and inventory movement data to identify products with indication of slow-moving or obsolescence. Furthermore, we compared the carrying amount of the inventories, on a sample basis, to their net realisable value through review of sales of the inventories subsequent to the year end. Where there were no subsequent sales of the respective inventories after the year end, we communicated with management for the realisable values of the inventories, which were supported by sales orders from customers or market research for sales price of similar products.

我們已透過考慮於二零一七年三月三十一日之庫存賬齡及截至二零一七年三月三十一日止年度後之期後銷售，了解並評估管理層用以估計存貨撥備水平之基準。我們亦已分析所持庫存及存貨變動數據，識別出現滯銷或陳舊跡象之產品。此外，我們已透過審閱年結日後之存貨銷售情況，抽樣比較存貨之賬面值與其可變現淨值。有關並無年結日後相關存貨銷售之情況，我們已與管理層溝通，以顧客銷售訂單或類似產品售價之市場研究支持存貨之可變現價值。

年報所載的其他資料

貴公司董事須就其他資料負責。其他資料包括年報所載的資料，惟不包括綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不就其他資料發表任何形式的鑒證結論。

在我們審計綜合財務報表方面，我們的責任為閱覽其他資料，而在此過程中，我們會考慮其他資料是否與綜合財務報表或我們在審計過程中瞭解的情況嚴重不符，或是否似乎存在重大錯誤陳述。基於我們已進行的工作，如我們認為其他資料存在重大錯誤陳述，則我們須報告有關事實。就此而言，我們並無任何報告。

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獨立核數師報告

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

董事就綜合財務報表須承擔的責任

貴公司董事須負責按照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編製綜合財務報表，以令綜合財務報表作出真實公平的反映，以及落實董事認為編製綜合財務報表所必要的內部監控，以令綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

編製綜合財務報表時，貴公司董事須負責評估貴集團是否有能力繼續持續經營、披露（如適用）與持續經營相關事宜，並使用持續經營會計法，除非擬將貴公司清盤或終止經營貴集團，或除此之外並無實質替代方案，則作別論。

貴公司董事在審核委員會協助下履行其監督貴集團財務申報過程的責任。

核數師就審計綜合財務報表須承擔的責任

我們的目標為合理確定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，並發出包含我們意見的核數師報告。我們的報告僅向整體股東作出，除此以外不可作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔法律責任。

合理鑒證屬高層次鑒證，但不能擔保按照香港審計準則進行的審計工作總能發現存有的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者基於本綜合財務報表作出的經濟決定，則被視為重大錯誤陳述。

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

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

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.

作為按照香港審計準則進行審計工作一環，我們運用專業判斷，在整個審計過程中抱持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險，因應此等風險設計及執行審計程序，以及取得充足和適當的審計憑證以為我們的意見提供基礎。由於欺詐可能涉及合謀串通、偽造、故意遺漏、失實陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述的風險較未能發現因錯誤而導致的重大錯誤陳述的風險為高。
- 瞭解與審計有關的內部監控，以設計適當審計程序，惟並非旨在對貴集團內部監控的成效發表意見。
- 評價董事所用會計政策是否合適，以及董事所作會計估計及相關披露是否合理。
- 對董事採用持續經營會計基準是否恰當作出結論，並依照所得的審計憑證，決定是否存在與事件或情況有關的重大不明朗因素，而可能對貴集團持續經營的能力構成重大疑慮。倘我們認為存在重大不明朗因素，則須於核數師報告內促請注意綜合財務報表內相關披露資料，而倘有關披露資料不足，則須發出非無保留意見。我們的結論建基於截至核數師報告日期為止所獲得的審計憑證。然而，未來事件或情況可能導致貴集團無法繼續持續經營。
- 評價綜合財務報表（包括資料披露）的整體列報方式、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事件。
- 就貴集團內各實體或業務活動的財務資料獲得充足和適當的審計憑證，以就綜合財務報表發表意見。我們負責指導、監督及執行貴集團的審計工作。我們為我們的審計意見承擔全部責任。

我們與審核委員會溝通（其中包括）計劃審計範圍及時間安排以及重大審計發現，包括我們在審計過程中識別出的內部監控重大缺失。

Independent Auditor's Report

獨立核數師報告

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 Ip Hing Lam.

Ernst & Young
Certified Public Accountants
Hong Kong
26 June 2017

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有可能合理地被認為會影響我們獨立性的關係及其他事宜，以及（如適用）相關防範措施。

從與審核委員會溝通的事項中，我們決定對審計本期間綜合財務報表最為重要的事項，因而構成關鍵審計事項。我們於我們的核數師報告內說明該等事項，除非法律或規例禁止公開披露有關事項，或在極其罕見的情況下，若合理預期在我們報告內指出某事項所造成的負面後果將會超過其產生的公眾利益，則我們不會在此等情況下在報告內指出該事項。

本獨立核數師報告的審計項目合夥人為葉慶霖。

安永會計師事務所
執業會計師
香港
二零一七年六月二十六日

Consolidated Statement of Profit or Loss

綜合損益表

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

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
REVENUE	收益	5	1,342,399	1,037,023
Cost of sales	銷售成本		(1,297,955)	(1,010,893)
Gross profit	毛利		44,444	26,130
Other income and gains	其他收入及收益	5	11,778	7,782
Changes in fair value of investment properties	投資物業公平價值之變動	13	2,345	(5,477)
Selling and distribution expenses	銷售及分銷費用		(10,908)	(14,578)
Administrative expenses	行政費用		(62,902)	(81,862)
Fair value gain/(losses), net:	公平價值收益/(虧損)淨額:			
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資			
– held for trading	– 持作買賣		(4,093)	(18,113)
– designated as such upon initial recognition	– 於初始確認時指定為此類別		20,485	(174)
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益		90,735	–
Other expenses, net	其他費用淨額		(29,875)	(74,255)
Finance costs	融資成本	7	(3,218)	(5,829)
Share of profits and losses of:	分佔溢利及虧損:			
Joint ventures	合營企業		214,487	158,362
Associates	聯營公司		3,118	8,771
PROFIT BEFORE TAX	除稅前溢利	6	276,396	757
Income tax	所得稅	9	(274)	1,389
PROFIT FOR THE YEAR	年內溢利		276,122	2,146
Attributable to:	以下人士應佔:			
Owners of the Company	本公司擁有人		276,122	2,147
Non-controlling interests	非控股權益		–	(1)
			276,122	2,146
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔每股盈利	11		
Basic	基本		HK35.72 cent 港仙	HK0.28 cent 港仙
Diluted	攤薄		HK35.72 cent 港仙	HK0.28 cent 港仙

Consolidated Statement of Comprehensive Income

綜合全面收益報表

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

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
PROFIT FOR THE YEAR		276,122	2,146
OTHER COMPREHENSIVE INCOME/ (LOSS)			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	將於往後期間重新分類至 損益之其他全面收入/ (虧損):		
Available-for-sale investments:	可供出售投資:		
Changes in fair value	公平價值變動	148,030	(30,817)
Reclassification adjustment for impairment loss included in the consolidated statement of profit or loss	計入綜合損益表之減值 虧損之重新分類調整	6	29,888
		148,030	(929)
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	(3,019)	(586)
Release of exchange fluctuation reserve upon deemed disposal of an associate	視作出售一間聯營公司時撥回 外匯波動儲備	(401)	—
NET OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS AND OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	將於往後期間重新分類至 損益之其他全面收入/ (虧損)淨額及年內 其他全面收入/(虧損), 扣除稅項	144,610	(1,515)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收入總額	420,732	631
Attributable to:	以下人士應佔:		
Owners of the Company	本公司擁有人	420,732	632
Non-controlling interests	非控股權益	—	(1)
		420,732	631

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2017 二零一七年三月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	39,261	40,605
Investment properties	投資物業	13	115,955	116,762
Goodwill	商譽	14	–	10,483
Other intangible assets	其他無形資產	15	3,411	4,198
Investments in joint ventures	於合營企業之投資	16	470,321	370,153
Investments in associates	於聯營公司之投資	17	1,546	22,439
Available-for-sale investments	可供出售投資	18	21,627	20,891
Deposits	按金	21	42	466
Pledged time deposits	有抵押定期存款	23	–	269
Non-pledged time deposits	無抵押定期存款	23	3,193	–
Total non-current assets	非流動資產總值		655,356	586,266
CURRENT ASSETS	流動資產			
Inventories	存貨	19	78,266	69,259
Trade receivables	應收貿易賬款	20	49,359	63,994
Due from associates	應收聯營公司款項	17	760	12,157
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	21,694	10,164
Available-for-sale investment	可供出售投資	18	261,303	–
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資	22	102,055	72,994
Tax recoverable	可收回稅項		484	117
Cash and cash equivalents	現金及等同現金項目	23	111,600	69,563
Total current assets	流動資產總值		625,521	298,248

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2017 二零一七年三月三十一日

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CURRENT LIABILITIES	流動負債		
Trade payables, deposits received and accrued expenses	應付貿易賬款、已收按金及應計費用	24	62,652
Interest-bearing bank borrowings	附息銀行借款	25	127,480
Finance lease payables	應付融資租賃款項	26	287
Tax payable	應付稅項	-	185
Financial guarantee obligation	財務擔保責任	27	12,866
Total current liabilities	流動負債總額	186,834	203,470
NET CURRENT ASSETS	流動資產淨值	438,687	94,778
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	1,094,043	681,044
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing bank borrowing	附息銀行借款	25	8,826
Finance lease payables	應付融資租賃款項	26	610
Deferred tax liabilities	遞延稅項負債	28	14,046
Total non-current liabilities	非流動負債總額	15,749	23,482
Net assets	資產淨值	1,078,294	657,562
EQUITY	權益		
Issued capital	已發行股本	29	77,294
Reserves	儲備		989,655
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,066,949
Non-controlling interests	非控股權益		11,345
Total equity	權益總額	1,078,294	657,562

So Yuk Kwan
蘇煜均
Director
董事

So Chi On
蘇智安
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

	Note 附註	Attributable to owners of the Company 本公司擁有人應佔											Non- controlling interests	Total equity
		Issued capital	Share premium account	Capital reserve [†]	Other reserve	Available- for-sale investments revaluation reserve 可供出售 投資重估 儲備	Asset revaluation reserve ^{††} 資產重估 儲備 ^{††}	Equity- settled share-based payment reserve 以股份付款 儲備	Exchange fluctuation reserve 匯兌波動 儲備	Retained profits ^{†††}	Total			
		已發行股本 千港元	股份溢價賬 千港元	股本儲備 [†] 千港元	其他儲備 千港元	可供出售 投資重估 儲備 千港元	資產重估 儲備 ^{††} 千港元	以股份付款 儲備 千港元	匯兌波動 儲備 千港元	保留溢利 ^{†††} 千港元	總額 千港元			
At 1 April 2015		77,294	453,469	19,484	(38,483)	(1,902)	38,765	1,255	2,979	92,724	645,585	8,581	654,166	
Profit/(loss) for the year		-	-	-	-	-	-	-	-	2,147	2,147	(1)	2,146	
Other comprehensive income/(loss) for the year:														
Changes in fair value of available-for-sale investments, net of tax		-	-	-	-	(929)	-	-	-	-	(929)	-	(929)	
Exchange differences on translation of foreign operations		-	-	-	-	-	-	-	(734)	-	(734)	-	(734)	
- Subsidiaries		-	-	-	-	-	-	-	(734)	-	(734)	-	(734)	
- Joint ventures		-	-	-	-	-	-	-	2	-	2	-	2	
- Associates		-	-	-	-	-	-	-	146	-	146	-	146	
Total comprehensive income/(loss) for the year		-	-	-	-	(929)	-	-	(586)	2,147	632	(1)	631	
Equity-settled share option arrangements	30	-	-	-	-	-	-	-	-	-	-	2,765	2,765	
At 31 March 2016		77,294	453,469*	19,484*	(38,483)*	(2,831)*	38,765*	1,255*	2,393*	94,871*	646,217	11,345	657,562	

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔											
		Issued capital	Share premium account	Capital reserve [†]	Other reserve	Available-for-sale investments revaluation reserve 可供出售投資重估儲備	Asset revaluation reserve ^{**}	Equity-settled share-based payment reserve 以股份付款股權結算儲備	Exchange fluctuation reserve	Retained profits ^{***}	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價賬	股本儲備 [†]	其他儲備	可供出售投資重估儲備	資產重估儲備 ^{**}	以股份付款股權結算儲備	匯兌波動儲備	保留溢利 ^{***}	總額	非控股權益	權益總額
Note		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	At 1 April 2016	77,294	453,469*	19,484*	(38,483)*	(2,831)*	38,765*	1,255*	2,393*	94,871*	646,217	11,345	657,562
	Profit for the year	-	-	-	-	-	-	-	-	276,122	276,122	-	276,122
	Other comprehensive income/(loss) for the year:												
	Changes in fair value of available-for-sale investments, net of tax	-	-	-	-	148,030	-	-	-	-	148,030	-	148,030
	Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	-	-
	- Subsidiaries	-	-	-	-	-	-	-	(3,422)	-	(3,422)	-	(3,422)
	- Joint ventures	-	-	-	-	-	-	-	246	-	246	-	246
	- Associates	-	-	-	-	-	-	-	157	-	157	-	157
	Release of exchange fluctuation reserve upon deemed disposal of an associate	-	-	-	-	-	-	-	(401)	-	(401)	-	(401)
	Total comprehensive income/(loss) for the year	-	-	-	-	148,030	-	-	(3,420)	276,122	420,732	-	420,732
	Share options lapsed	30	-	-	-	-	-	(1,145)	-	1,145	-	-	-
	At 31 March 2017	77,294	453,469*	19,484*	(38,483)*	145,199*	38,765*	110*	(1,027)*	372,138*	1,066,949	11,345	1,078,294

Included in the balance of the capital reserve as at 31 March 2017 was a capital redemption reserve balance amounting to approximately HK\$16,142,000 (2016: HK\$16,142,000).

** The asset revaluation reserve arose from a change in use from owner-occupied properties to investment properties carried at fair value. In accordance with HKAS 16, this balance was frozen and was not available to offset the current and future years' revaluation deficits on investment properties until the retirement or disposal of these assets.

*** As at 31 March 2017, there was goodwill of HK\$12,427,000 (2016: HK\$12,427,000) arising from the acquisition of subsidiaries in prior years which remained eliminated against the consolidated retained profits.

* These reserve accounts comprise the consolidated reserves of HK\$989,655,000 (2016: HK\$568,923,000) in the consolidated statement of financial position as at 31 March 2017.

於二零一七年三月三十一日之股本儲備結餘包括股本贖回儲備結餘約16,142,000港元(二零一六年: 16,142,000港元)。

** 資產重估儲備源自將自用物業用途更改為按公平價值列賬之投資物業。根據香港會計準則第16號, 該項餘額被凍結且不可用於抵銷本年度及未來年度投資物業之重估虧絀, 直至該等資產報廢或出售為止。

*** 於二零一七年三月三十一日, 因以往年度收購附屬公司而產生之商譽12,427,000港元(二零一六年: 12,427,000港元)繼續與綜合保留溢利抵銷。

* 該等儲備賬構成於二零一七年三月三十一日綜合財務狀況表內之綜合儲備989,655,000港元(二零一六年: 568,923,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit before tax:	除稅前溢利:	276,396	757
Adjustments for:	就以下項目作出調整:		
Finance costs	融資成本	3,218	5,829
Share of profits of joint ventures	分佔合營企業溢利	(214,487)	(158,362)
Share of profits and losses of associates	分佔聯營公司溢利及虧損	(3,118)	(8,771)
Depreciation	折舊	2,491	2,823
Changes in fair value of investment properties	投資物業公平價值之變動	(2,345)	5,477
Amortisation of other intangible assets	其他無形資產之攤銷	555	3,977
Impairment of trade receivables, net	應收貿易賬款之減值淨額	1,914	3,093
Recovery of bad debts	收回壞賬	-	(557)
Provision for/(recovery of) impairment of inventories	存貨之減值撥備/(撥回)	(3,614)	1,966
Impairment of other receivables	其他應收款項之減值	7,739	311
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之收益	(1,376)	(155)
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益	(90,735)	-
Provision for amount due from an associate	應收一間聯營公司款項撥備	6,373	-
Loss on disposal of available-for-sale investments	出售可供出售投資之虧損	-	7,338
Impairment of goodwill	商譽之減值	10,483	-
Impairment of other intangible assets	其他無形資產之減值	-	4,700
Impairment of an available-for-sale investment, at fair value	可供出售投資之減值，按公平價值	-	29,888
Impairment of an available-for-sale investment, at cost	可供出售投資之減值，按成本	-	15,540
Gain on derecognition of financial guarantee obligation	終止確認財務擔保責任之收益	(35,795)	(28,799)
Impairment of investments in joint ventures	於合營企業之投資之減值	35,795	28,799
Fair value (gains)/losses, net:	公平價值(收益)/虧損淨額:		
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資		
- held for trading	- 持作買賣	4,093	18,113
- designated as such upon initial recognition	- 於初始確認時指定為此類別	(20,485)	174
Equity-settled share option expense	股權結算購股權開支	-	2,765
Dividend income from listed investments	上市投資之股息收入	(188)	(46)
Bank interest income	銀行利息收入	(511)	(389)
Interest income on convertible bonds	可換股債券利息收入	(1,147)	-
		(24,744)	(65,529)
Decrease in amounts due from associates	應收聯營公司款項減少	5,562	8,710
Decrease/(increase) in inventories	存貨減少/(增加)	(6,241)	75,864
Decrease in trade receivables	應收貿易賬款減少	12,285	144,572
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少/(增加)	(17,664)	23,255
Decrease in trade payables, deposits received and accrued expenses	應付貿易賬款、已收按金及應計費用減少	(6,564)	(42,189)
Cash generated from/(used in) operations - page 69	經營所得/(所用)現金 - 第69頁	(37,366)	144,683

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash generated from/(used in) operations – page 68	經營所得／(所用)現金 – 第68頁	(37,366)	144,683
Purchases of equity investments at fair value through profit or loss	購買透過損益按公平價值 列賬之股本投資	(117,275)	(23,308)
Disposal of equity investments at fair value through profit or loss	出售透過損益按公平價值 列賬之股本投資	104,606	44,959
Dividend income received from a joint venture	已收一間合營企業股息收入	116,250	–
Hong Kong profits tax refunded	已退回香港利得稅	136	177
Overseas taxes paid	已付海外稅項	(915)	(340)
Net cash flows from operating activities	經營業務所得現金流量淨額	65,436	166,171
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Bank interest received	已收銀行利息	511	389
Dividends received from listed investments	已收上市投資股息	188	46
Decrease in pledged deposits	有抵押存款減少	269	755
Increase in non-pledged time deposits	無抵押定期存款增加	(3,193)	–
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(2,673)	(662)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目 所得款項	4,643	627
Additions to other intangible assets	添置其他無形資產	(50)	–
Proceeds from disposal of other intangible assets	出售其他無形資產所得款項	280	–
Proceed for disposal of an associate	出售一間聯營公司所得款項	493	–
Purchases of available-for-sale investments	購買可供出售投資	–	(8,181)
Net cash flows from/(used in) investing activities	投資活動所得／(所用) 現金流量淨額	468	(7,026)

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
New bank and other borrowings	新造銀行及其他借款	-	27,517
Repayment of bank and other borrowings	償還銀行及其他借款	(52,031)	(14,535)
Net increase/(decrease) in import and trust receipt loans	進口及信託收據貸款增加/(減少)淨額	31,798	(227,084)
Capital element of finance lease rental payments	融資租賃租金款項資本部分	(513)	(250)
Interest paid	已付利息	(3,181)	(5,807)
Interest element on finance lease rental payments	融資租賃租金款項利息部分	(37)	(22)
Net cash flows used in financing activities	融資活動所用現金流量淨額	(23,964)	(220,181)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及等同現金項目增加/(減少)淨額	41,940	(61,036)
Cash and cash equivalents at beginning of year	年初之現金及等同現金項目	69,563	131,739
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	97	(1,140)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及等同現金項目	111,600	69,563
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS	現金及等同現金項目結餘之分析		
Cash and cash equivalents as stated in the consolidated statement of financial position and in the consolidated statement of cash flows	綜合財務狀況表及綜合現金流量表所載之現金及等同現金項目	23	69,563

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

1. CORPORATE AND GROUP INFORMATION

AV Concept Holdings Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is P.O. Box 309, Ugland House, Grand Cayman, the Cayman Islands, British West Indies and its principal place of business is located at 6th Floor, Enterprise Square Three, 39 Wang Chiu Road, Kowloon Bay, Hong Kong.

During the year, the Group was engaged in the following principal activities:

- Marketing and distribution of electronic components;
- Design, development and sale of electronic products; and
- Venture capital investment

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation and business 註冊成立及營業地點	Issued/ registered share capital 已發行/註冊股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
AV Concept Limited 先思行有限公司	Hong Kong 香港	HK\$2 2港元 HK\$1,000,000 [®] 1,000,000港元 [®]	-	100	Trading of electronic components 買賣電子元件
AV Concept Singapore Pte. Ltd.	Singapore 新加坡	SGD4,000,000 4,000,000坡元	-	100	Trading of electronic components 買賣電子元件
AV Electronics Group Limited*	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$40,000 40,000美元	100	-	Investment holding 投資控股
Signeo Design International Limited	Hong Kong 香港	HK\$100 100港元	-	100	Design, development and sale of electronic products 設計、開發及銷售電子產品
AVC Technology (International) Limited 先思科技(國際)有限公司	Hong Kong 香港	HK\$1 1港元	-	100	Trading of electronic components and electronic products 買賣電子元件及電子產品

1. 公司及集團資料

AV Concept Holdings Limited (「本公司」) 為於開曼群島註冊成立之有限公司。本公司之註冊辦事處地址為 P.O. Box 309, Ugland House, Grand Cayman, the Cayman Islands, British West Indies，而其主要營業地點則位於香港九龍灣宏照道39號企業廣場三期6樓。

年內，本集團主要從事以下業務：

- 電子元件之市場推廣及分銷；
- 電子產品之設計、開發及銷售；及
- 創業資本投資

有關附屬公司之資料

本公司之主要附屬公司詳情如下：

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Name 名稱	Place of incorporation and business 註冊成立及營業地點	Issued/ registered share capital 已發行/註冊股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
New Concept Capital Limited ("New Concept")*	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	–	Investment holding and venture capital investment 投資控股及創業資本投資
People & Semiconductor Co., Ltd.	Korea 韓國	KRW400,000,000 400,000,000韓圓	–	100	Trading of electronic components 買賣電子元件

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

⊙ Represents deferred shares issued by AV Concept Limited

New Concept is a venture capital organisation

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments at fair value through profit or loss, certain available-for-sale investments (including key management insurance contracts) and investment properties which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司及集團資料 (續)

有關附屬公司之資料 (續)

Name 名稱	Place of incorporation and business 註冊成立及營業地點	Issued/ registered share capital 已發行/註冊股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
New Concept Capital Limited ("New Concept")*	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	–	Investment holding and venture capital investment 投資控股及創業資本投資
People & Semiconductor Co., Ltd.	Korea 韓國	KRW400,000,000 400,000,000韓圓	–	100	Trading of electronic components 買賣電子元件

* 並非由香港安永會計師事務所或其他安永國際成員事務所審核

⊙ 指先思行有限公司發行之遞延股份

New Concept為一間創投組織

上表列示董事認為對本年度業績構成主要影響或組成本集團資產淨值主要部分之本公司附屬公司。董事認為，如列出其他附屬公司之詳情，會導致篇幅過於冗長。

2.1 編製基準

本綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。除透過損益按公平價值列賬之股本投資、若干可供出售投資(包括主要管理人員保險合約)及投資物業按公平價值計量外，本綜合財務報表乃按歷史成本法編製。本綜合財務報表乃以港元呈列，而除非另有說明，否則所有價值已捨入最接近之千位數。

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

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

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

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

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

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

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

2.1 編製基準(續)

綜合賬目基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零一七年三月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團就參與被投資企業營運獲得或有權獲得可變回報及能對被投資企業行使權力(即本集團獲賦予現有能以主導被投資企業相關活動之既存權利)影響該等回報時,即取得控制權。

倘本公司直接或間接擁有少於被投資企業大多數投票權或類似權利,則本集團於評估其是否擁有對被投資企業之權力時會考慮一切相關事實及情況,包括:

- (a) 與被投資企業其他投票權持有人之合約安排;
- (b) 其他合約安排所產生之權利;及
- (c) 本集團之投票權及潛在投票權。

附屬公司與本公司之財務報表之報告期間相同,並採用一致之會計政策編製。附屬公司之業績由本集團取得控制權之日起綜合入賬,並持續綜合入賬,直至該控制權終止之日為止。

損益及其他全面收入各個部分會歸於本集團母公司擁有人及非控股權益,即使此舉會導致非控股權益出現虧絀結餘亦然。與本集團成員公司間進行之交易有關之所有集團內資產及負債、權益、收入、開支及現金流量於綜合賬目時全數抵銷。

倘有事實及情況顯示上述三個控制權元素中一項或以上出現變動,則本集團會重新評估其是否控制被投資企業。於一間附屬公司之擁有權權益變動如並無導致喪失控制權,則入賬列為權益交易。

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

The adoption of the above new and revised HKFRSs has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

2.1 編製基準 (續)

綜合賬目基準 (續)

倘本集團喪失對附屬公司之控制權，則會終止確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面金額及(iii)於權益內記錄之累計換算差額；並確認(i)已收代價之公平價值、(ii)所保留任何投資之公平價值及(iii)損益內任何因此產生之盈餘或虧絀。先前於其他全面收入內確認之本集團應佔部分按本集團直接出售相關資產或負債時須採用之基準，重新分類至損益或保留溢利(如適用)。

2.2 會計政策及披露之變動

本集團已就本年度之財務報表首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(二零一一年)(修訂本)	投資實體：應用綜合入賬之例外情況
香港財務報告準則第11號(修訂本)	收購於共同經營之權益之會計法
香港財務報告準則第14號	監管遞延賬目
香港會計準則第1號(修訂本)	披露計劃
香港會計準則第16號及香港會計準則第38號(修訂本)	釐清折舊及攤銷之可接受方法
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港會計準則第27號(二零一一年)(修訂本)	獨立財務報表之權益法
二零一二年至二零一四年週期之年度改進	多項香港財務報告準則之修訂本

採納上述新訂及經修訂香港財務報告準則對本財務報表並無重大財務影響，而本財務報表應用之會計政策亦無任何重大變動。

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ²
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ²
HKFRS 9	<i>Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
HKFRS 16	<i>Leases</i> ³
Amendments to HKAS 7	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹
Amendments to HKAS 40	<i>Transfers of Investment Property</i> ²
HK(IFRIC) – Int 22	<i>Foreign Currency Transactions and Advance Consideration</i> ²
Amendments to HKFRS 1 included in <i>Annual Improvement 2014-2016 Cycle</i>	<i>First-time Adoption of Hong Kong Financial Reporting Standards</i> ²
Amendments to HKFRS 12 included in <i>Annual Improvement 2014-2016 Cycle</i>	<i>Disclosure of Interests in Other Entities</i> ¹
Amendments to HKAS 28 included in <i>Annual Improvement 2014-2016 Cycle</i>	<i>Investments in Associates and Joint Ventures</i> ²

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

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於本綜合財務報表應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第2號(修訂本)	以股份付款交易之分類及計量 ²
香港財務報告準則第4號(修訂本)	採用香港財務報告準則第4號「保險合約」時一併應用香港財務報告準則第9號「金融工具」 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號(二零一一年)(修訂本)	投資者與其聯營公司或合營企業間之資產出售或注入 ⁴
香港財務報告準則第15號	來自客戶合約之收益 ²
香港財務報告準則第15號(修訂本)	釐清香港財務報告準則第15號「來自客戶合約之收益」 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號(修訂本)	披露計劃 ¹
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 ¹
香港會計準則第40號(修訂本)	轉讓投資物業 ²
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及預付代價 ²
二零一四年至二零一六年週期之年度改進中之香港財務報告準則第1號(修訂本)	首次採納香港財務報告準則 ²
二零一四年至二零一六年週期之年度改進中之香港財務報告準則第12號(修訂本)	披露於其他實體之權益 ¹
二零一四年至二零一六年週期之年度改進中之香港會計準則第28號(修訂本)	於聯營公司及合營企業之投資 ²

- 1 於二零一七年一月一日或之後開始之年度期間生效
- 2 於二零一八年一月一日或之後開始之年度期間生效
- 3 於二零一九年一月一日或之後開始之年度期間生效
- 4 尚未確定強制生效日期，但可供採納

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

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

The HKICPA issued amendments to HKFRS 2 in August 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet the employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The Group expects to adopt the amendments from 1 April 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 April 2018. The Group is currently assessing the impact of the standard upon adoption and expects that the adoption of HKFRS 9 will have an impact on the classification and measurement of the Group's financial assets.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

預期適用於本集團之香港財務報告準則之進一步資料如下：

於二零一六年八月，香港會計師公會頒佈香港財務報告準則第2號(修訂本)，當中涉及三個主要領域：歸屬條件對現金結算以股份付款交易計量之影響；為履行僱員與以股份付款有關之稅務責任而預扣若干金額之以股份付款交易(附有淨額結算特質)之分類；以及對因修改以股份付款交易之條款及條件而導致其分類由現金結算變更為權益結算之會計處理。該等修訂本澄清，在計量權益結算以股份付款時用於計算歸屬條件之方法亦適用於現金結算以股份付款。該等修訂本引入一個例外情況，在符合若干條件時，將為履行僱員之稅務責任而預扣若干金額之以股份付款交易(附有淨額結算特質)整項分類為權益結算以股份付款交易。此外，該等修訂本澄清，倘現金結算以股份付款交易之條款及條件有所修改，導致其變更為權益結算以股份付款交易，則該項交易自修改日期起入賬列為權益結算交易。本集團預期自二零一八年四月一日起採納該等修訂本。預期該等修訂本不會對本集團之財務報表構成任何重大影響。

於二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號之最終版本，將金融工具項目之所有階段集於一體，以取代香港會計準則第39號及香港財務報告準則第9號之全部先前版本。該準則引入分類及計量、減值及對沖會計處理之新規定。本集團預期自二零一八年四月一日起採納香港財務報告準則第9號。本集團目前正評估採納該準則之影響，並預期採納香港財務報告準則第9號將對本集團金融資產之分類及計量造成影響。

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

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for application now.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implement issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 April 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港財務報告準則第10號及香港會計準則第28號(二零一一年)(修訂本)處理香港財務報告準則第10號與香港會計準則第28號(二零一一年)兩者有關投資者與其聯營公司或合營企業間之資產出售或注入之規定之不一致情況。該等修訂本規定，倘投資者與其聯營公司或合營企業間之資產出售或注入構成一項業務，則須確認全數收益或虧損。倘交易涉及不構成一項業務之資產，則該交易所產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營企業之權益為限。該等修訂本將於未來應用。香港會計師公會於二零一六年一月取消香港財務報告準則第10號及香港會計準則第28號(二零一一年)(修訂本)先前之強制生效日期，並將於完成對聯營公司及合營企業會計處理之更廣泛檢討後釐定新強制生效日期。然而，該等修訂本現時乃可供應用。

香港財務報告準則第15號新設一套五步模式，為來自客戶合約之收益入賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉移貨品或服務而有權換取之代價金額確認。香港財務報告準則第15號之原則，為計量及確認收益提供結構更嚴謹之方法。該準則亦引入廣泛之定性及定量披露規定，包括收益總額之分拆、有關履約責任之資料、合約資產及負債賬目結餘於不同期間之變動，以及重大判斷及估計。該準則將取代香港財務報告準則之所有現行收益確認規定。於二零一六年六月，香港會計師公會頒佈香港財務報告準則第15號(修訂本)處理採納該準則之實施問題，包括識別履約責任、與主事人與代理人之間及知識產權許可有關之應用指引以及過渡安排。該等修訂本亦擬協助確保實體於採納香港財務報告準則第15號時能更一致地應用該準則及降低應用該準則之成本及複雜程度。本集團預期於二零一八年四月一日採納香港財務報告準則第15號，目前正評估採納香港財務報告準則第15號之影響。

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

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. The Group expects to adopt HKFRS 16 on 1 April 2019 and is currently assessing the impact of HKFRS 16 upon adoption.

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the consolidated financial statements. The Group expects to adopt the amendments from 1 April 2017.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會) – 詮釋第4號釐定安排是否包括租賃、香港(準則詮釋委員會) – 詮釋第15號營業租賃 – 優惠及香港(準則詮釋委員會) – 詮釋第27號評估涉及租賃法律形式之交易內容。該準則載列確認、計量、呈列及披露租賃之原則，並規定承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免 – 低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃年內支付租賃款項為負債(即租賃負債)，並確認代表可於租賃年內使用相關資產之權利為資產(即使用權資產)。除非使用權資產符合香港會計準則第40號對投資物業之定義，否則使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及就租賃付款而減少。承租人將須分別確認租賃負債之利息費用及使用權資產之折舊開支。承租人亦將須於若干事件發生(例如租賃年期變更或用於釐定未來租賃付款之一項指數或比率變更而引致該等付款變更)時重新計量租賃負債。承租人一般將重新計量租賃負債之數額確認為使用權資產之調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計處理方式。出租人將繼續使用與香港會計準則第17號相同之分類原則為所有租賃進行分類，並將之分類為營業租賃及融資租賃。本集團預期於二零一九年四月一日採納香港財務報告準則第16號，目前正評估採納香港財務報告準則第16號之影響。

香港會計準則第7號(修訂本)規定實體須作出披露，以讓財務報表使用者可評估融資活動所產生之負債變動，包括現金流量產生之變動及非現金變動。該等修訂本將導致須於綜合財務報表作出額外披露。本集團預期自二零一七年四月一日起採納該等修訂本。

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

Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group expects to adopt the amendments from 1 April 2017.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

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

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

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港會計準則第12號(修訂本)儘管可更廣泛地應用於其他情況,惟其頒佈目的乃為處理就與按公平價值計量之債務工具相關之未變現虧損確認遞延稅項資產。該等修訂本釐清實體於評估是否將有應課稅溢利可用作抵扣可扣減暫時差異時,需要考慮稅務法例是否對於可扣減暫時差異撥回時可用作抵扣之應課稅溢利之來源有所限制。此外,該等修訂本就實體應如何釐定未來應課稅溢利提供指引,並解釋應課稅溢利可包括部分資產收回超過賬面金額之情況。本集團預期自二零一七年四月一日起採納該等修訂本。

2.4 主要會計政策摘要

於聯營公司及合營企業之投資

聯營公司為本集團於其中擁有一般不少於20%股份投票權之長期權益,並能對其行使重大影響力之實體。重大影響力指有權參與被投資企業之財務及營運政策決定,但非對該等政策擁有控制權或共同控制權。

合營企業為一種合營安排,據此對安排擁有共同控制權之訂約方對合營企業之淨資產享有權利。共同控制權指按合約協定共享對安排之控制權,僅於與相關活動有關之決策規定共享控制權之訂約方須一致同意時存在。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

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

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

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.4 主要會計政策摘要 (續)

於聯營公司及合營企業之投資 (續)

本集團於聯營公司及合營企業之投資於綜合財務狀況表內以權益會計法按本集團應佔資產淨值扣減任何減值虧損列賬。本集團應佔聯營公司及合營企業之收購後業績及其他全面收入分別列入綜合損益表及綜合其他全面收益報表內。此外，當有變動直接於聯營公司或合營企業之權益內確認時，本集團於綜合權益變動表內確認其分佔之任何變動（倘適用）。本集團與其聯營公司或合營企業之間的交易所產生之未變現收益及虧損以本集團於聯營公司或合營企業之投資為限予以撇銷，惟未變現虧損證實所轉讓資產出現減值除外。收購聯營公司或合營企業產生之商譽作為本集團於聯營公司或合營企業投資之一部分入賬。

倘於一間聯營公司之投資變成於一間合營企業之投資（反之亦然），則不會重新計量保留權益。相反，投資會繼續按權益法入賬。在所有其他情況下，於喪失對聯營公司之重大影響力或合營企業之共同控制權時，本集團按公平價值計量及確認任何保留投資。於喪失重大影響力或共同控制權時聯營公司或合營企業之賬面金額與保留投資之公平價值及出售所得款項之間的任何差額於損益內確認。

業務合併及商譽

業務合併乃採用收購法入賬。轉讓之代價按收購日期公平價值計量，該公平價值乃本集團轉讓之資產、本集團向被收購方之前擁有人承擔之負債及本集團為換取被收購方之控制權所發行之股本權益於收購日期之公平價值總和。就每宗業務合併而言，本集團選擇按公平價值或按應佔被收購方可識別資產淨值之比例計量於被收購方之非控股權益，該權益為現時擁有權益，並賦予其持有人權利可於清盤時按比例分佔資產淨值。非控股權益之一切其他成份均以公平價值計量。收購相關成本於產生時支銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2.4 主要會計政策摘要(續)

業務合併及商譽(續)

本集團收購業務時會根據合約條款、於收購日期之經濟情況及相關條件，評估將承接之金融資產及所承擔之金融負債，以作出適當之分類及指定。這包括自被收購方之主合約分拆嵌入式衍生工具。

倘業務合併乃分階段達成，則先前持有之股本權益按其收購日期公平價值重新計量，因此產生之任何盈虧於損益內確認。

收購方將轉讓之任何或然代價於收購日期按公平價值確認。歸入資產或負債類別之或然代價按公平價值計量，其公平價值變動則於損益內確認。歸入權益類別之或然代價毋須重新計量，其後結算則於權益內入賬。

商譽初始按成本計量，而成本乃指已轉讓代價、已確認非控股權益金額及本集團先前持有之被收購方股本權益之任何公平價值總額超出所收購可資識別資產淨值及所承擔可識別負債淨額之差額。倘此代價及其他項目之總和低於所收購附屬公司資產淨值之公平價值，則其差額經重新評估後於損益內確認為議價收購之收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，倘發生事件或情況變化顯示賬面值可能出現減值，則會更頻密地進行減值測試。本集團於三月三十一日進行商譽之年度減值測試。就減值測試而言，從業務合併獲得之商譽自收購日期起分配至本集團之各現金產生單位或現金產生單位組別，該等單位或單位組別預期將受惠於合併之協同效益，而不論本集團其他資產或負債是否已分配至該等單位或單位組別。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

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

2.4 主要會計政策摘要 (續)

業務合併及商譽 (續)

減值乃透過評估與商譽有關之現金產生單位 (或現金產生單位組別) 之可收回金額釐定。倘現金產生單位 (或現金產生單位組別) 之可收回金額少於其賬面金額，則確認減值虧損。已確認之商譽減值虧損不會於其後期間撥回。

倘商譽獲分配至某個現金產生單位 (或現金產生單位組別)，而該單位之部分業務已出售，則在釐定所出售業務之盈虧時，與所出售業務相關之商譽會計入該業務之賬面金額。在此等情況下出售之商譽乃根據所出售業務之相關價值及現金產生單位之保留部分計量。

公平價值計量

本集團於各報告期間結束時按公平價值計量其投資物業、若干可供出售投資及透過損益按公平價值列賬之股本投資。公平價值為市場參與者之間於計量日期進行之有序交易中，出售資產所收取或轉讓負債所支付之價格。公平價值計量乃基於假設出售資產或轉讓負債之交易在該資產或負債之主要市場 (或在不存在主要市場之情況下，則在對該資產或負債最有利之市場) 進行而作出。該主要或最有利之市場須為本集團可進入之市場。資產或負債之公平價值乃採用市場參與者為資產或負債定價時所用之假設計量，即假設市場參與者按其最佳經濟利益行事。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

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

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

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

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

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

2.4 主要會計政策摘要(續)

公平價值計量(續)

非金融資產之公平價值計量計及市場參與者透過以最大限度使用該資產達致最佳用途，或透過將該資產出售予能夠以最大限度使用該資產達致最佳用途之另一市場參與者而產生經濟利益之能力。

本集團採用在當前情況下適用並且有足夠可利用數據支持之估值技術計量公平價值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

在綜合財務報表內計量或披露公平價值之所有資產及負債，均根據對公平價值計量整體而言具有重要意義之最低層次輸入數據按下述公平價值層級分類：

- 第一層 – 基於相同資產或負債在活躍市場上之報價(未經調整)
- 第二層 – 基於對公平價值計量而言具有重要意義之最低層次輸入數據乃直接或間接可觀察之估值技術
- 第三層 – 基於對公平價值計量而言具有重要意義之最低層次輸入數據乃不可觀察之估值技術

就持續於綜合財務報表內確認之資產及負債而言，本集團於各報告期間結束時透過重新評估分類(基於對公平價值計量整體而言具有重要意義之最低層次輸入數據)決定各層級之間有否出現轉移。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

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

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

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

2.4 主要會計政策摘要 (續)

非金融資產之減值

倘有跡象顯示出現減值，或需就資產進行年度減值測試（存貨及投資物業除外），則估計該資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值與其公平價值減出售成本之較高者計算，並就個別資產而釐定，除非有關資產未能在大致獨立於其他資產或資產組合之情況下產生現金流入，則在此情況下，可收回金額乃以資產所屬之現金產生單位釐定。

減值虧損僅於資產賬面金額超出其可收回金額時方予確認。評估使用價值時，估計未來現金流量按可反映當時市場對貨幣時間價值及資產特有風險之評估之除稅前貼現率貼現至其現值。減值虧損於產生期間自綜合損益表扣除。

於各報告期間結束時均會評估是否有跡象顯示先前確認之減值虧損不再存在或可能已減少。倘出現該等跡象，則會估計可收回金額。先前確認之資產（商譽除外）減值虧損僅於用以釐定該資產可收回金額之估計出現變動時方會撥回，惟撥回數額不得超過假設於過往年度並無就有關資產確認減值虧損而予以釐定之賬面金額（扣除任何折舊／攤銷）。撥回之減值虧損於產生期間計入綜合損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

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

or

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

2.4 主要會計政策摘要(續)

有關連人士

在下列情況下，一方將視為本集團之有關連人士：

- (a) 一方為一名人士或該人士之近親，且該人士
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

或

- (b) 一方為符合下列任何條件之實體：
 - (i) 該實體與本集團為同一集團之成員公司；
 - (ii) 一間實體為另一實體（或另一實體之母公司、附屬公司或同系附屬公司）之聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方之合營企業；
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連之實體就僱員福利而設之離職後福利計劃；
 - (vi) 該實體受(a)項所識別人士控制或共同控制；
 - (vii) (a)(i)項所識別人士對該實體有重大影響力或屬該實體（或該實體之母公司）主要管理層成員；及
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供主要管理人員服務。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

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

Leasehold land and buildings	2% – 3%
Leasehold improvements	20% – 33 $\frac{1}{3}$ %
Furniture, fittings and office equipment	20% – 33 $\frac{1}{3}$ %
Plant and machinery	20%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

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

2.4 主要會計政策摘要 (續)

物業、廠房及設備及折舊

物業、廠房及設備乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目之成本包括其購買價及促使有關資產達致其運作狀況及運送至工作地點作擬定用途之任何直接應佔成本。

物業、廠房及設備項目於投運後所產生之開支（例如維修保養）一般於產生期間內自綜合損益表扣除。在符合確認條件之情況下，主要檢查之開支於資產賬面金額中資本化作為重置。倘物業、廠房及設備之重要部分須不時重置，則本集團確認該等部分為具有特定使用年限之個別資產，並相應計提折舊。

折舊乃按每項物業、廠房及設備項目之估計可使用年期，以直線法撇銷其成本至其剩餘價值計算。就此所採用之主要年率如下：

租賃土地及樓宇	2%至3%
租賃物業裝修	20%至33 $\frac{1}{3}$ %
傢俬、裝置及辦公室設備	20%至33 $\frac{1}{3}$ %
廠房及機器	20%
汽車	20%

倘物業、廠房及設備項目之各部分具有不同之可使用年期，則有關項目之成本將按合理基準分配予各部分，而每部分將作個別折舊。剩餘價值、可使用年期及折舊方法最少會於各財政年度結束時檢討一次並作出調整（如適用）。

物業、廠房及設備項目（包括初始確認之任何主要部分）於出售時或預期日後使用或出售該項目不再帶來經濟利益時終止確認。於終止確認資產年度之綜合損益表內確認之出售或報廢所產生之任何盈虧，為有關資產之出售所得款項淨額與賬面金額之差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

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

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

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

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as movements in the asset revaluation reserve. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuation is transferred to retained profits as a movement in reserves.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 主要會計政策摘要(續)

投資物業

投資物業為持作賺取租金收入及／或資本增值（而非用於生產或供應貨品或服務或用作行政用途）或於日常業務中作為銷售用途之土地及樓宇之權益（包括就原先符合投資物業定義之物業根據營業租賃而持有之租賃權益）。該等物業初始按成本（包括交易成本）計量。於初始確認後，投資物業按反映於報告期間結束時之市況之公平價值列賬。

投資物業公平價值變動所產生之盈虧，於其產生年度之綜合損益表內入賬。

報廢或出售投資物業之任何盈虧，於其報廢或出售年度之綜合損益表內確認。

就投資物業轉撥至自用物業之情況而言，該物業隨後入賬之視作成本乃其於用途變更日期之公平價值。倘本集團作為自用物業佔用之物業變成一項投資物業，則本集團於用途變更日期前根據「物業、廠房及設備及折舊」所述之政策將有關物業入賬，而於該日物業賬面金額與其公平價值之任何差額，將作為資產重估儲備變動入賬。於出售重估資產時，先前估值所得之資產重估儲備之相關部分將作為儲備變動轉撥至保留溢利。

無形資產（商譽除外）

個別收購之無形資產於初始確認時按成本計量。在業務合併過程中收購無形資產之成本乃收購當日之公平價值。無形資產之可使用年期可評估為有限或無限。年期有限之無形資產其後按可使用經濟年期攤銷，並於該無形資產出現減值跡象時進行減值評估。可使用年期有限之無形資產之攤銷期及攤銷方法須最少於每個財政年度結束時檢討一次。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Club memberships

The Group's club memberships are stated at cost less any accumulated amortisation and any accumulated impairment losses, on an individual basis.

Trademarks and customer relationships

Trademarks and customer relationships are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of five years.

Mobile application

Mobile application is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of five years.

Leases

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

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

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

2.4 主要會計政策摘要 (續)

無形資產 (商譽除外) (續)

會籍

本集團之會籍根據個別基準按成本減任何累計攤銷及任何累計減值虧損列賬。

商標及客戶關係

商標及客戶關係按成本減任何減值虧損列賬，並以直線法按其五年之估計可使用年期攤銷。

手機應用程式

手機應用程式按成本減任何減值虧損列賬，並以直線法按其五年之估計可使用年期攤銷。

租賃

凡將資產擁有權 (法定業權除外) 之絕大部分回報與風險轉移至本集團之租賃，均以融資租賃入賬。於融資租賃開始時，租賃資產之成本按最低租賃款項之現值撥充資本，並連同債務 (不計利息部分) 列賬，以反映購入及融資情況。根據已撥充資本之融資租賃持有之資產 (包括融資租賃之預付土地租賃款項) 乃列入物業、廠房及設備，並按資產之租賃年期與估計可使用年期之較短者予以折舊。該等租賃之融資成本自綜合損益表扣除，藉以在租賃年內提供一個固定定期扣除率。

凡根據具融資性質之租購合約購入之資產，皆以融資租賃入賬，惟須按其估計可使用年期予以折舊。

凡資產擁有權之絕大部分回報與風險繼續歸出租人所有之租賃，均以營業租賃入賬。倘本集團為出租人，本集團根據營業租賃出租之資產計入非流動資產，根據營業租賃應收之租金按租賃年期以直線法計入綜合損益表。倘本集團為承租人，根據營業租賃應付之租金按租賃年期以直線法自綜合損益表扣除。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Investments and other financial assets

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial assets at fair value through profit or loss

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

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

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

2.4 主要會計政策摘要(續)

租賃(續)

營業租賃之預付土地租賃款項初始按成本列賬，其後以直線法按租賃年期確認。當租賃款項不能可靠地於土地及樓宇部分之間分配，則整筆租賃款項將計入土地及樓宇成本內，作為物業、廠房及設備之融資租賃。

投資及其他金融資產

初始確認及計量

金融資產於初始確認時分類為透過損益按公平價值列賬之金融資產、貸款及應收款項或可供出售金融投資(如適用)。金融資產於初始確認時按公平價值加收購金融資產應佔之交易成本計量，惟透過損益按公平價值列賬之金融資產除外。

所有以正常方式買賣之金融資產買賣於交易日期(即本集團承諾購買或出售該資產之日期)確認。正常方式買賣指按照一般市場規例或慣例訂定之期間內交付資產之金融資產買賣。

其後計量

金融資產按其分類進行之其後計量如下：

透過損益按公平價值列賬之金融資產

透過損益按公平價值列賬之金融資產包括持作買賣之金融資產及於初始確認時指定透過損益按公平價值列賬之金融資產。倘收購金融資產之目的為在短期內出售，則將該等金融資產歸入持作買賣類別。衍生工具(包括獨立嵌入式衍生工具)亦歸入持作買賣類別，惟被指定為實際對沖工具(定義見香港會計準則第39號)者則除外。

透過損益按公平價值列賬之金融資產按公平價值於綜合財務狀況表內入賬，而公平價值變動淨額則於綜合損益表內確認。此等公平淨值變動並不包括該等金融資產所賺取之任何股息或利息，該等股息或利息乃根據下文所載「收益確認」之政策確認。

指定於初始確認時透過損益按公平價值列賬之金融資產於初始確認當日並僅於符合香港會計準則第39號之標準時，方可作此分類。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

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

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

Loans and receivables

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

Available-for-sale financial investments

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

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

2.4 主要會計政策摘要 (續)

投資及其他金融資產 (續)

透過損益按公平價值列賬之金融資產 (續)

倘於主合約內嵌入之衍生工具之經濟特性及風險與主合約之經濟特性及風險並無密切關係，而主合約並非持作買賣用途或指定透過損益按公平價值列賬，則以個別衍生工具按公平價值入賬。該等嵌入式衍生工具按公平價值計量，其公平價值變動於綜合損益表內確認。只有在合約條款出現變動而須就現金流量作出重大修訂或將金融資產重新分類至透過損益按公平價值列賬類別時，方會進行重估。

貸款及應收款項

貸款及應收款項乃非衍生金融資產，有固定或可釐定付款金額而並無在活躍市場上報價。於初始計量後，該等資產其後以實際利率法按攤銷成本減任何減值備抵計量。於計算攤銷成本時已計及收購時之任何折讓或溢價，並計入屬於實際利率組成部分之費用或成本。實際利率攤銷計入綜合損益表之其他收入及收益內。減值所產生之虧損在綜合損益表之融資成本（就貸款而言）及其他開支（就應收款項而言）內確認。

可供出售金融投資

可供出售金融投資乃非上市股本投資之非衍生金融資產。歸入可供出售類別之股本投資既無歸入持作買賣類別，亦無指定為透過損益按公平價值列賬。

初始確認後，可供出售金融投資其後按公平價值計量，而未變現收益或虧損則於可供出售投資重估儲備內確認為其他全面收入，直至終止確認該投資（屆時，累計收益或損失在綜合損益表內確認）或直至該投資被確定為減值（屆時，累計收益或損失自可供出售投資重估儲備重新分類至綜合損益表）為止。持有可供出售金融投資所賺取之利息及股息分別呈報為利息收入及股息收入，並根據下文所載「收益確認」之政策於綜合損益表內確認為其他收入。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

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

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

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

Derecognition of financial assets

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

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

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

可供出售金融投資(續)

當非上市股本投資之公平價值不能可靠地計量，原因在於：(a)該投資之合理公平價值估計範圍變動甚大或(b)範圍內多項估計之可能性不能合理地評估及用於估計公平價值，則該等投資按成本減任何減值虧損列賬。

本集團會評估在短期內出售其可供出售金融資產之能力及意向是否仍屬適當。在罕有情況下，當市場不活躍導致本集團無法買賣該等金融資產，倘管理層有能力及意向在可見將來持有該等資產或持有至到期日，則本集團或會選擇將該等金融資產重新分類。

對於自可供出售類別重新分類之金融資產，其於重新分類日期之公平價值賬面金額成為其新攤銷成本，而有關資產先前於權益內確認之任何盈虧則採用實際利率按資產剩餘年期攤銷至損益。新攤銷成本與到期款項之任何差額亦採用實際利率按資產剩餘年期攤銷。倘資產其後被釐定為減值，則計入權益之金額將重新分類至綜合損益表。

終止確認金融資產

金融資產(或(倘適用)金融資產之一部分或一組類似金融資產之一部分)在下列情況將終止確認(即自本集團之綜合財務狀況表移除)：

- 從該項資產收取現金流量之權利已屆滿；或
- 本集團已轉讓從該項資產收取現金流量之權利，或已承擔責任根據「轉付」安排在並無重大延誤之情況下將所收取現金流量全數支付予第三方；且(a)本集團已轉讓該項資產之絕大部分風險及回報；或(b)本集團並無轉讓或保留該項資產之絕大部分風險及回報，但已轉讓該項資產之控制權。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (continued)

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

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

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

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

2.4 主要會計政策摘要 (續)

終止確認金融資產 (續)

倘本集團已轉讓從該項資產收取現金流量之權利或已訂立轉付安排，則本集團會評估其是否保留資產擁有權之風險及回報以及保留之程度。倘本集團既無轉讓或保留該項資產之絕大部分風險及回報，亦無轉讓該項資產之控制權，則本集團會繼續按其持續參與之程度確認所轉讓資產。在此情況下，本集團亦會確認相關負債。已轉讓資產及相關負債可按反映本集團所保留之權利和責任之基準計量。

以擔保方式持續參與已轉讓資產，乃按該資產之原賬面金額與本集團可被要求支付代價之最高金額兩者中之較低者計量。

金融資產之減值

本集團於各報告期間結束時評估有否任何客觀證據顯示一項金融資產或一組金融資產出現減值。倘於初始確認資產後發生之一項或多項事件對可以可靠地估計該項或該組金融資產之估計未來現金流量構成影響，則存在減值。減值證據可包括以下跡象：一名或一組負責人正面臨重大財務困難、違約或未能償還利息或本金、有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量之減少，例如欠款數目變動或出現與違約相關之經濟狀況。

按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先會按個別基準就個別屬重大之金融資產或按組合基準就個別不屬重大之金融資產，評估是否存在減值。倘本集團認定按個別基準經評估之金融資產（無論重要與否）並無客觀跡象顯示存有減值，則該項資產會歸入一組具有相似信貸風險特性之金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值且確認或繼續確認減值虧損之資產不會納入綜合減值評估之內。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

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

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

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

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

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

2.4 主要會計政策摘要(續)

金融資產之減值(續)

按攤銷成本列賬之金融資產(續)

所識別任何減值虧損之金額按該資產賬面金額與估計未來現金流量(不包括並未產生之未來信貸虧損)現值之差額計量。估計未來現金流量之現值以金融資產之初始實際利率(即初始確認時計算之實際利率)貼現。

該資產之賬面金額會通過使用備抵賬扣減,而虧損則於綜合損益表內確認。利息收入於經扣減賬面金額中採用計量減值虧損時用以貼現未來現金流量之利率持續累計。若日後收回不可實現,而所有抵押品已變現或已轉讓予本集團,則撇銷貸款及應收款項連同任何相關撥備。

倘若在其後期間估計減值虧損金額因確認減值後發生之事項而增加或減少,則透過調整撥備賬增加或扣減先前確認之減值虧損。倘於其後收回未來撇銷,該項收回將計入綜合損益表。

按成本列賬之資產

倘有客觀證據顯示並非按公平價值列賬(因其公平價值無法可靠地計量)之無報價股本工具出現減值虧損,則有關虧損金額按該資產之賬面金額與按類似金融資產現時市場回報率貼現之估計未來現金流量現值之差額計量。該等資產之減值虧損不予撥回。

可供出售金融投資

就可供出售金融投資,本集團將於各報告期間結束時評估有否客觀跡象會導致一項或一組投資出現減值。

倘可供出售資產減值,則包括其成本(扣除任何本金付款及攤銷)與其現時公平價值之差額減任何過往於綜合損益表內確認之減值虧損之金額會從其他全面收入轉撥並於綜合損益表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

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

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or loans and borrowings, as appropriate.

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

The Group's financial liabilities include trade payables, interest-bearing bank borrowings, finance lease payables and financial guarantee obligation.

Subsequent measurement

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

Loans and borrowings

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

2.4 主要會計政策摘要 (續)

金融資產之減值 (續)

可供出售金融投資 (續)

至於分類為可供出售之股本投資，客觀跡象將包括該項投資之公平價值大幅或長期跌至低於其成本值。「大幅」是按原有投資成本評估，而「長期」是按公平價值低於其原有成本之期間評估。倘出現減值跡象，則累計虧損（按收購成本與現時公平價值之差額減該項投資先前於綜合損益表內確認之任何減值虧損計量）會從其他全面收入移除，並於綜合損益表內確認。分類為可供出售之股本工具之減值虧損不可透過綜合損益表撥回。其公平價值於減值後之增加部份會直接於其他全面收入內確認。

釐定何謂「大幅」或「長期」需要作出判斷。在作出此判斷時，本集團衡量多項因素，包括投資項目之公平價值低於其成本之時間及程度。

金融負債

初始確認及計量

金融負債於初始確認時劃分為透過損益按公平價值列賬之金融負債，或貸款及借款（倘適用）。

所有金融負債初始按公平價值及（如屬貸款及借款）扣除直接應佔交易成本確認。

本集團之金融負債包括應付貿易賬款、付息銀行借款、應付融資租賃款項及財務擔保責任。

其後計量

金融負債之其後計量乃視乎其分類如下：

貸款及借款

於初始確認後，計息貸款及借款於其後採用實際利率法按攤銷成本計量，除非貼現之影響不大，則會按成本列賬。在負債終止確認及透過實際利率攤銷程序進行時，收益及虧損會在綜合損益表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Loans and borrowings (continued)

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

Financial guarantee contracts

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

Derecognition of financial liabilities

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

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

Offsetting of financial instruments

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on the estimated selling prices less any estimated costs to be incurred to disposal.

2.4 主要會計政策摘要(續)

金融負債(續)

貸款及借款(續)

攤銷成本於計及任何收購折讓或溢價及屬實際利率不可或缺部分之費用或成本後計算。實際利率攤銷計入綜合損益表之融資成本內。

財務擔保合約

本集團發出之財務擔保合約為要求付款以彌償擔保持有人因指定債務人未能按照債務工具條款於到期時付款而招致之損失之合約。財務擔保合約初始按公平價值確認為負債，並就直接歸屬於發出該擔保之交易成本作出調整。初始確認後，本集團按以下兩者中之較高者計量財務擔保合約：(i)償還報告期間結束時之現有責任所須開支之最佳估計金額；及(ii)初始確認之金額減(若適用)累計攤銷。

終止確認金融負債

倘金融負債項下之責任被解除、取消或到期，即終止確認金融負債。

倘現有金融負債被來自同一放債人之另一項條款迥異之金融負債取代，或現有負債之條款大部分被修訂，則該項交換或修訂會視作終止確認原有負債及確認新負債，各自之賬面金額差額於綜合損益表內確認。

抵銷金融工具

倘現時存在一項可依法執行之權利，可抵銷已確認金額，且有意以淨額結算或同時變現資產及償付債務，則金融資產與金融負債可予抵銷，並將淨金額列入綜合財務狀況表。

存貨

存貨按成本與可變現淨值兩者中之較低者入賬。成本乃以加權平均法計算，並包括所有購買成本及於將存貨送抵目前地點及達致目前狀況時產生之其他成本。可變現淨值則按估計售價扣除預計出售時所有將產生之成本計算。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, demand deposits with banks and other financial institutions, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks and other financial institutions, including term deposits, which are not restricted as to use.

Provisions

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

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

Income tax

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

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

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

2.4 主要會計政策摘要(續)

現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目包括手頭現金以及銀行及其他金融機構之活期存款，以及可隨時兌換為已知數額現金、價值變動風險不大、一般於收購後三個月內到期之短期高流通性投資，減去須按要求償還並構成本集團現金管理重要部分之銀行透支。

就綜合財務狀況表而言，現金及等同現金項目包括用途不受限制之手頭現金以及銀行及其他金融機構之存款（包括定期存款）。

撥備

倘由於過往發生之事件而產生目前之債務（法定或推定），並可能導致日後須流出資源以清償債務，則會確認撥備，惟債務之金額須能夠可靠地估計。

當貼現之影響重大，則就撥備確認之金額為預期清償債務所需之未來開支於報告期間結束時之現值。因時間過去而產生之已貼現現值金額增加會計入綜合損益表之融資成本內。

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目之所得稅會於損益外確認，即於其他全面收入或直接在權益內確認。

即期稅項資產及負債乃根據於報告期間結束時已頒佈或實際已頒佈之稅率（及稅法），並考慮本集團業務所在國家之現有詮釋及慣例，按預期自課稅機關退回或支付予課稅機關之金額計量。

遞延稅項就於報告期間結束時資產與負債之稅基及作財務申報用途之賬面金額兩者間之所有暫時差異以負債法撥備。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

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

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

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

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

2.4 主要會計政策摘要(續)

所得稅(續)

遞延稅項負債乃就所有應課稅暫時差異確認，惟：

- 遞延稅項負債由於一項交易(並非業務合併)中最初確認商譽或資產或負債而產生，且於交易時並無對會計溢利或應課稅溢利或虧損構成影響除外；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之應課稅暫時差異而言，暫時差異之撥回時間可以控制及暫時差異有可能不會於可預見未來撥回除外。

遞延稅項資產就所有可扣減暫時差異及未被動用稅項抵免與任何未被動用稅項虧損之結轉確認。遞延稅項資產僅在可能有應課稅溢利以動用可扣減暫時差異及結轉之未被動用稅項抵免及未被動用稅項虧損時，方可確認，惟：

- 遞延稅項資產與於一項交易(並非業務合併)中最初確認資產或負債時產生而於交易時並無對會計溢利或應課稅溢利或虧損構成影響之可扣減暫時差異有關除外；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之可扣減暫時差異而言，遞延稅項資產僅以暫時差異有可能於可預見未來撥回及可能有應課稅溢利以動用暫時差異為限確認。

本公司於各報告期間結束時檢討遞延稅項資產之賬面金額，並於不再可能有足夠應課稅溢利以動用全部或部分遞延稅項資產時作出扣減。未確認之遞延稅項資產會於各報告期間結束時重新評估，並在可能有足夠應課稅溢利以收回全部或部分遞延稅項資產時確認。

遞延稅項資產與負債以變現資產或清還負債之期間之預期適用稅率，按於報告期間結束時已頒佈或實際已頒佈之稅率(及稅法)計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

Revenue recognition

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

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

Share-based payments

The Company and one of its subsidiaries operate share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 30 to the consolidated financial statements.

2.4 主要會計政策摘要 (續)

所得稅 (續)

倘存在以即期稅項資產抵銷即期稅項負債之可依法行使權利，且遞延稅項與同一應課稅實體及同一課稅機關有關，則抵銷遞延稅項資產及遞延稅項負債。

收益確認

收益於經濟利益可能流向本集團並能可靠地計量時，按下列基準確認：

- (a) 貨品銷售額於擁有權之絕大部分風險及回報已轉移予買家，及本集團不再對該等已售出之貨品有任何一般達到擁有程度之管理或有效之控制權時確認；
- (b) 利息收入按應計基準使用實際利息法計算，當中採用將金融工具預期年內之估計未來現金收入貼現至金融資產賬面淨值之利率；
- (c) 租金收入根據租期按時間比例基準確認；
- (d) 商標授權收入於提供有關服務時確認；及
- (e) 股息收入於股東收取股息之權利確立時確認。

以股份付款

本公司及其中一間附屬公司設有購股權計劃，旨在向對本集團之成功營運作出貢獻之合資格參與者提供獎勵及回報。本集團僱員（包括董事）藉以股份付款方式收取薪酬，據此，僱員提供服務作為收取股本工具之代價（「股權結算交易」）。

與獲授僱員進行於二零零二年十一月七日後授出之股權結算交易的成本，乃參照於授出日期之公平價值計量。公平價值乃由外聘估值師以二項式模式釐定，進一步詳情載於綜合財務報表附註 30。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

The cost of equity-settled transactions is recognised in employee benefit expenses, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 主要會計政策摘要(續)

以股份付款(續)

股權結算交易之成本連同相應增加之權益，在績效及／或服務條件獲得履行之期間於僱員福利開支內確認。在歸屬日期前，於各報告期間結束時確認之股權結算交易累計開支，反映歸屬期已屆滿部分及本集團對最終將會歸屬之股本工具數目之最佳估計。在某一期間內在綜合損益表之扣除或進賬金額，反映於期初及期終確認之累計開支變動。

在釐定獎勵於授出日期之公平價值時，不會計及服務及非市場績效條件，但達成有關條件之可能性會評估為本集團對將最終歸屬之股本工具數目之最佳估計之一部分。市場績效條件在授出日期公平價值中反映。獎勵所附帶但無相關服務要求之任何其他條件被視為非歸屬條件。除非同時附有服務及／或績效條件，否則非歸屬條件在獎勵之公平價值中反映，並會導致獎勵即時支銷。

因非市場績效及／或服務條件並未達成而最終未歸屬之獎勵不會確認任何開支。倘獎勵包括一項市場或非歸屬條件，則只要所有其他績效及／或服務條件已經達成，不論市場或非歸屬條件是否達成，該等交易均會被視為已歸屬。

倘股權結算之獎勵之條款有所修訂，而原先獎勵之條款已達成，則所確認開支最少須達到猶如條款並無任何修訂之水平。此外，倘有關修訂導致以股份付款之總公平價值有所增加，或於修訂日期經計量為僱員帶來其他利益，則須就該等修訂確認開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China, Singapore and Korea are required to participate in pension schemes operated by the respective local municipal governments. These subsidiaries are required to contribute a certain percentage of their payroll costs to the pension schemes. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the pension schemes.

Borrowing costs

Borrowing costs are recognised as expenses in the consolidated statement of profit or loss in the period in which they are incurred.

2.4 主要會計政策摘要 (續)

以股份付款 (續)

倘股權結算之獎勵被註銷，將被視為猶如已於註銷日期歸屬，任何尚未確認之獎勵開支則即時確認。此包括未符合屬本集團或僱員控制範圍內之非歸屬條件所涉及之任何獎勵。然而，倘有新獎勵取代已註銷獎勵，並於授出日期指定為取代獎勵，則已註銷獎勵及新獎勵，均如前段所述被視為猶如原先獎勵之修訂。

未行使購股權之攤薄效應於計算每股盈利時乃列為額外股份攤薄。

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例，為符合資格參與定額供款強制性公積金退休福利計劃（「強積金計劃」）之僱員營辦強積金計劃。供款乃按僱員基本薪金之某一百分比計算，並於根據強積金計劃之規則規定應付時自綜合損益表扣除。強積金計劃之資產以獨立管理基金形式，與本集團資產分開持有。於向強積金計劃供款時，本集團之僱主供款即全數撥歸僱員。至於本集團之僱主自願供款，倘僱員在根據強積金計劃之規則獲得全數供款前離職，則會退還本集團。

本集團於中國內地、新加坡及韓國經營業務之附屬公司之僱員須參與由各當地市政府營辦之退休金計劃。該等附屬公司須根據員工薪金成本之若干百分比向退休金計劃供款。供款乃於根據退休金計劃之規則規定應付時自綜合損益表扣除。

借款成本

借款成本於產生期間之綜合損益表內確認為開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of associate grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

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

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

2.4 主要會計政策摘要(續)

股息

末期股息於股東大會上經股東批准後確認為負債。

由於本公司之組織章程大綱及細則授權董事宣派中期股息，故中期股息會同時建議及宣派。因此，中期股息於建議及宣派時即時確認為負債。

外幣

本綜合財務報表乃以港元，即本公司之功能貨幣呈列。本集團內各實體自行決定其本身之功能貨幣，而包括在各實體之財務報表之項目乃使用該功能貨幣計算。本集團內實體記錄外幣交易最初使用其各自功能貨幣於交易日期適用之匯率記錄。以外幣為結算單位之貨幣性資產與負債會按於報告期間結束時適用之功能貨幣匯率換算。因結算或換算貨幣性項目而產生之差額均於綜合損益表內確認。

以外幣歷史成本計量之非貨幣性項目，按最初交易日期之匯率換算。按外幣公平價值計量之非貨幣性項目，使用公平價值釐定日期之匯率換算。換算按公平價值計量之非貨幣性項目所產生之收益或虧損，與確認該項目公平價值變動收益或虧損之處理方法一致，即於其他全面收入或損益內確認公平價值收益或虧損之項目之匯兌差額，亦分別於其他全面收入或損益內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 主要會計政策摘要 (續)

外幣 (續)

若干海外附屬公司、合營企業及聯營公司之功能貨幣為港元以外之貨幣。於報告期間結束時，該等實體之資產與負債會按於報告期間結束時適用之匯率換算為港元，而其損益表會按年度加權平均匯率換算為港元。所產生之匯兌差額於其他全面收入內確認及於匯兌波動儲備內累計。出售海外業務時，與該特定海外業務有關之其他全面收入部分會在綜合損益表內確認。

因收購海外業務而產生之任何商譽及對收購所產生資產及負債賬面金額之任何公平價值調整，均被視為該海外業務之資產及負債，並以結算匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期之適用匯率換算為港元。海外附屬公司於整個年度內經常產生之現金流量按年內之加權平均匯率換算為港元。

3. 主要會計判斷及估計

管理層編製本集團綜合財務報表時，須作出判斷、估計及假設，其將影響所申報之收益、開支、資產及負債之金額以及相關披露和或然負債之披露。然而，有關此等假設及估計之不明朗因素所可能產生之結果，或會導致日後之資產或負債之賬面金額須作出重大調整。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of the ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 主要會計判斷及估計(續)

判斷

於應用本集團會計政策之過程中，除涉及估計之判斷外，管理層已作出以下對於綜合財務報表內確認之金額構成最重大影響之判斷：

營業租賃承擔 – 本集團作為出租人

本集團就其投資物業組合訂立商業物業租約。本集團確認，基於對有關安排之條款及條件之評估，就以營業租賃出租之物業而言，本集團保留與該等物業擁有權有關之一切重大風險及回報。

投資物業與自用物業之間之分類

本集團決定一項物業是否合資格作為投資物業，並已制定作出該判斷之標準。投資物業為就賺取租金或資本增值或兩者兼得而持有之物業。因此，本集團會考慮物業能否產生現金流量，而很大程度不受本集團持有之其他資產影響。

某些物業一部分持作賺取租金或資本升值，另一部分持作生產或供應貨品或服務或作行政用途。倘此等部分可獨立出售或根據融資租賃單獨出租，本集團將該等部分單獨入賬。倘該等部分不可單獨出售，惟持作生產或供應貨品或服務或作行政用途之部分不大，有關物業方為投資物業。

判斷乃就個別物業作出，以決定相關服務是否重大，令該物業不符合資格作為投資物業。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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

Deferred tax assets

Deferred tax assets are recognised for unused tax losses carried forward to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. Recognition primarily involves judgement regarding the future performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, tax planning strategies and the periods in which estimated tax losses can be utilised. The carrying amount of deferred tax assets and related financial models and budgets are reviewed at the end of each reporting period and to the extent that there is insufficient convincing evidence that sufficient taxable profits will be available within the utilisation periods to allow utilisation of the tax losses carried forward, the asset balance will be reduced and charged to the consolidated statement of profit or loss. The amount of unrecognised tax losses at 31 March 2017 was approximately HK\$348 million (2016: approximately HK\$318 million). Further details are contained in note 28 to the consolidated financial statements.

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

3. 主要會計判斷及估計 (續)

估計之不明朗因素

下文闡述有關未來之主要假設及於報告期間結束時估計不明朗因素之其他主要來源，其具有可能導致須對下個財政年度之資產與負債之賬面金額作出重大調整之重大風險。

遞延稅項資產

遞延稅項資產就未被動用結轉稅項虧損確認，惟以預期很可能取得未來應課稅溢利而可動用未被動用之稅項虧損與之抵銷為限。遞延稅項資產之確認主要涉及對已確認遞延稅項資產之特定法定實體或稅務組別未來表現之判斷。其他不同因素亦予以評估，以考慮是否有有力之憑證證明部分或全部遞延稅項資產最終有可能會變現，例如存在應課稅暫時差異、稅務規劃策略及可動用估計稅項虧損之期間。遞延稅項資產之賬面金額及有關財務模式與預算會於各報告期間結束時檢討，若並無足夠有力之憑證證明在可動用期內有足夠應課稅溢利以動用結轉稅項虧損，屆時將調低資產結餘，不足之數自綜合損益表扣除。於二零一七年三月三十一日，尚未確認稅項虧損金額約為348,000,000港元（二零一六年：約318,000,000港元）。進一步詳情載於綜合財務報表附註28。

估計投資物業之公平價值

在沒有類似物業之現時活躍市場定價之情況下，本集團考慮不同來源之資料，包括：

- (a) 不同性質、狀況或位置之物業之現時活躍市場定價，並作出調整以反映該等差異；
- (b) 類似物業最近在較不活躍市場之定價，並作出調整以反映以該定價進行之交易日期起之任何經濟情況變化；及
- (c) 按對未來現金流量之可靠估計預測之貼現現金流量，輔以任何現有租賃與其他合約之條款及（如可能）外在憑證（如位置及狀況相同之類似物業之現時市場租金），並採用反映現時市場對現金流量金額及時間之不確定性評估之貼現率計算。

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of fair value of investment properties (continued)

The carrying amount of investment properties at 31 March 2017 was HK\$115,955,000 (2016: HK\$116,762,000). Further details, including the key assumptions used for fair value measurement and a sensitivity analysis, are given in note 13 to the consolidated financial statements.

Impairment of available-for-sale investments

The Group determines that available-for-sale investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the consolidated statement of profit or loss. For available-for-sale investments measured at cost, management assesses the future prospects of these investments to determine whether there is an impairment that should be recognised in the consolidated statement of profit or loss. As at 31 March 2016, impairment losses of HK\$29,888,000 and HK\$19,433,000 have been recognised for available-for-sale investments measured at fair value and costs respectively. The carrying amount of available-for-sale investments as at 31 March 2017 were HK\$282,930,000 (2016: HK\$20,891,000).

Impairment of trade receivables, deposits and other receivables

The Group makes impairment provision for trade receivables, deposits and other receivables based on an assessment of the recoverability of these receivables. Impairment provision is made for these receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates, including the current creditworthiness and the past collection history of each debtor. Where the expectation on the recoverability of these receivables is different from the original estimate, such difference will impact the carrying value of these receivables and impairment provision in the periods in which such estimate has been changed. The aggregate carrying amount of trade receivables as at 31 March 2017 was HK\$49,359,000 (2016: HK\$63,994,000). The aggregate carrying amount of deposits and other receivables as at 31 March 2017 was HK\$20,216,000 (2016: HK\$9,047,000).

3. 主要會計判斷及估計 (續)

估計之不明朗因素 (續)

估計投資物業之公平價值 (續)

於二零一七年三月三十一日，投資物業之賬面金額為115,955,000港元（二零一六年：116,762,000港元）。進一步詳情（包括計算公平價值所用之主要假設以及敏感度分析）載於綜合財務報表附註13。

可供出售投資之減值

倘可供出售投資之公平價值下跌至大幅或長期低於其成本，則本集團釐定其為已減值。當公平價值下跌時，管理層即就其價值下降作出假設，以釐定是否須在綜合損益表內確認減值。就按成本計算之可供出售投資而言，管理層評估該等投資之日後前景，以釐定是否需於綜合損益表內確認減值。於二零一六年三月三十一日，就按公平價值及成本計量之可供出售投資分別確認減值虧損29,888,000港元及19,433,000港元。於二零一七年三月三十一日，可供出售投資之賬面金額為282,930,000港元（二零一六年：20,891,000港元）。

應收貿易賬款、按金及其他應收款項之減值

本集團按對應收貿易賬款、按金及其他應收款項可收回程度之評估作出該等應收款項之減值撥備。倘事件或情況變化顯示結餘可能無法收回，則對該等應收款項作出減值撥備。分辨呆賬需要運用判斷及估計，包括各債務人現時信用狀況及過往收款紀錄。當預期該等應收款項之可收回程度與原定估計有差異時，該差異將會於估計改變之期間內，影響該等應收款項之賬面值及減值撥備。於二零一七年三月三十一日，應收貿易賬款之賬面總額為49,359,000港元（二零一六年：63,994,000港元）。於二零一七年三月三十一日，按金及其他應收款項之賬面總額為20,216,000港元（二零一六年：9,047,000港元）。

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Provision for inventories

The Group's management reviews the inventory ageing analysis periodically, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for sales. The Group carries out an inventory review on a product-by-product basis at the end of each reporting period and makes allowance for obsolete and slow-moving items through management's estimation of the net realisable value for such obsolete and slow-moving items based primarily on the latest invoice prices and current market conditions. The aggregate carrying amount of the Group's inventories as at 31 March 2017 was HK\$78,266,000 (2016: HK\$69,259,000).

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2017 was nil (2016: HK\$10,483,000). Further details are given in note 14 to the consolidated financial statements.

Useful lives of other intangible assets

The Group amortises its intangible assets with a finite useful life on a straight-line basis over their estimated useful lives. The estimated useful lives reflect management's estimate of the period that the Group intends to derive future economic benefits from the use of these intangible assets. The carrying amount of other intangible assets at 31 March 2017 was HK\$3,411,000 (2016: HK\$4,198,000).

Valuation of convertible bonds

The convertible bonds have been valued based on the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. The valuation requires the Group to make estimates about expected future cash flows, credit risk, volatility and discount rates, and hence is subject to uncertainty. The fair value of the convertible bonds at 31 March 2017 was HK\$56,631,000 (2016: Nil). Further details are included in note 22(c) to the consolidated financial statements.

3. 主要會計判斷及估計 (續)

估計之不明朗因素 (續)

存貨撥備

本集團之管理層定期審閱存貨之賬齡分析，並會為確認為不再適合銷售之陳舊及滯銷存貨項目作出撥備。於各報告期間結束時，本集團會檢閱各項產品之存貨，並會透過管理層主要根據最後單價及現時市況對該等陳舊及滯銷項目之可變現淨值估計，為陳舊及滯銷項目作出撥備。於二零一七年三月三十一日，本集團存貨之賬面總額為78,266,000港元（二零一六年：69,259,000港元）。

商譽之減值

本集團最少每年釐定商譽是否減值。作出該釐定時須對獲分配有關商譽之現金產生單位之使用價值作出估計。估計使用價值時，本集團須估計現金產生單位之預期未來現金流量及選擇合適貼現率以計算該等現金流量之現值。於二零一七年三月三十一日，商譽之賬面金額為無（二零一六年：10,483,000港元）。進一步詳情載於綜合財務報表附註14。

其他無形資產之可使用年期

本集團根據具有有限可使用年期之無形資產之估計可使用年期以直線法攤銷該等無形資產。估計可使用年期反映管理層對本集團計劃透過使用該等無形資產產生未來經濟利益期間之估計。於二零一七年三月三十一日，其他無形資產之賬面金額為3,411,000港元（二零一六年：4,198,000港元）。

可換股債券之估值

本集團根據按以條款及風險特徵相近之項目的現行適用利率貼現之預期現金流量對可換股債券進行估值。進行估值時，本集團須估計預期未來現金流量、信貸風險、波幅及貼現率，故涉及不明朗因素。於二零一七年三月三十一日，可換股債券之公平價值為56,631,000港元（二零一六年：無）。進一步詳情載於綜合財務報表附註22(c)。

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) the semiconductor distribution segment engages in the sale and distribution of electronic components;
- (b) the consumer electronic product segment engages in the design, development and sale of electronic products;
- (c) the venture capital segment engages in the investments in listed/unlisted equity investments with an ultimate objective of obtaining capital gains on investee's equity listing or, in some circumstances, prior to listing. It also includes investments in real estate, managed funds or convertible bonds; and
- (d) the others segment mainly comprises the Group's mobile application development business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that bank interest income, dividend income from listed investments, rental income, share of profits and losses of associates and joint ventures, gain on disposal of items of property, plant and equipment, loss on disposal of an available-for-sale investment, impairment of available-for-sale investments, gain on deemed disposal of an associate, changes in fair value of investment properties, provision for amount due from an associate, impairment of other receivables, finance costs and unallocated expenses are excluded from such measurement.

Segment assets exclude investments in joint ventures and associates, tax recoverable, pledged time deposits, non-pledged time deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities, interest-bearing bank borrowings, finance lease payables, financial guarantee obligation and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 經營分部資料

就管理而言，本集團按產品及服務劃分其業務單位，並有以下四個可呈報之經營分部：

- (a) 半導體分銷分部，涉及電子元件之銷售及分銷；
- (b) 消費類電子產品分部，涉及電子產品之設計、開發及銷售；
- (c) 創投分部，涉及上市／非上市股本投資之投資，最終目標為在被投資企業股本上市後或（在特別情況下）上市前取得資本盈利，亦包括房地產、管理基金或可換股債券之投資；及
- (d) 其他分部主要包括本集團之流動應用程式開發業務。

管理層會分開監察本集團經營分部之業績，以就資源分配及表現評估作出決定。分部表現乃根據可呈報分部溢利／虧損（即經調整除稅前溢利／虧損之計量方法）評估。經調整除稅前溢利／虧損之計量方法與本集團除稅前溢利／虧損一致，惟銀行利息收入、上市投資之股息收入、租金收入、分佔聯營公司及合營企業溢利及虧損、出售物業、廠房及設備項目之收益、出售可供出售投資之虧損、可供出售投資之減值、視作出售一間聯營公司之收益、投資物業公平價值之變動、應收一間聯營公司款項撥備、其他應收款項之減值、融資成本及未分配之開支則不包括於該計量中。

分部資產不包括於合營企業及聯營公司之投資、可收回稅項、有抵押定期存款、無抵押定期存款、現金及等同現金項目以及其他未分配總辦事處及公司資產，原因為該等資產乃按集團基準管理。

分部負債不包括應付稅項、遞延稅項負債、附息銀行借款、應付融資租賃款項、財務擔保責任以及其他未分配總辦事處及公司負債，原因為該等負債乃按集團基準管理。

分部間銷售及轉撥乃參考向第三方進行銷售時使用之售價按當時通行市價進行。

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料 (續)

		Semiconductor distribution 半導體分銷 HK\$'000 千港元	Consumer electronic product 消費類 電子產品 HK\$'000 千港元	Venture capital 創投 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Year ended 31 March 2017	截至二零一七年 三月三十一日止年度					
Segment revenue:	分部收益:					
Sales to external customers	向外界顧客銷售	1,304,911	36,755	–	733	1,342,399
Other revenue	其他收益	–	–	18,106	–	18,106
Total	總計	1,304,911	36,755	18,106	733	1,360,505
Reconciliation:	對賬:					
Less: Other revenue (note)	減: 其他收益 (附註)					(18,106)
Revenue as presented in the consolidated statement of profit or loss	於綜合損益表呈列之收益					1,342,399
Segment results	分部業績	(3,147)	(7,395)	13,838	(6,442)	(3,146)
Reconciliation:	對賬:					
Bank interest income	銀行利息收入					511
Dividend income from listed investments	上市投資之股息收入					188
Rental income	租金收入					6,270
Share of profits of joint ventures	分佔合營企業溢利					214,487
Share of profits of associates	分佔聯營公司溢利					3,118
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之 收益					1,376
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益					90,735
Provision for amount due from an associate	應收一間聯營公司款項撥備					(6,373)
Impairment of other receivables	其他應收款項之減值					(7,739)
Changes in fair value of investment properties	投資物業公平價值之變動					2,345
Unallocated expenses	未分配之開支					(22,158)
Finance costs	融資成本					(3,218)
Profit before tax	除稅前溢利					276,396

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料(續)

		Semiconductor distribution 半導體分銷 HK\$'000 千港元	Consumer electronic product 消費類 電子產品 HK\$'000 千港元	Venture capital 創投 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Year ended 31 March 2016	截至二零一六年 三月三十一日止年度					
Segment revenue:	分部收益:					
Sales to external customers	向外界顧客銷售	992,466	41,682	-	2,875	1,037,023
Other revenue	其他收益	-	-	(18,779)	-	(18,779)
Total	總計	992,466	41,682	(18,779)	2,875	1,018,244
Reconciliation:	對賬:					
Add: Other revenue (note)	加: 其他收益(附註)					18,779
Revenue as presented in the consolidated statement of profit or loss	於綜合損益表呈列之收益					1,037,023
Segment results	分部業績	(38,150)	(3,865)	(23,809)	(16,228)	(82,052)
Reconciliation:	對賬:					
Bank interest income	銀行利息收入					389
Dividend income from listed investments	上市投資之股息收入					46
Rental income	租金收入					5,361
Share of profits of joint ventures	分佔合營企業溢利					158,362
Share of profits and losses of associates	分佔聯營公司溢利及虧損					8,771
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之 收益					155
Loss on disposal of available-for-sale investments	出售可供出售投資之虧損					(7,338)
Impairment of other receivables	其他應收款項之減值					(311)
Impairment of an available-for-sale investment, at fair value	可供出售投資之減值， 按公平價值					(29,888)
Impairment of an available-for-sale investment, at cost	可供出售投資之減值，按成本					(15,540)
Changes in fair value of investment properties	投資物業公平價值之變動					(5,477)
Unallocated expenses	未分配之開支					(25,892)
Finance costs	融資成本					(5,829)
Profit before tax	除稅前溢利					757

Note: Other revenue in segment revenue was classified as other income and gains, changes in fair value of investment properties, and fair value gain/(losses) of equity investments at fair value through profit or loss in the consolidated statement of profit or loss.

附註: 分部收益內之其他收益已分類為綜合損益表內之其他收入及收益、投資物業公平價值之變動以及透過損益按公平價值列賬之股本投資之公平價值收益/(虧損)。

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料 (續)

		Semiconductor distribution	Consumer electronic product	Venture capital	Others	Total
		半導體分銷	消費類 電子產品	創投	其他	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31 March 2017	截至二零一七年 三月三十一日止年度					
Segment assets	分部資產	473,705	95,143	390,453	282	959,583
Reconciliation:	對賬:					
Elimination of intersegment receivables	抵銷分部間應收款項					(291,882)
Investments in joint ventures	於合營企業之投資					470,321
Investments in associates	於聯營公司之投資					1,546
Corporate and other unallocated assets	公司及其他未分配資產					141,309
Total assets	資產總值					1,280,877
Segment liabilities	分部負債	63,660	146,329	120,068	29,235	359,292
Reconciliation:	對賬:					
Elimination of intersegment payables	抵銷分部間應付款項					(291,882)
Corporate and other unallocated liabilities	公司及其他未分配負債					135,173
Total liabilities	負債總額					202,583
Year ended 31 March 2016	截至二零一六年 三月三十一日止年度					
Segment assets	分部資產	491,086	91,121	78,969	859	662,035
Reconciliation:	對賬:					
Elimination of intersegment receivables	抵銷分部間應收款項					(277,195)
Investments in joint ventures	於合營企業之投資					370,153
Investments in associates	於聯營公司之投資					22,439
Corporate and other unallocated assets	公司及其他未分配資產					107,082
Total assets	資產總值					884,514
Segment liabilities	分部負債	54,251	135,630	121,844	22,289	334,014
Reconciliation:	對賬:					
Elimination of intersegment payables	抵銷分部間應付款項					(277,195)
Corporate and other unallocated liabilities	公司及其他未分配負債					170,133
Total liabilities	負債總額					226,952

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION (continued)

Other segment information:

4. 經營分部資料(續)

其他分部資料:

		Semiconductor distribution	Consumer electronic product	Venture capital	Others	Total
		半導體分銷	消費類 電子產品	創投	其他	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31 March 2017	截至二零一七年 三月三十一日止年度					
Depreciation	折舊	2,027	38	426	-	2,491
Amortisation of other intangible assets	其他無形資產之攤銷	541	14	-	-	555
Provision for/(recovery of) impairment of inventories	存貨之減值撥備/(收回)	(5,822)	2,208	-	-	(3,614)
Impairment of goodwill	商譽之減值	10,483	-	-	-	10,483
Impairment/(recovery) of trade receivables	應收貿易賬款之減值/(收回)	(558)	2,417	-	55	1,914
Impairment of other receivables	其他應收款項之減值					7,739
Provision for amount due from an associate	應收一間聯營公司款項撥備					6,373
Impairment of investments in joint ventures	於合營企業之投資之減值					35,795
Capital expenditure*	資本開支*	1,180	648	2,795	-	4,623
Year ended 31 March 2016	截至二零一六年 三月三十一日止年度					
Depreciation	折舊	2,342	24	457	-	2,823
Amortisation of other intangible assets	其他無形資產之攤銷	2,080	17	-	1,880	3,977
Provision for impairment of inventories	存貨之減值撥備	1,535	431	-	-	1,966
Impairment of other intangible assets	其他無形資產之減值	-	-	-	4,700	4,700
Impairment of trade receivables, net	應收貿易賬款之減值淨額	1,664	1,429	-	-	3,093
Recovery of bad debts	收回壞賬	(542)	(15)	-	-	(557)
Impairment of an available-for-sale investment, at fair value	可供出售投資之減值，按公平價值					29,888
Impairment of an available-for-sale investment, at cost	可供出售投資之減值，按成本					15,540
Impairment of investments in joint ventures	於合營企業之投資之減值					28,799
Impairment of other receivables	其他應收款項之減值					311
Capital expenditure*	資本開支*	58	-	1,308	-	1,366

* Capital expenditure consists of additions to property, plant and equipment.

* 資本開支包括添置物業、廠房及設備。

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	252,582	185,061
Singapore	新加坡	937,351	704,787
Korea	韓國	152,466	147,175
		1,342,399	1,037,023

The revenue information above is based on the locations of the customers.

上述收益資料按客戶所在地計算。

(b) Non-current assets

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	513,394	411,249
Mainland China	中國內地	91,043	91,754
Singapore	新加坡	24,717	27,576
Korea	韓國	1,340	34,061
		630,494	564,640

The non-current assets information above is based on the locations of the assets and excludes financial instruments.

上述非流動資產資料按資產所在地計算，當中不包括金融工具。

Information about a major customer

For year ended 31 March 2017, no revenue from the Group's sales to a single customer amounted to 10% or above of the Group's total revenue.

In the prior year, revenue of approximately HK\$139,121,000 was derived from sales by the semiconductor distribution segment to a single customer, including sales to a group of entities which are known to be under common control with that customer.

有關一名主要客戶之資料

截至二零一七年三月三十一日止年度，概無來自本集團向一名單一客戶所作銷售之收益佔本集團收益總額10%或以上。

去年，約139,121,000港元之收益來自半導體分銷分部向一名單一客戶所作之銷售，當中包括向據稱受該名客戶共同控制之一組實體所作之銷售。

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31 March 2017 二零一七年三月三十一日

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts, during the year.

An analysis of revenue, other income and gains is as follows:

5. 收益、其他收入及收益

收益指年內已減去退貨及貿易折扣後之銷貨發票淨值。

收益、其他收入及收益之分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益		
Semiconductor distribution	半導體分銷	1,304,911	992,466
Consumer electronic product sales	消費類電子產品銷售	36,755	41,682
Others	其他	733	2,875
		1,342,399	1,037,023
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	511	389
Interest income on convertible bonds	可換股債券之利息收入	1,147	-
Recovery of bad debts	收回壞賬	-	557
Dividend income from listed investments	上市投資之股息收入	188	46
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之收益	1,376	155
Trademark licence income from an associate	一間聯營公司之商標授權收入	389	389
Rental income	租金收入	6,270	5,361
Net exchange gain	匯兌收益淨額	279	-
Others	其他	1,618	885
		11,778	7,782

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

6. 除稅前溢利

本集團之除稅前溢利已扣除/(計入):

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Notes 附註		
Cost of inventories sold***	銷貨成本***	1,300,465	989,979
Provision for/(recovery of) impairment of inventories***	存貨之減值撥備/(收回)***	(3,614)	1,966
Depreciation	折舊	2,491	2,823
Amortisation of other intangible assets**	其他無形資產之攤銷**	555	3,977
Impairment of other intangible assets*	其他無形資產之減值*	-	4,700
Impairment of trade receivables, net*	應收貿易賬款之減值淨額*	1,914	3,093
Impairment of other receivables*	其他應收款項之減值*	7,739	311
Impairment of goodwill*	商譽之減值*	10,483	-
Minimum lease payments under operating leases	根據營業租賃之 最低租賃款項	2,820	3,563
Auditor's remuneration	核數師酬金	2,758	3,851
Staff costs (including directors' remuneration – note 8):	員工成本(包括董事薪酬 –附註8):		
Wages, salaries and other allowances	工資、薪金及其他津貼	42,224	50,223
Equity-settled share option expense*	股權結算購股權開支*	-	2,765
Pension scheme contributions	退休金計劃供款	1,843	1,855
		44,067	54,843

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

6. PROFIT BEFORE TAX (continued)

6. 除稅前溢利(續)

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Fair value (gain)/losses, net:	公平價值(收益)／虧損淨額：		
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資		
– held for trading	– 持作買賣	4,093	18,113
– designated as such upon initial recognition	– 於初始確認時指定為此類別	(20,485)	174
Foreign exchange differences, net	外匯差額淨額	(279)	5,000
Loss on disposal of available-for-sale investments*	出售可供出售投資之虧損*	–	7,338
Impairment of an available-for-sale investment, at fair value*	可供出售投資之減值，按公平價值*	–	29,888
Impairment of an available-for-sale investment, at cost*	可供出售投資之減值，按成本*	–	15,540
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益	(90,735)	–
Impairment of investments in joint ventures*	於合營企業之投資之減值*	35,795	28,799
Provision for amount due from an associate*	應收一間聯營公司款項撥備*	6,373	–
Gain on derecognition of financial guarantee obligation*	終止確認財務擔保責任之收益*	(35,795)	(28,799)
Direct operating expenses (include repairs and maintenance,) arising on rental-earning investment properties	收租投資物業所產生之直接營運開支(包括維修及保養)	925	1,184

* These balances are included in "Other expenses, net" on the face of the consolidated statement of profit or loss.

** This balance is included in "Administrative expenses" on the face of the consolidated statement of profit or loss.

*** These balances are included in "Costs of sales" on the face of the consolidated statement of profit or loss.

* 該等結餘乃計入綜合損益表之「其他費用淨額」。

** 該結餘乃計入綜合損益表之「行政費用」。

*** 該等結餘乃計入綜合損益表之「銷售成本」。

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7. FINANCE COSTS

An analysis of finance costs is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借款之利息	2,977	5,585
Interest on mortgage loans	按揭貸款之利息	204	222
Interest on finance lease	融資租賃之利息	37	22
		3,218	5,829

8. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

7. 融資成本

融資成本之分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借款之利息	2,977	5,585
Interest on mortgage loans	按揭貸款之利息	204	222
Interest on finance lease	融資租賃之利息	37	22
		3,218	5,829

8. 董事薪酬及五位薪酬最高之僱員

董事薪酬

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露之年內董事薪酬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Fees	袍金	300	300
Other emoluments:	其他酬金：		
Salaries, housing and other allowances, and benefits in kind	薪金、房屋及其他津貼以及實物利益	14,543	13,091
Pension scheme contributions	退休金計劃供款	367	335
		14,910	13,426
		15,210	13,726

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綜合財務報表附註

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8. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued)

Directors' remuneration (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year are as follows:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Dr. Lui Ming Wah, SBS, JP 呂明華博士, SBS, 太平紳士	100	100
Mr. Charles Edward Chapman Charles Edward Chapman先生	100	100
Mr. Wong Ka Kit 黃家傑先生	100	100
	300	300

There were no other emoluments payable to the independent non-executive directors during the year (2016: Nil).

年內並無其他應付獨立非執行董事之酬金 (二零一六年: 無)。

(b) Executive directors

(b) 執行董事

	Salaries, housing and other allowances, and benefits in kind 薪金、房屋及 其他津貼 以及實物利益 HK\$'000 千港元	Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元	Total remuneration 薪酬總額 HK\$'000 千港元
2017			
Executive directors:			
Dr. So Yuk Kwan 蘇煜均博士	6,428	36	6,464
Mr. So Chi On 蘇智安先生	5,295	235	5,530
Mr. So Kevin Chi Heng 蘇智恒先生	1,710	78	1,788
Mr. So Chi Sun Sunny 蘇智樂先生	1,110	18	1,128
	14,543	367	14,910
2016			
Executive directors:			
Dr. So Yuk Kwan 蘇煜均博士	6,339	49	6,388
Mr. So Chi On 蘇智安先生	4,695	234	4,929
Mr. So Kevin Chi Heng (note (i)) 蘇智恒先生 (附註(i))	720	36	756
Mr. So Chi Sun Sunny (note (i)) 蘇智樂先生 (附註(i))	400	8	408
Mr. Ho Choi Yan Christopher (note (ii)) 何再恩先生 (附註(ii))	937	8	945
	13,091	335	13,426

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8. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued)

Directors' remuneration (continued)

(b) Executive directors (continued)

Notes:

- (i) Directors were appointed on 2 November 2015. The disclosed emoluments for individual director represent the emoluments received or receivable after the appointment of directorship on 2 November 2015.
- (ii) Director resigned on 31 August 2015.

There was no other arrangement under which a director waived or agreed to waive any remuneration during the year (2016: Nil).

Five highest paid employees

The five highest paid employees during the year included four (2016: three) directors, details of whose remuneration are set out above. Details of the remuneration of the remaining one highest paid employee (2016: two) (one of them was appointed as director for the year ended 31 March 2016) for the year are as follows:

Salaries, allowances and benefits in kind 薪金、津貼及實物利益

2017
二零一七年
HK\$'000
千港元

2016
二零一六年
HK\$'000
千港元

1,259

3,730

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

薪酬介乎以下組別之薪酬最高非董事僱員之人數如下：

Number of employees 僱員人數

2017
二零一七年

2016
二零一六年

Nil to HK\$1,000,000 零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000 1,000,001港元至1,500,000港元
HK\$1,500,001 to HK\$2,000,000 1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$2,500,000 2,000,001港元至2,500,000港元
HK\$2,500,001 to HK\$3,000,000 2,500,001港元至3,000,000港元

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綜合財務報表附註

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9. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

9. 所得稅

香港利得稅乃根據本年度在香港產生之估計應課稅溢利按稅率16.5%（二零一六年：16.5%）計算撥備。其他地區應課稅溢利之稅項乃按本集團經營業務所在司法權區適用之稅率計算。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current – Elsewhere	即期 – 其他地區		
Charge for the year	本年度支出	514	95
Overprovision in prior years	以往年度超額撥備	(287)	(10)
Deferred (note 28)	遞延 (附註28)	47	(1,474)
Total tax charge/(credit) for the year	本年度之稅項支出 / (抵免) 總額	274	(1,389)

A reconciliation of the tax charge/(credit) applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge/(credit) at the effective tax rate is as follows:

採用本公司及其大部分附屬公司註冊司法權區之法定稅率計算之除稅前溢利適用之稅項支出 / (抵免) 與按實際稅率計算之稅項支出 / (抵免) 之對賬如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before tax	除稅前溢利	276,396	757
Tax at the statutory tax rate of 16.5% (2016: 16.5%)	按法定稅率16.5% (二零一六年: 16.5%) 計算之稅項	45,605	125
Effect of different tax rates in other jurisdictions	其他司法權區稅率差異之影響	489	(720)
Profits and losses attributable to joint ventures and associates	合營企業及聯營公司應佔溢利及虧損	(35,905)	(27,577)
Adjustments in respect of current tax of previous periods	有關過往期間即期稅項之調整	(287)	(10)
Income not subject to tax	毋須課稅收入	(20,585)	(1,349)
Expenses not deductible for tax	不可扣稅開支	5,845	10,223
Tax losses not recognised	未確認之稅項虧損	7,413	17,367
Tax losses utilised from previous periods	動用過往期間之稅項虧損	(1,854)	-
Others	其他	(447)	552
Tax charge/(credit) for the year	本年度之稅項支出 / (抵免)	274	(1,389)

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9. INCOME TAX (continued)

The share of tax attributable to joint ventures and associates amounting to HK\$42,425,000 (2016: HK\$31,370,000) and nil (2016: HK\$910,000), respectively, is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss.

10. DIVIDEND

Proposed final dividend
– HK\$0.02 (2016: Nil) per ordinary share

建議末期股息
– 每股普通股0.02港元
(二零一六年：無)

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
----------------------------------	----------------------------------

15,459

At the Board meeting held on 26 June 2017, the Board resolved to recommend the payment of a final dividend of HK\$0.02 per share for the year ended 31 March 2017. The proposed final dividend is not reflected as dividend payable in the consolidated financial statements until it is approved by the shareholders at the forthcoming annual general meeting of the Company.

11. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to owners of the Company, and the weighted average number of ordinary shares of 772,944,419 (2016: 772,944,419) in issue during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic earnings per share amount presented for the year ended 31 March 2016 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amount presented.

9. 所得稅(續)

分佔合營企業及聯營公司之應佔稅項分別為42,425,000港元(二零一六年：31,370,000港元)及零港元(二零一六年：910,000港元)，已計入綜合損益表之「分佔合營企業及聯營公司溢利及虧損」內。

10. 股息

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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15,459

於二零一七年六月二十六日舉行之董事會會議上，董事會議決建議派發截至二零一七年三月三十一日止年度之末期股息每股0.02港元。建議末期股息待股東於本公司應屆股東週年大會上批准後，方會於綜合財務報表內反映為應付股息。

11. 本公司擁有人應佔每股盈利

每股基本盈利金額乃根據本公司擁有人應佔年內溢利及年內已發行普通股之加權平均數772,944,419股(二零一六年：772,944,419股)計算。

每股攤薄盈利金額乃根據本公司擁有人應佔年內溢利計算。用以計算之普通股加權平均數為用以計算每股基本盈利之年內已發行普通股數目，以及假設被視為行使或兌換所有具攤薄影響之潛在普通股至普通股時已無償發行之普通股加權平均數。

由於未行使購股權對所呈列之每股基本盈利金額具有反攤薄影響，故並無對截至二零一六年三月三十一日止年度呈列之每股基本盈利金額作出任何調整。

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綜合財務報表附註

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11. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (continued)

The calculation of basic and diluted earnings per share is based on:

11. 本公司擁有人應佔每股盈利(續)

每股基本及攤薄盈利乃根據以下數據計算：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Earnings	盈利		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	用以計算每股基本及攤薄盈利之本公司擁有人應佔溢利	276,122	2,147
		Number of shares 股份數目	
		2017 二零一七年	2016 二零一六年
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用以計算每股基本盈利之年內已發行普通股加權平均數	772,944,419	772,944,419
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響 – 普通股加權平均數： 購股權	27,406	–
		772,971,825	772,944,419

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12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Leasehold land and buildings (Hong Kong)*	Land and buildings (outside (Hong Kong)* 土地及樓宇 (香港以外 地區)*	Leasehold improvements	Furniture, fittings and office equipment	Motor vehicles	Plant and machinery	Total
		租賃土地及 樓宇(香港)* HK\$'000 千港元	租賃 物業裝修 HK\$'000 千港元	傢俬、裝置及 辦公室設備 HK\$'000 千港元	汽車 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	合計 HK\$'000 千港元	
31 March 2017	二零一七年三月三十一日							
At 31 March 2016 and 1 April 2016:	於二零一六年三月三十一日及 二零一六年四月一日:							
Cost	成本	39,567	11,996	7,326	7,107	11,559	–	77,555
Accumulated depreciation	累計折舊	(10,207)	(3,297)	(6,867)	(6,831)	(9,748)	–	(36,950)
Net carrying amount	賬面淨額	29,360	8,699	459	276	1,811	–	40,605
At 1 April 2016, net of accumulated depreciation	於二零一六年四月一日， 扣除累計折舊	29,360	8,699	459	276	1,811	–	40,605
Additions	添置	–	–	10	40	3,925	648	4,623
Disposals	出售	–	(2,606)	–	(15)	(646)	–	(3,267)
Depreciation provided during the year (note 6)	年內撥備之折舊(附註6)	(923)	(738)	(139)	(166)	(493)	(32)	(2,491)
Exchange realignment	匯兌調整	–	(212)	–	(7)	10	–	(209)
At 31 March 2017, net of accumulated depreciation	於二零一七年三月三十一日， 扣除累計折舊	28,437	5,143	330	128	4,607	616	39,261
At 31 March 2017:	於二零一七年三月三十一日:							
Cost	成本	39,567	8,562	6,942	6,657	13,333	648	75,709
Accumulated depreciation	累計折舊	(11,130)	(3,419)	(6,612)	(6,529)	(8,726)	(32)	(36,448)
Net carrying amount	賬面淨額	28,437	5,143	330	128	4,607	616	39,261

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12. PROPERTY, PLANT AND EQUIPMENT (continued)

12. 物業、廠房及設備 (續)

		Leasehold land and buildings (Hong Kong)*	Land and buildings (outside Hong Kong)*	Leasehold improvements	Furniture, fittings and office equipment	Motor vehicles	Total
		租賃土地及 樓宇 (香港)*	(香港以外 地區)*	租賃 物業裝修	傢私、裝置及 辦公室設備	汽車	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 March 2016	二零一六年三月三十一日						
At 1 April 2015:	於二零一五年四月一日:						
Cost	成本	39,567	11,905	7,333	7,204	12,836	78,845
Accumulated depreciation	累計折舊	(9,284)	(2,568)	(6,773)	(6,660)	(11,065)	(36,350)
Net carrying amount	賬面淨額	30,283	9,337	560	544	1,771	42,495
At 1 April 2015, net of accumulated depreciation	於二零一五年四月一日， 扣除累計折舊	30,283	9,337	560	544	1,771	42,495
Additions	添置	-	-	52	6	1,308	1,366
Disposals	出售	-	-	-	(11)	(461)	(472)
Depreciation provided during the year (note 6)	年內撥備之折舊 (附註6)	(923)	(677)	(153)	(262)	(808)	(2,823)
Exchange realignment	匯兌調整	-	39	-	(1)	1	39
At 31 March 2016, net of accumulated depreciation	於二零一六年三月三十一日， 扣除累計折舊	29,360	8,699	459	276	1,811	40,605
At 31 March 2016:	於二零一六年三月三十一日:						
Cost	成本	39,567	11,996	7,326	7,107	11,559	77,555
Accumulated depreciation	累計折舊	(10,207)	(3,297)	(6,867)	(6,831)	(9,748)	(36,950)
Net carrying amount	賬面淨額	29,360	8,699	459	276	1,811	40,605

* As the land lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

* 由於土地租賃付款無法在土地及樓宇部分間可靠地分配，因此全部租賃付款均計入土地及樓宇成本，作為物業、廠房及設備融資租賃。

The net carrying amount of the Group's property, plant and equipment held under finance leases included in the total amount of motor vehicles at 31 March 2017 was HK\$2,415,000 (2016: HK\$657,000).

於二零一七年三月三十一日，汽車之總額包括本集團根據融資租賃持有之物業、廠房及設備之賬面淨額2,415,000港元（二零一六年：657,000港元）。

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31 March 2017 二零一七年三月三十一日

13. INVESTMENT PROPERTIES

13. 投資物業

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at beginning of year	年初之賬面金額	116,762	121,891
Changes in fair value of investment properties	投資物業公平價值之變動	2,345	(5,477)
Exchange realignment	匯兌調整	(3,152)	348
Carrying amount at end of year	年終之賬面金額	115,955	116,762

The Group's investment properties consist of one residential property in Hong Kong, four office properties and several serviced apartments in Mainland China and one residential property in Singapore. The directors of the Company have determined that the investment properties consist of three classes of asset, i.e., residential properties, office properties and serviced apartments, based on the nature, characteristics and risks of each property. The Group's investment property in Hong Kong was revalued on 31 March 2017 based on valuation performed by Roma Appraisals Limited, an independent professionally qualified valuer, at HK\$6,000,000. The Group's investment properties in Shenzhen and Chengdu were revalued on 31 March 2017 based on valuations performed by Roma Appraisals Limited, independent professionally qualified valuer, at HK\$67,688,000 and HK\$23,352,000, respectively. The Group's investment property in Singapore was revalued on 31 March 2017 based on valuation performed by THEO Property Consultants Pte. Ltd., independent professionally qualified valuer, at HK\$18,915,000. Each year, the Group's chief financial officer decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's chief financial officer has discussions with the valuers on the valuation assumptions and valuation results when the valuations are performed for annual financial reporting.

本集團之投資物業包括位於香港之一項住宅物業、位於中國內地之四項辦公室物業及多套服務式公寓以及位於新加坡之一項住宅物業。本公司董事認為，按照各物業之性質、特點及風險，該等投資物業可劃分為三類資產，即住宅物業、辦公室物業及服務式公寓。本集團位於香港之投資物業由獨立專業合資格估值師羅馬國際評估有限公司進行估值，於二零一七年三月三十一日重估為6,000,000港元。本集團位於深圳及成都之投資物業由獨立專業合資格估值師羅馬國際評估有限公司進行估值，於二零一七年三月三十一日分別重估為67,688,000港元及23,352,000港元。本集團位於新加坡之投資物業由獨立專業合資格估值師THEO Property Consultants Pte. Ltd.進行估值，於二零一七年三月三十一日重估為18,915,000港元。本集團首席財務總監每年決定委任之外部估值師，負責對本集團之物業進行外部估值。甄選條件包括市場知識、聲譽、獨立性及能否維持專業標準。於就年度財務申報進行估值時，本集團首席財務總監已經與估值師討論估值假設及估值結果。

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31 March 2017 二零一七年三月三十一日

13. INVESTMENT PROPERTIES (continued)

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 34(a) to the consolidated financial statements.

At 31 March 2017, the Group's investment properties with a carrying value of HK\$67,688,000 (2016: HK\$86,250,000) were pledged to secure general banking facilities granted to the Group (note 25(i)).

Further particulars of the Group's investment properties are included on page 180.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

13. 投資物業(續)

投資物業乃根據營業租賃租予第三方，進一步概要詳情載於綜合財務報表附註34(a)。

於二零一七年三月三十一日，本集團賬面值67,688,000港元(二零一六年：86,250,000港元)之投資物業已予抵押，作為授予本集團之一般銀行信貸之擔保(附註25(i))。

有關本集團投資物業之進一步詳情載於第180頁。

公平價值等級架構

下表列示本集團投資物業之公平價值計量等級架構：

Fair value measurement as at 31 March 2017 using 於二零一七年三月三十一日之公平價值計量時使用				
	Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Recurring fair value measurement for:	下列各項之經常性 公平價值計量：			
Residential properties	住宅物業	–	24,915	24,915
Office properties	辦公室物業	–	67,688	67,688
Serviced apartments	服務式公寓	–	23,352	23,352
		–	115,955	115,955

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13. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

13. 投資物業(續)

公平價值等級架構(續)

		Fair value measurement as at 31 March 2016 using 於二零一六年三月三十一日之公平價值計量時使用			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Recurring fair value measurement for:	下列各項之經常性 公平價值計量：				
Residential properties	住宅物業	–	–	25,025	25,025
Office properties	辦公室物業	–	–	66,375	66,375
Serviced apartments	服務式公寓	–	–	25,362	25,362
		–	–	116,762	116,762

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2016: Nil).

年內，第一及第二層公平價值計量之間並無轉移，第三層亦無任何轉入或轉出（二零一六年：無）。

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13. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

13. 投資物業(續)

公平價值等級架構(續)

分類為公平價值等級架構第三層之公平價值計量對賬：

		Residential properties 住宅物業 HK\$'000 千港元	Office properties 辦公室物業 HK\$'000 千港元	Serviced apartments 服務式公寓 HK\$'000 千港元
Carrying amount at 1 April 2015	於二零一五年四月一日之 賬面金額	31,516	65,000	25,375
Net gain/(loss) from a fair value adjustment recognised in the consolidated statement of profit or loss	於綜合損益表內確認之 公平價值調整收益/ (虧損)淨額	(6,839)	1,375	(13)
Exchange realignment	匯兌調整	348	-	-
Carrying amount at 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及 二零一六年四月一日之 賬面金額	25,025	66,375	25,362
Net gain from a fair value adjustment recognised in the consolidated statement of profit or loss	於綜合損益表內確認之 公平價值調整收益淨額	569	1,313	463
Exchange realignment	匯兌調整	(679)	-	(2,473)
Carrying amount at 31 March 2017	於二零一七年三月三十一日之 賬面金額	24,915	67,688	23,352

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13. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

13. 投資物業(續)

公平價值等級架構(續)

投資物業估值所用之估值技術及主要輸入值概述如下：

	Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入值	Value/Range (weighted average) 數值/範圍(加權平均)
Residential property situated in Hong Kong 位於香港之住宅物業	Market comparison approach 市場比較法	Adjusted unit price (per square foot) 經調整單位價格(每平方呎)	HK\$11,173 (2016: HK\$9,590) 11,173港元 (二零一六年: 9,590港元)
Residential property situated in Singapore 位於新加坡之住宅物業	Market comparison approach 市場比較法	Adjusted unit price (per square meter) 經調整單位價格(每平方米)	SGD18,378 (2016: SGD18,649) 18,378坡元 (二零一六年: 18,649坡元)
Office properties situated in Mainland China 位於中國內地之辦公室物業	Market comparison approach 市場比較法	Adjusted unit price (per square meter) 經調整單位價格(每平方米)	RMB59,954 (2016: RMB53,059) 人民幣59,954元 (二零一六年: 人民幣53,059元)
Serviced apartments situated in Mainland China 位於中國內地之服務式公寓	Income approach 收入法	Estimated rental value (per square meter and per month) Term yield Reversionary yield 估計租值(每平方米及每月) 年期收益 復歸收益	RMB65 to RMB75 (2016: RMB65 to RMB94) 3.5% (2016: 3.5%) 4.0% (2016: 4.0%) 人民幣65元至人民幣75元 (二零一六年: 人民幣65元至人民幣94元) 3.5% (二零一六年: 3.5%) 4.0% (二零一六年: 4.0%)

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13. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Under the income approach, the properties are valued by taking into account the current rents passing or the hypothetical rents and the reversionary potential of the tenancies if the properties have been or would be leased to tenants.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related reletting, redevelopment or refurbishment. The appropriate duration is driven by market behaviour that is a characteristic of the class of property. The periodic cash flow is estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

A significant increase (decrease) in the estimated rental value would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the term yield and reversionary yield in isolation would result in a significant decrease (increase) in the fair value of the investment properties. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the term yield and reversionary yield.

Under the market comparison approach, the properties are valued on the market basis assuming sales in their existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets. Comparison is based on prices realised in actual transactions or asking prices of comparable properties. Appropriate adjustments are then made to account for the differences between such properties in terms of age, time, location, floor level and other relevant factors.

13. 投資物業(續)

公平價值等級架構(續)

根據收入法，倘物業已經或將會出租予租戶，物業會於計及現行租金或假定租金以及租賃復歸潛力後進行估值。

現金流期限以及流入及流出之具體時間按照租金檢討、續租及相關再放租、重建或重修等事件釐定。適當期限視物業所屬類別之市場行為特點而定。定期現金流量按總收入減空置率、不可收回開支、收回損失、租賃獎勵、維修成本、代理及佣金成本以及其他營運及管理費用估算。連串定期營運收入淨額連同預期於預測期間結束時之估計終值其後貼現。

估計租值顯著上升(下跌)將導致投資物業公平價值顯著上升(下跌)。年期收益及復歸收益個別顯著上升(下跌)則會導致投資物業公平價值顯著下跌(上升)。一般而言，估計租值假設之變動產生類似方向之年期收益及復歸收益變動。

根據市場比較法，物業按市場基準進行估值，當中假設以現況交吉出售，並參照相關市場可獲得之可資比較銷售憑證。比較以實際交易錄得之價格或可資比較物業之叫價為基礎。有關價格其後作出適當調整，以計及物業樓齡、時間、位置、樓層及其他相關因素等差異。

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14. GOODWILL

14. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year:	年初:		
Cost	成本	32,780	32,780
Accumulated impairment	累計減值	(22,297)	(22,297)
Net carrying amount	賬面淨額	10,483	10,483
At beginning of year, net of accumulated impairment	年初, 扣除累計減值	10,483	10,483
Impairment during the year (note 6)	年內減值 (附註6)	(10,483)	-
At end of year, net of accumulated impairment	年終, 扣除累計減值	-	10,483
At end of year:	年終:		
Cost	成本	32,780	32,780
Accumulated impairment	累計減值	(32,780)	(22,297)
Net carrying amount	賬面淨額	-	10,483

Impairment testing of goodwill and other intangible assets

Goodwill and other intangible assets acquired through business combination are allocated to the cash-generating unit ("CGU") of the semiconductor distribution business and the mobile application development business for impairment testing.

Semiconductor distribution business

At 31 March 2016, the recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 10.0%. The growth rate used to extrapolate the cash flows of the semiconductor distribution business beyond the five-year period is 3.5%. This growth rate is based on the relevant industry growth forecasts and the average long-term growth rate for the relevant industry.

商譽及其他無形資產減值測試

透過業務合併收購之商譽及其他無形資產已分配至半導體分銷業務及手機應用程式開發業務之現金產生單位, 以作減值測試。

半導體分銷業務

於二零一六年三月三十一日, 現金產生單位之可收回金額已根據使用價值計算法, 以高級管理層核准之五年期財務預算為基礎得出之現金流量預測釐定。現金流量預測所用之貼現率為10.0%。用以推斷五年期間後之半導體分銷業務現金流量之增長率為3.5%。該增長率乃根據相關行業增長預測及相關行業之平均長期增長率計算。

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14. GOODWILL (continued)

Impairment testing of goodwill and other intangible assets (continued)

Semiconductor distribution business (continued)

During the year ended 31 March 2017, the semiconductor distribution business related to CGU has been ceased. The directors have consequently determined to recognise an impairment loss on goodwill directly related to the semiconductor distribution business amounting to HK\$10,483,000 (2016: Nil) during the year.

Mobile application development business

The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a six-year period approved by senior management and was assessed to be nil.

The discount rate applied to the cash flow projections is 20.0%. The growth rate used to extrapolate the cash flows of the mobile application development business beyond the six-year period is nil. Nil growth rate was used to extrapolate the cash flows because management expected that the growth of the CGU will be stable after the six-year period.

The directors determined to recognise an impairment loss on other intangible assets directly related to the mobile application development business amounting to HK\$4,700,000 during the year ended 31 March 2016. The main factor contributing to the impairment was the decrease in profit forecasts of the mobile application development business estimated by the directors of the Company.

Key assumptions

Assumptions were used in the value in use calculation of the semiconductor distribution business and mobile application development business for 31 March 2017 and 31 March 2016. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased or expected efficiency improvements, and expected market development.

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant units.

The values assigned to the key assumptions on budgeted gross margins and discount rates are consistent with external information sources.

14. 商譽 (續)

商譽及其他無形資產減值測試 (續)

半導體分銷業務 (續)

於截至二零一七年三月三十一日止年度，與現金產生單位有關之半導體分銷業務已終止經營。年內，董事其後決定確認與半導體分銷業務直接有關之商譽減值虧損10,483,000港元（二零一六年：無）。

手機應用程式開發業務

現金產生單位之可收回金額已根據使用價值計算法，以高級管理層核准之六年期財務預算為基礎得出之現金流量預測釐定，並評估為無。

現金流量預測所用之貼現率為20.0%。用以推斷六年期間後之手機應用程式開發業務現金流量之增長率為零。由於管理層預期現金產生單位之增長於六年期間後將維持平穩，故推斷現金流量所用之增長率為零。

於截至二零一六年三月三十一日止年度，董事決定確認與手機應用程式開發業務直接有關之其他無形資產減值虧損4,700,000港元。導致減值之主要因素為本公司董事估計手機應用程式開發業務之溢利預測減少。

主要假設

於計算二零一七年三月三十一日及二零一六年三月三十一日半導體分銷業務及手機應用程式開發業務之使用價值時已應用假設。下文描述管理層賴以作出其現金流量預測以進行減值測試之各項主要假設：

預算毛利率 – 釐定預算毛利率獲分配價值所用之基準為緊接預算年度前一年所取得之平均毛利率、效率改進提升或預期以及預期市場發展。

貼現率 – 所用貼現率為稅前並反映有關單位之特定風險。

預算毛利率及貼現率主要假設獲分配之價值與外部資料來源一致。

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15. OTHER INTANGIBLE ASSETS

15. 其他無形資產

		Club memberships 會籍 HK\$'000 千港元	Trademarks 商標 HK\$'000 千港元	Customer relationships 客戶關係 HK\$'000 千港元	Mobile application 手機應用程式 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 March 2017	二零一七年三月三十一日					
At 31 March 2016 and 1 April 2016:	於二零一六年三月三十一日及 二零一六年四月一日:					
Cost	成本	4,799	87	24,703	9,400	38,989
Accumulated amortisation and impairment	累計攤銷及減值	(1,127)	(73)	(24,191)	(9,400)	(34,791)
Net carrying amount	賬面淨額	3,672	14	512	-	4,198
Cost at 1 April 2016, net of accumulated amortisation and impairment	於二零一六年四月一日， 按成本，扣除累計攤銷及減值	3,672	14	512	-	4,198
Additions	添置	50	-	-	-	50
Disposal	出售	(280)	-	-	-	(280)
Amortisation provided during the year (note 6)	年內撥備之攤銷(附註6)	(30)	(14)	(511)	-	(555)
Exchange realignment	匯兌調整	(1)	-	(1)	-	(2)
At 31 March 2017	於二零一七年三月三十一日	3,411	-	-	-	3,411
At 31 March 2017:	於二零一七年三月三十一日:					
Cost	成本	3,837	87	24,931	9,400	38,255
Accumulated amortisation and impairment	累計攤銷及減值	(426)	(87)	(24,931)	(9,400)	(34,844)
Net carrying amount	賬面淨額	3,411	-	-	-	3,411

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15. OTHER INTANGIBLE ASSETS (continued)

15. 其他無形資產 (續)

		Club memberships 會籍 HK\$'000 千港元	Trademarks 商標 HK\$'000 千港元	Customer relationships 客戶關係 HK\$'000 千港元	Mobile application 手機應用程式 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 March 2016	二零一六年三月三十一日					
At 1 April 2015:	於二零一五年四月一日:					
Cost	成本	4,788	87	24,940	9,400	39,215
Accumulated amortisation and impairment	累計攤銷及減值	(1,079)	(56)	(22,315)	(2,820)	(26,270)
Net carrying amount	賬面淨額	3,709	31	2,625	6,580	12,945
Cost at 1 April 2015, net of accumulated amortisation and impairment	於二零一五年四月一日，按成本，扣除累計攤銷及減值	3,709	31	2,625	6,580	12,945
Amortisation provided during the year (note 6)	年內撥備之攤銷 (附註6)	(34)	(17)	(2,046)	(1,880)	(3,977)
Impairment during the year (note 6)	年內減值 (附註6)	-	-	-	(4,700)	(4,700)
Exchange realignment	匯兌調整	(3)	-	(67)	-	(70)
At 31 March 2016	於二零一六年三月三十一日	3,672	14	512	-	4,198
At 31 March 2016:	於二零一六年三月三十一日:					
Cost	成本	4,799	87	24,703	9,400	38,989
Accumulated amortisation and impairment	累計攤銷及減值	(1,127)	(73)	(24,191)	(9,400)	(34,791)
Net carrying amount	賬面淨額	3,672	14	512	-	4,198

The Group recognised an impairment of mobile application of HK\$4,700,000 for the mobile application development business for the year ended 31 March 2016 because of the decline in operating performance. Details of the impairment testing are detailed in note 14 to the consolidated financial statements.

於截至二零一六年三月三十一日止年度，因營運表現下滑，本集團就手機應用程式開發業務確認手機應用程式之減值4,700,000港元。減值測試之詳情載於綜合財務報表附註14。

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16. INVESTMENTS IN JOINT VENTURES

16. 於合營企業之投資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of net assets	分佔資產淨值	455,770	357,287
Financial guarantees provided (note 27)	提供財務擔保(附註27)	14,551	12,866
		470,321	370,153

Particulars of the material joint venture are as follows:

重大合營企業詳情如下：

Name	Issued shares capital	Place of incorporation and business 註冊成立及營業地點	Percentage of 百分比				Principal activities
			Ownership interest	Voting power	Profit sharing		
名稱	已發行股本		擁有權益	投票權	分佔溢利	主要業務	
AVP Electronics Limited*	120,000,000 ordinary shares	Hong Kong	75	50	75	Trading of electronic components	
同憶有限公司*	120,000,000 股普通股	香港				買賣電子元件	

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

* 並非由香港安永會計師事務所或其他安永國際成員事務所審核

The above joint venture has a financial year end of 31 December. The consolidated financial statements are adjusted for the material transactions between 1 January and 31 March.

上述合營企業之財政年度結算日為十二月三十一日。綜合財務報表已就一月一日至三月三十一日之重大交易作出調整。

AVP Electronics Limited and its subsidiaries (collectively, "AVPEL Group"), which are considered a material group of joint ventures of the Group, are accounted for using the equity method.

同憶有限公司及其附屬公司(統稱「同憶集團」)被視為本集團之重大合營企業集團，乃按權益法入賬。

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16. INVESTMENTS IN JOINT VENTURES (continued)

The following table illustrates the summarised financial information of AVPEL Group adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

16. 於合營企業之投資(續)

下表列示同憶集團之財務資料概要(已就任何會計政策差異作出調整)以及與綜合財務報表內賬面金額之對賬:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash and cash equivalents	現金及等同現金項目	517,346	354,906
Other current assets	其他流動資產	3,104,151	2,607,949
Current assets	流動資產	3,621,497	2,962,855
Non-current assets	非流動資產	26,346	27,076
Financial liabilities, excluding trade and other payables	金融負債 (不包括應付貿易賬款及 其他應付款項)	(2,172,252)	(2,378,972)
Other current liabilities	其他流動負債	(867,756)	(129,525)
Current liabilities	流動負債	(3,040,008)	(2,508,497)
Non-current liabilities	非流動負債	(142)	(142)
Non-controlling interests	非控股權益	-	(4,910)
Net assets attributable to owners of AVP Electronics Limited	同憶有限公司擁有人應佔資產淨值	607,693	476,382
Reconciliation to the Group's interests in the joint ventures:	與本集團於合營企業之 權益對賬:		
Proportion of the Group's ownership	本集團擁有權比例	75%	75%
Group's share of net assets attributable to owners of AVP Electronics Limited	本集團分佔同憶有限公司擁有人 應佔資產淨值	455,770	357,287
Financial guarantees provided	提供財務擔保	14,551	12,866
Carrying amount of the investments	投資賬面金額	470,321	370,153
Revenue	收益	20,039,162	15,357,236
Interest income	利息收入	68	68
Depreciation	折舊	(1,539)	(1,542)
Interest expenses	利息費用	(68,434)	(44,930)
Tax	稅項	(56,567)	(41,826)
Profit for the year	年內溢利	286,563	212,868
Other comprehensive income for the year	年內其他全面收入	329	2
Total comprehensive income for the year	年內全面收入總額	286,892	212,870
Dividends received	已收股息	155,000	-

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17. INVESTMENTS IN ASSOCIATES

17. 於聯營公司之投資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of net assets	分佔資產淨值	1,546	22,439
Due from associates	應收聯營公司款項	760	12,157
		2,306	34,596
Less: Current portion	減：流動部分	(760)	(12,157)
Non-current portion	非流動部分	1,546	22,439

The balances due from associates are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of the balances due from associates approximate to their fair values.

During the year 31 March 2017, an impairment loss of HK\$6,373,000 (2016: Nil) was recognised for amount due from an associate because the associate has been making losses and the amount was not expected to be recovered.

All associates have a financial year end of 31 March, which is coterminous with that of the Group, except for Me2on Co., Ltd. ("Me2on") which is an associate of the Group incorporated in Korea and has a financial year end of 31 December. The Group's consolidated financial statements are adjusted for the material transactions of Me2on between 1 January and 31 March.

During the year ended 31 March 2017, the Group's equity interest in an associate, Me2on, has been diluted and the Group no longer had significant influence over it. As such, the Group's investment in Me2on was reclassified from investments in associates to available-for-sale investments, and the Group ceased to account for Me2on using the equity method. The reclassification was accounted for as disposal of the entire interest in Me2on and re-acquisition of the retained interest at its fair value. As a result, a net gain on deemed disposal of an associate of HK\$90,735,000 (2016: Nil) was recognised in the profit or loss for the current year.

The Group has discontinued the recognition of its share of losses of certain associates, namely Xocial Limited and Signeo Venture Limited because the share of losses of associates exceeded the Group's interests in these associates and the Group has no obligation to take up further losses. The amounts of the Group's unrecognised share of losses of these associates for the current year and cumulatively were nil (2016: HK\$1,271,000) and HK\$3,109,000 (2016: HK\$3,109,000), respectively.

應收聯營公司款項之結餘為無抵押、不計息及無固定還款期。應收聯營公司款項之結餘之賬面金額與其公平價值相若。

於截至二零一七年三月三十一日止年度，就應收一間聯營公司款項確認減值虧損6,373,000港元（二零一六年：無），原因為該聯營公司錄得虧損，而該等應收款項預期無法收回。

所有聯營公司之財政年度年結日均為三月三十一日，與本集團相符，惟本公司於韓國註冊成立之聯營公司Me2on Co., Ltd.（「Me2on」）之財政年度年結日為十二月三十一日。本集團之綜合財務報表已就Me2on於一月一日至三月三十一日期間之重大交易作出調整。

於截至二零一七年三月三十一日止年度，本集團於聯營公司Me2on之股本權益被攤薄，本集團不再對其行使重大影響力。因此，本集團於Me2on之投資由於聯營公司之投資重新分類為可供出售投資，且本集團不再使用權益法將Me2on入賬。該項重新分類以出售Me2on全部股本權益並按公平價值再收購保留權益之方式入賬。因此，視作出售一間聯營公司之收益淨額約為90,735,000港元（二零一六年：無），已於年內損益中確認。

由於分佔若干聯營公司（即Xocial Limited及Signeo Venture Limited）之虧損超過本集團於該等聯營公司之權益，且本集團並無義務承擔進一步虧損，故本集團已終止確認其分佔該等聯營公司之虧損。本集團於本年度未確認分佔聯營公司虧損之金額以及累計金額分別為零（二零一六年：1,271,000港元）及3,109,000港元（二零一六年：3,109,000港元）。

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17. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of the associates' profit for the year	分佔聯營公司年內溢利	3,118	8,771
Share of the associates' total comprehensive income	分佔聯營公司全面收入總額	3,275	8,917
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司之投資賬面總額	1,546	22,439

17. 於聯營公司之投資(續)

下表列示本集團個別並不重大之聯營公司之財務資料總覽：

18. AVAILABLE-FOR-SALE INVESTMENTS

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted equity investments, at cost (note a)	非上市股本投資，按成本（附註a）	3,893	3,893
Listed equity investment, at fair value (note b)	上市股本投資，按公平價值（附註b）	261,303	-
Key management insurance contracts, at fair value (note c)	主要管理人員保險合約，按公平價值（附註c）	21,627	20,891
Convertible promissory note, at cost (note d)	可換股承兌票據，按成本（附註d）	15,540	15,540
Impairment (notes a and d)	減值（附註a及d）	(19,433)	(19,433)
		282,930	20,891
Analysed for reporting purpose as:	就申報分類為：		
Current assets	流動資產	261,303	-
Non-current assets	非流動資產	21,627	20,891
		282,930	20,891

The above investments consist of investments in unlisted equity investments, listed equity investment, key management insurance contracts and convertible promissory note, which were designated as available-for-sale investments and have no fixed maturity date or coupon rate.

上述投資包括列作指定為可供出售投資之非上市股本投資、上市股本投資、主要管理人員保險合約及可換股承兌票據，概無固定到期日或票面息率。

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18. AVAILABLE-FOR-SALE INVESTMENTS (continued)

During the year, the gross profit in respect of the Group's available-for-sale investments recognised in other comprehensive income amounted to HK\$148,030,000 (2016: gross loss of HK\$30,817,000).

Notes:

- (a) As at 31 March 2017, certain unlisted equity investments with a carrying amount of HK\$3,893,000 (2016: HK\$3,893,000) were stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair values cannot be measured reliably. The Group does not intend to dispose of them in the near future.

At the end of the reporting period, a full provision for impairment of HK\$3,893,000 (2016: HK\$3,893,000) was made for available-for-sale investments with an original carrying value (before impairment) of HK\$3,893,000 (2016: HK\$3,893,000) because they have been making loss for years and had deficiency in assets at the end of the reporting period.

- (b) As disclosed in note 17 to the consolidated financial statements, the investment in Me2on is reclassified from investments in associates to available-for-sale investments measured at fair value. During the year, the gross gain in respect of the Group's equity investment at fair value recognised in other comprehensive income amounted to HK\$147,294,000. The market value of the Group's listed equity investment at the date of approval of the consolidated financial statement was approximately HK\$290,956,000.

- (c) As at 31 March 2017, the insurance contracts represented life insurance plans with investment elements relating to two key management personnels of the Group. The total sum insured is US\$15,800,000 (approximately HK\$122,800,000) (2016: US\$15,800,000 (approximately HK\$122,800,000)) with an annual minimum guaranteed return of 2% (2016: 2%).

As at 31 March 2017, if the Group withdrew from the insurance contracts, the accounts value, net of surrender charges of US\$386,848 (approximately HK\$3,006,000) (2016: US\$396,973 (approximately HK\$3,084,000)), would be refunded to the Group. The amount of the surrender charges decreases over time and is no longer required from the 19th year of contract conclusion onwards.

At 31 March 2016, a key management insurance contract of HK\$6,745,000 classified as an available-for-sale investment was pledged as security for certain of the Group's interest-bearing bank borrowings (note 25(iii)). The bank borrowings was repaid during the year ended 31 March 2017 and no available-for-sale investment was pledged at 31 March 2017.

- (d) The Group held a convertible promissory note with a principal amount of US\$2,000,000 (equivalent to HK\$15,540,000) (the "PN") which was issued by a private company.

The PN is unlisted, interest-bearing at 8% per annum and issued for a maturity term of 6 months from 26 November 2014 to 25 May 2015 which is indefinitely extendible for another 6 months at the issuer's discretion. The Group has the right to convert the PN into 49% of equity interest of the private company.

The PN was designated as an available-for-sale investment which was stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that its fair value cannot be measured reliably. The Group does not intend to dispose of it in the near future.

At the end of the reporting period, a full provision for impairment of HK\$15,540,000 (2016: HK\$15,540,000) was made for the PN as in the opinion of the directors, the PN is not expected to be recovered.

18. 可供出售投資 (續)

年內，有關本集團於其他全面收入內確認之可供出售投資之毛利為148,030,000港元（二零一六年：總虧損30,817,000港元）。

附註：

- (a) 於二零一七年三月三十一日，賬面金額為3,893,000港元（二零一六年：3,893,000港元）之若干非上市股本投資乃按成本扣除減值列賬，原因在於合理公平價值估計之範圍頗大，董事認為其公平價值不能可靠地計量。本集團無意於不久將來出售該等投資。

於報告期間結束時，由於原賬面值（減值前）為3,893,000港元（二零一六年：3,893,000港元）之可供出售投資多年來錄得虧損及於報告期間結束時有資產虧蝕，故已就該等可供出售投資作出全數減值撥備3,893,000港元（二零一六年：3,893,000港元）。

- (b) 誠如綜合財務報表附註17所披露，於Me2on之投資已從於聯營公司之投資重新分類為按公平值計量之可供出售投資。年內，本集團就按公平價值列賬之股本投資於其他全面收入內確認之總收益為147,294,000港元。於批准本綜合財務報表當日，本集團之上市股本投資之市值約為290,956,000港元。

- (c) 於二零一七年三月三十一日，保險合約為有關本集團兩名主要管理人員附帶投資成份之人壽保險計劃。保險總額為15,800,000美元（約122,800,000港元）（二零一六年：15,800,000美元（約122,800,000港元）），年度最低保證回報為2%（二零一六年：2%）。

於二零一七年三月三十一日，倘本集團撤保，則賬戶價值（扣除退保手續費386,848美元（約3,006,000港元））（二零一六年：396,973美元（約3,084,000港元））將會退還予本集團。退保手續費會隨時間而減少，自訂立合約第19年起不會再收取。

於二零一六年三月三十一日，歸入可供出售投資類別、價值6,745,000港元之主要管理人員保險合約已予抵押，作為本集團若干附息銀行借款之擔保（附註25(iii)）。銀行借款已於截至二零一七年三月三十一日止年度償還，而於二零一七年三月三十一日並無抵押任何可供出售投資。

- (d) 本集團持有由一間私人公司發行本金額為2,000,000美元（相當於15,540,000港元）之可換股承兌票據（「可換股承兌票據」）。

可換股承兌票據乃非上市，每年按8厘計息及按於二零一四年十一月二十六日至二零一五年五月二十五日止6個月到期期間（可由發行人不斷酌情再延長6個月）發行。本集團有權將可換股承兌票據兌換為該私人公司之49%股本權益。

可換股承兌票據乃指定為按成本扣除減值列賬之可供出售投資，原因在於合理公平價值估計之範圍頗大，董事認為其公平價值不能可靠地計量。本集團無意於不久將來出售該等投資。

於報告期間結束時，由於董事認為預期不能收回可換股承兌票據，故已就可換股承兌票據作出全數減值撥備15,540,000港元（二零一六年：15,540,000港元）。

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綜合財務報表附註

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19. INVENTORIES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finished goods	製成品	78,266	69,259

19. 存貨

20. TRADE RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	應收貿易賬款	55,707	70,466
Impairment	減值	(6,348)	(6,472)
		49,359	63,994

20. 應收貿易賬款

The Group's trading terms with customers vary with the type of products supplied. Invoices are normally payable within 30 days of issuance, except for well-established customers, where the terms are extended to over 60 days. For customer-specific and highly specialised items, deposits in advance or letters of credit may be required prior to the acceptance and delivery of the products. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. A credit committee consisting of senior management and the directors of the Company has been established to review and approve large customer credits. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest-bearing. The carrying amounts of the trade receivables approximate to their fair values.

本集團與客戶訂立之交易條款視乎供應之產品類別而有所不同。賬款通常須於發票發出後30日內支付，惟已建立長久業務關係之客戶之賬期則可延至超過60日。有關客戶特別指定及極為專門之項目，在接納訂單及交付產品之前可能須預付按金或開立信用證。每名客戶均設定信貸上限。本集團致力對其未收回應收款項實施嚴格控制，並制定信貸管制政策，以盡量減低信貸風險。由本公司之高級管理層及董事組成之信貸委員會已告成立，以審閱及批核客戶大額信貸。鑑於上文所述，以及本集團之應收貿易賬款與為數眾多且分散之客戶有關，因此並無重大集中信貸風險。本集團並未就該等結餘持有任何抵押品或其他信貸提升物。應收貿易賬款不計利息。應收貿易賬款之賬面金額與其公平價值相若。

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20. TRADE RECEIVABLES (continued)

An aged analysis of the trade receivables as at the end of the reporting period, based on the payment due date, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current	即期	22,678	52,288
1 to 30 days	1至30日	20,148	3,896
31 to 60 days	31至60日	2,149	432
Over 60 days	超過60日	10,732	13,850
		55,707	70,466

The movements in provision for impairment of trade receivables are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	年初	6,472	5,316
Impairment losses recognised (note 6)	已確認之減值虧損(附註6)	1,914	3,093
Amounts written off as uncollectible	作為不可收回款項撇銷	(2,074)	(1,895)
Exchange realignment	匯兌調整	36	(42)
At end of year	年終	6,348	6,472

The above provision is for individually impaired trade receivables, with a carrying amount before provision of HK\$6,348,000 (2016: HK\$6,472,000), which related to customers that were in financial difficulties and the receivables are not expected to be recovered.

20. 應收貿易賬款(續)

根據付款到期日，於報告期間結束時之應收貿易賬款之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current	即期	22,678	52,288
1 to 30 days	1至30日	20,148	3,896
31 to 60 days	31至60日	2,149	432
Over 60 days	超過60日	10,732	13,850
		55,707	70,466

應收貿易賬款之減值撥備變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	年初	6,472	5,316
Impairment losses recognised (note 6)	已確認之減值虧損(附註6)	1,914	3,093
Amounts written off as uncollectible	作為不可收回款項撇銷	(2,074)	(1,895)
Exchange realignment	匯兌調整	36	(42)
At end of year	年終	6,348	6,472

上述撥備乃就賬面金額(扣除撥備前)為6,348,000港元(二零一六年:6,472,000港元)之已個別減值應收貿易賬款而作出，該等應收貿易賬款與出現財政困難之客戶有關，預期不可收回。

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20. TRADE RECEIVABLES (continued)

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	未逾期及並無減值	22,678	52,288
Less than 1 month past due	逾期少於1個月	20,148	3,896
1 to 3 months past due	逾期1至3個月	2,149	278
Over 3 months past due	逾期超過3個月	4,384	7,532
		49,359	63,994

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepayments	預付款項	1,520	1,583
Deposits and other receivables	按金及其他應收款項	20,216	9,047
		21,736	10,630
Portion classified as non-current:	分類為非流動之部分：		
Other deposits	其他按金	(42)	(466)
Current portion	流動部分	21,694	10,164

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default. The carrying amounts of deposits and other receivables approximate to their fair values.

20. 應收貿易賬款(續)

被視為並無個別或共同減值之應收貿易賬款之賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
未逾期及並無減值之應收款項	22,678	52,288
逾期少於1個月	20,148	3,896
逾期1至3個月	2,149	278
逾期超過3個月	4,384	7,532
	49,359	63,994

未逾期及並無減值之應收款項與為數眾多且分散之客戶有關，彼等近期並無拖欠記錄。

已逾期但並無減值之應收款項與若干在本集團具有良好還款記錄之獨立客戶有關。根據以往經驗，本公司董事認為毋須就該等結餘作出減值撥備，原因是信貸質素並無重大轉變，且該等結餘仍被視為可悉數收回。

21. 預付款項、按金及其他應收款項

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
預付款項	1,520	1,583
按金及其他應收款項	20,216	9,047
	21,736	10,630
分類為非流動之部分：		
其他按金	(42)	(466)
流動部分	21,694	10,164

上述資產概無逾期或減值。上述結餘包括之金融資產與近期並無拖欠記錄之應收款項有關。按金及其他應收款項之賬面金額與其公平價值相若。

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22. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 透過損益按公平價值列賬之股本投資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investment in an associate (Note a)	於一間聯營公司之投資 (附註a)	-	55,559
Investment in a joint venture (Note b)	於一間合營企業之投資 (附註b)	30,000	-
Investment in convertible bonds (Note c)	於可換股債券之投資 (附註c)	56,631	-
Listed equity investments, at market value	上市股本投資, 按市值	15,424	12,427
Equity linked debt securities, at market value	股票掛鈎債務證券, 按市值	-	5,008
		102,055	72,994

The above equity investments with a carrying amount of HK\$4,495,000 (2016: HK\$17,435,000) at 31 March 2017 were classified as held for trading.

Notes:

(a) At the end of the reporting period, the Group held a 2.71% (2016: 14.24%) equity interest in IE Limited ("IEL"). The investment in IEL was previously classified as an investment in an associate as Mr. So Chi On, a director of the Company, was also the director, the chairman and co-representative of IEL. Due to significant decrease in equity interest in IEL from 14.24% to 2.71%, the Group lost significant influence over the financial and operating policies of IEL in the current year. Therefore, the listed equity investment in IEL of HK\$10,929,000 was reclassified as and included in listed equity investment at fair value as at 31 March 2017.

(b) On 21 December 2016, a wholly-owned subsidiary of the Company entered into a sales and purchase agreement with an independent third party to acquire 50% equity interest in the shares of J-Tex Holdings Limited ("J-Tex") at a consideration of HK\$30,000,000. The acquisition was completed in February 2017. The investment in J-Tex was classified as an investment in a joint venture as the Group exercises joint control over the financial and operating policies of J-Tex.

As this joint venture is held as part of venture capital organisation's investment portfolio, it is carried in the consolidated statement of financial position at fair value. This treatment is permitted by HKAS 28 (2011) "Investments in Associates and Joint Ventures" which requires investments held by venture capital organisations to be excluded from its scope where those investments are designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with HKAS 39, with changes in fair value recognised in the consolidated statement of profit or loss in the period of change.

(c) On 8 June 2016 and 3 November 2016, the Group has subscribed the convertible bonds issued by IEL with aggregate principals of approximately HK\$19,425,000 and HK\$38,850,000, respectively. The bonds are interest-bearing at a fixed rate of 4% per annum and repayable within two years since their respective issuance dates, which can be convertible into common shares of IEL, at exercise prices of KRW500 and KRW819 per share, respectively, at any time after one year from their respective issuance dates.

於二零一七年三月三十一日, 上述賬面金額為4,495,000港元(二零一六年: 17,435,000港元)之股本投資乃分類為持作買賣。

附註:

(a) 於報告期間結束時, 本集團持有IE Limited (「IEL」) 之2.71% (二零一六年: 14.24%) 股本權益。由於本公司董事蘇智安先生亦為IEL之董事、主席兼聯席代表, 故於IEL之投資先前分類為於一間聯營公司之投資。鑑於於IEL之股本權益由14.24%大幅減少至2.71%, 本集團在本年度失去對IEL之財務及營運政策之重大影響力。因此, 於IEL之上市股本投資10,929,000港元已於二零一七年三月三十一日獲重新分類為並計入按公平價值計算之上市股本投資。

(b) 於二零一六年十二月二十一日, 本公司一間全資附屬公司與一名獨立第三方訂立買賣協議, 以收購捷紡(控股)有限公司(「捷紡」)股份之50%股本權益, 代價為30,000,000港元。收購已於二零一七年二月完成。由於本集團對捷紡之財務及營運政策行使共同控制權, 故於捷紡之投資分類為於一間合營企業之投資。

由於該合營企業乃作為創投組織之投資組合一部分持有, 故於綜合財務狀況表內按公平價值列賬。此處理方式獲香港會計準則第28號(二零一一年)「於聯營公司及合營企業之投資」允許, 該準則規定倘由創投組織持有之投資於初始確認時已指定為透過損益按公平價值列賬, 並按照香港會計準則第39號入賬, 而其公平價值變動於產生變動期內之綜合損益表確認, 則將該等投資剔出其適用範圍。

(c) 於二零一六年六月八日及二零一六年十一月三日, 本集團認購由IEL發行本金總額分別約為19,425,000港元及38,850,000港元之可換股債券。該等債券按固定年利率4厘計息, 須於由各自發行日期起計兩年內償還, 並可於由各自發行日期起計一年後之任何時間分別按行使價每股500韓圓及819韓圓轉換為IEL之普通股。

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23. CASH AND CASH EQUIVALENTS AND TIME DEPOSITS

23. 現金及等同現金項目及定期存款

		2017 二零一七年	2016 二零一六年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
Cash and bank balances	現金及銀行結存	111,174	52,691
Non-pledged time deposits	無抵押定期存款	3,193	-
Deposits with other financial institutions	於其他金融機構之存款	426	17,141
Less: Pledged time deposits	減：有抵押定期存款		
Pledged for interest-bearing bank borrowings	就附息銀行借款作出抵押	-	(269)
	25(ii)		
		114,793	69,563
Less: Non-pledged time deposits with original maturity of more than twelve months when acquired	減：於獲得時原到期日超過十二個月之無抵押定期存款	(3,193)	-
Cash and cash equivalents	現金及等同現金項目	111,600	69,563

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$4,183,000 (2016: HK\$6,207,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The balances are deposited with creditworthy banks and other financial institutions with no recent history of default.

於報告期間結束時，本集團以人民幣計值之現金及銀行結存約為4,183,000港元（二零一六年：6,207,000港元）。人民幣不可自由兌換為其他貨幣，然而，根據中國內地之外匯管理條例及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

存放於銀行之現金根據銀行之每日存款利率，按浮動利率賺取利息。短期定期存款介乎一日至三個月不等，乃視乎本集團之即時現金需要而定，並按各自之短期定期存款利率賺取利息。結存乃存放於信譽良好之銀行及近期並無拖欠記錄之其他金融機構。

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24. TRADE PAYABLES, DEPOSITS RECEIVED AND ACCRUED EXPENSES

24. 應付貿易賬款、已收按金及應計費用

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	應付貿易賬款	25,920	37,644
Deposits received	已收按金	16,338	10,897
Accrued expenses	應計費用	13,258	14,111
		55,516	62,652

An aged analysis of the trade payables as at the end of the reporting period, based on the payment due date, is as follows:

根據付款到期日，於報告期間結束時之應付貿易賬款之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables:	應付貿易賬款：		
Current	即期	22,581	29,110
1 to 30 days	1至30日	707	6,381
31 to 60 days	31至60日	255	-
Over 60 days	超過60日	2,377	2,153
		25,920	37,644

The trade payables are non-interest-bearing and are normally settled between 30 and 90 days. The carrying amounts of the trade payables approximate to their fair values.

應付貿易賬款乃不計息，一般於30至90日內結算。應付貿易賬款之賬面金額與其公平價值相若。

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25. INTEREST-BEARING BANK BORROWINGS

25. 付息銀行借款

		2017 二零一七年		2016 二零一六年			
		Effective annual interest rate 實際年利率	Maturity 到期日	Effective annual interest rate 實際年利率	Maturity 到期日	HK\$'000 千港元	HK\$'000 千港元
Current	流動						
Import and trust receipt loans – unsecured	進口及信託收據貸款—無抵押	2.20% – 2.87% 2.20%至2.87%	2017 二零一七年	1.80% – 2.40% 1.80%至2.40%	2016 二零一六年	63,273	31,475
Bank loans – secured	銀行貸款—有抵押	2.35% – 2.82% 2.35%至2.82%	2017 二零一七年	1.68% – 4.66% 1.68%至4.66%	2016 二零一六年	52,800	96,005
						116,073	127,480
Non-current	非流動						
Bank loans – secured	銀行貸款—有抵押	N/A 不適用	N/A 不適用	4.98%	2017-2027 二零一七年至 二零二七年	-	8,826
						116,073	136,306
						2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed into:	分析為：						
Bank loans repayable:	於下列期間須償還之銀行貸款：						
Within one year or on demand	一年內或按要求					116,073	127,480
In the second year	第二年內					-	637
In the third to fifth years, inclusive	第三至第五年 (首尾兩年包括在內)					-	2,145
Over five years	超過五年					-	6,044
Total	合計					116,073	136,306

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25. INTEREST-BEARING BANK BORROWINGS (continued)

Except for certain bank loans which bore interest at rates ranging from 2.87% to 4.66% per annum as at 31 March 2016, all the Group's bank borrowings bore interest at floating rates at the end of the reporting period. The carrying amounts of the Group's interest-bearing bank borrowings approximate to their fair values.

At the end of the reporting period, certain of the Group's bank loans are secured by:

- (i) mortgages over the Group's investment properties, which had an aggregate carrying value at the end of the reporting period of HK\$67,688,000 (2016: HK\$86,250,000) (note 13);
- (ii) pledge of certain of the Group's time deposits amounting to nil (2016: HK\$269,000) (note 23); and
- (iii) pledge of an available-for-sales investment amounting to nil (2016: HK\$6,745,000) (note 18(c)).

26. FINANCE LEASE PAYABLES

The Group leases certain of its motor vehicles for the Group's marketing and distribution business. These leases are classified as finance leases and have remaining lease terms ranging from one to five years.

25. 附息銀行借款 (續)

除於二零一六年三月三十一日按年利率介乎2.87%至4.66%計息之若干銀行貸款外，於報告期間結束時，本集團之所有銀行借款乃按浮動利率計息。本集團之附息銀行借款之賬面金額與其公平價值相若。

於報告期間結束時，本集團若干銀行貸款以以下方式作抵押：

- (i) 本集團之投資物業按揭，其於報告期間結束時之賬面總值為67,688,000港元（二零一六年：86,250,000港元）（附註13）；
- (ii) 抵押本集團金額為零港元（二零一六年：269,000港元）之若干定期存款（附註23）；及
- (iii) 抵押金額為零港元（二零一六年：6,745,000港元）之可供出售投資（附註18(c)）。

26. 應付融資租賃款項

本集團就其市場推廣及分銷業務租用若干汽車。該等租賃獲分類為融資租賃，餘下租賃年期介乎一至五年。

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26. FINANCE LEASE PAYABLES (continued)

At 31 March 2017, the total future minimum lease payments under finance leases and their present values are as follows:

		Minimum lease payments 2017 最低租賃款項 二零一七年 HK\$'000 千港元	Minimum lease payments 2016 最低租賃款項 二零一六年 HK\$'000 千港元	Present value of minimum lease payments 2017 最低租賃款項之現值 二零一七年 HK\$'000 千港元	Present value of minimum lease payments 2016 最低租賃款項之現值 二零一六年 HK\$'000 千港元
Amounts payable:	於下列期間應付之款項：				
Within one year	一年內	805	325	694	287
In the second year	第二年內	671	278	607	250
In the third to fifth years, inclusive	第三至第五年 (首尾兩年包括在內)	1,073	374	1,033	360
Total minimum finance lease payments	最低融資租賃款項總額	2,549	977	2,334	897
Future finance charges	未來融資費用	(215)	(80)		
Total net finance lease payables	應付融資租賃款項淨額總額	2,334	897		
Portion classified as current liabilities	分類為流動負債之部分	(694)	(287)		
Non-current portion	非流動部分	1,640	610		

The carrying amounts of the Group's finance lease payables approximate to their fair values.

26. 應付融資租賃款項(續)

於二零一七年三月三十一日，根據融資租賃之未來最低租賃款項總額及其現值如下：

本集團應付融資租賃款項之賬面金額與其公平價值相若。

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27. FINANCIAL GUARANTEE OBLIGATION

During the year, the Group has provided financial guarantees to joint ventures in relation to the bank lending facilities granted to those joint ventures, and the Group will make payments to reimburse the lenders upon failure of the guaranteed entity to make payments when due.

As at 31 March 2017, the carrying amount of financial guarantee obligation of the Group was HK\$14,551,000 (2016: HK\$12,866,000), based on the valuation from an independent professionally qualified valuer engaged by the Group, less cumulative amortisation. The method used in determining the fair value of these guarantees was by reference to the recovery rate and key financial ratio of the guaranteed entity.

28. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the year are as follows:

27. 財務擔保責任

年內，本集團就合營企業獲授之銀行貸款信貸向該等合營企業提供財務擔保，倘受擔保之實體在到期時未能還款，本集團將向貸方償付貸款。

於二零一七年三月三十一日，根據本集團委聘之獨立專業合資格估值師之估值減累計攤銷計算，本集團財務擔保責任之賬面金額為14,551,000港元（二零一六年：12,866,000港元）。用於釐定此等擔保公平價值之方法乃參考受擔保之實體之回收率及主要財務比率作出。

28. 遞延稅項負債

年內，遞延稅項負債之變動如下：

		Depreciation allowance in excess of depreciation 超過折舊之折舊撥備 HK\$'000 千港元	Revaluation of properties 物業重估 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	1,963	13,582	15,545
Deferred tax charged/(credited) to the consolidated statement of profit or loss during the year (note 9)	年內扣除自／（計入）綜合損益表之遞延稅項（附註9）	(1,815)	341	(1,474)
Exchange realignment	匯兌調整	(25)	-	(25)
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及二零一六年四月一日	123	13,923	14,046
Deferred tax charged/(credited) to the consolidated statement of profit or loss during the year (note 9)	年內扣除自／（計入）綜合損益表之遞延稅項（附註9）	(123)	170	47
Exchange realignment	匯兌調整	-	16	16
At 31 March 2017	於二零一七年三月三十一日	-	14,109	14,109

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28. DEFERRED TAX LIABILITIES (continued)

The Group has estimated tax losses arising in Hong Kong of HK\$332,976,000 (2016: HK\$285,546,000) that are available indefinitely for offsetting against future taxable profits of the companies in which losses arose. The Group also has unrecognised tax losses arising elsewhere of HK\$15,076,000 (2016: HK\$32,607,000) that will expire during 2017 to 2022 (2016: 2016 to 2021) for offsetting against future taxable profits. Deferred tax assets in respect of these losses have not been recognised as they have arisen in subsidiaries that have been loss-making for some time and, in the opinion of the directors, it is not considered probable that sufficient future taxable profits will be available against which the tax losses can be utilised.

At 31 March 2017, there was no significant unrecognised deferred tax liability (2016: Nil) for taxes that would be payable on the unremitted earnings of the Group's subsidiaries, associates or joint ventures.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

29. SHARE CAPITAL

Shares

Authorised:	法定:		
2,000,000,000 (2016: 2,000,000,000)	2,000,000,000股		
ordinary shares of HK\$0.10 each	(二零一六年: 2,000,000,000股)		
	每股面值0.10港元之普通股	200,000	200,000
Issued and fully paid:	已發行及繳足:		
772,944,419 (2016: 772,944,419)	772,944,419股		
ordinary shares of HK\$0.10 each	(二零一六年: 772,944,419股)		
	每股面值0.10港元之普通股	77,294	77,294

There is no movement in share capital during the years ended 31 March 2016 and 2017.

28. 遞延稅項負債(續)

本集團於香港產生之估計稅項虧損為332,976,000港元(二零一六年: 285,546,000港元), 可無限期用作抵銷錄得虧損之公司之未來應課稅溢利。本集團於其他地方產生之未確認稅項虧損為15,076,000港元(二零一六年: 32,607,000港元), 將於二零一七年至二零二二年(二零一六年: 二零一六年至二零二一年)到期, 可用作抵銷未來應課稅溢利。並無就該等虧損確認遞延稅項資產, 因該等虧損乃由已錄得虧損一段時間之附屬公司產生, 董事並不認為將可能有充足之未來應課稅溢利以供稅項虧損抵銷。

於二零一七年三月三十一日, 就本集團之附屬公司、聯營公司或合營企業未匯出盈利之應付稅項而言, 並無重大未確認遞延稅項負債(二零一六年: 無)。

本公司不會因向其股東派付股息而產生所得稅。

29. 股本

股份

2017	2016
二零一七年	二零一六年
HK\$'000	HK\$'000
千港元	千港元

股本於截至二零一六年及二零一七年三月三十一日止年度並無變動。

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29. SHARE CAPITAL (continued)

Share options

Details of the share option schemes of the Company and one of its subsidiaries and the share options issued under these schemes are included in note 30 to the consolidated financial statements.

30. SHARE OPTION SCHEMES

Share option scheme adopted by the Company

The Company operates a share option scheme (the “AV Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the AV Scheme include the Company’s directors, including the independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity that provides research, development or technological support to the Group, any non-controlling interests in the Company’s subsidiaries, any advisor or consultant to any area of business or business development to the Group and any other group or class of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangements to the Group. The AV Scheme became effective on 3 August 2012 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

29. 股本(續)

購股權

本公司及其其中一間附屬公司購股權計劃及根據該等計劃發行之購股權詳情載於綜合財務報表附註30。

30. 購股權計劃

本公司採納之購股權計劃

本公司設立一項購股權計劃(「AV計劃」),旨在向對本集團之成功營運作出貢獻之合資格參與者提供獎勵及回報。AV計劃之合資格參與者包括本公司董事(包括獨立非執行董事)、本集團其他僱員、為本集團提供貨品或服務之供應商、本集團客戶、為本集團提供研究、開發或技術支援的任何人士或實體、本公司附屬公司之任何非控股權益、本集團任何業務領域或業務發展之顧問或諮詢人及透過合營企業、業務聯盟或其他業務安排對本集團曾經或可能作出貢獻的任何其他組別或類別的參與人士。AV計劃於二零一二年八月三日生效,除非被取消或修訂,否則將於該日起計10年內有效。

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30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by the Company (continued)

The maximum number of unexercised share options currently permitted to be granted under the AV Scheme is an amount equivalent, upon their exercise, to 30% of the ordinary shares of the Company in issue at any time. The total number of ordinary shares which may be issued upon exercise of all share options to be granted under the AV Scheme (excluding any which have lapsed) and any other schemes of the Company must not, in aggregate, exceed 10% of the ordinary shares of the Company in issue as at the date of the adoption of the AV Scheme. The maximum number of shares issuable under share options to each eligible participant in the AV Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after the vesting period and ends on a date which is not later than the expiry date of the AV Scheme.

The exercise price of share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

30. 購股權計劃(續)

本公司採納之購股權計劃(續)

現時允許根據AV計劃授出之尚未行使購股權獲行使時可認購之股份數目，最多不得超過本公司於任何時間之已發行普通股之30%。根據AV計劃及本公司任何其他計劃將予授出之所有購股權(不包括任何已失效者)獲行使時可予發行之普通股總數，合共不得超過本公司於採納AV計劃日期已發行普通股之10%。AV計劃之每名合資格參與者於任何十二個月期間內行使購股權時可獲發行之最高股份數目，僅限於本公司於任何時間之已發行股份之1%。倘進一步授出超過該限額之購股權，則須於股東大會上取得股東批准。

向本公司董事、最高行政人員或主要股東或彼等之任何聯繫人授出購股權，須取得獨立非執行董事之事先批准。此外，倘於任何十二個月期間內向本公司主要股東或獨立非執行董事或彼等之任何聯繫人授出之購股權可認購之股份數目超過本公司於任何時間之已發行股份之0.1%，或總值(根據本公司股份於授出日期之價格計算)超過5,000,000港元，則須於股東大會上取得股東事先批准。

授出購股權之要約可於要約日期起計28日內接納，接納時承授人須繳付合共1港元之象徵式代價。已授出購股權之行使期乃由董事釐定，於歸屬期後開始，並於不遲於AV計劃屆滿日期之日結束。

購股權之行使價由董事釐定，但不得少於：(i)本公司股份於購股權要約日期在聯交所之收市價；與(ii)本公司股份於緊接要約日期前五個交易日在聯交所之平均收市價兩者中之較高者。

購股權並無賦予持有人收取股息或於股東大會上表決之權利。

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30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by the Company (continued)

The following share options were outstanding under the AV Scheme during the year:

Name or category of participant	Number of share options 購股權數目						At 31 March 2017	Date of grant of share options	Exercise period of share options	Exercise price of share options	The Company's share price at grant date of share options
	At 1 April 2016	Granted during the year	Lapsed during the year	Exercised during the year	Cancelled during the year	Expired during the year					
參與者姓名或類別	於二零一六年四月一日	於年內授出	於年內失效	於年內獲行使	於年內註銷	於年內屆滿	於二零一七年三月三十一日	購股權授出日期	購股權之行使期 (both dates inclusive) (包括首尾兩天)	購股權之行使價 HK\$ per share (每股)	本公司股份價格 於購股權授出日期之 HK\$ per share (每股)
								(Note a) (附註a)		(Note b) (附註b)	(Note c) (附註c)
Director 董事											
So Yuk Kwan 蘇煜均	600,000	-	-	-	-	-	600,000	13 March 2013 二零一三年三月十三日	13 March 2013 to 12 March 2018 二零一三年三月十三日至 二零一八年三月十二日	0.435	0.415
Employees 僱員											
In aggregate 合共	7,110,000	-	(7,110,000)	-	-	-	-	12 December 2014 二零一四年十二月十二日	12 December 2014 to 11 December 2016 二零一四年十二月十二日至 二零一六年十二月十一日	0.519	0.495
Total 合計	7,710,000	-	(7,110,000)	-	-	-	600,000				

30. 購股權計劃 (續)

本公司採納之購股權計劃 (續)

年內，於AV計劃項下未行使之購股權如下：

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30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by the Company (continued)

Notes:

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange closing price on the date of grant of the options.

30. 購股權計劃(續)

本公司採納之購股權計劃(續)

附註：

- 購股權之歸屬期為授出日期至行使期開始之期間。
- 購股權之行使價須於供股或發行紅股，或本公司股本出現其他類似變動時予以調整。
- 所披露之本公司股份於購股權授出日期之價格為於購股權授出日期在聯交所之收市價。

		2017 二零一七年		2016 二零一六年	
		Weighted average exercise price 加權平均行使價 HK\$ 港元 per share (每股)	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均行使價 HK\$ 港元 per share (每股)	Number of options 購股權數目 '000 千份
At beginning of year	年初	0.512	7,710	0.512	7,110
Lapsed during the year	於年內失效	(0.519)	(7,110)	-	-
At end of year	年終	0.435	600	0.512	7,710

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by the Company (continued)

The share options lapsed during the year ended 31 March 2017 is amounted to HK\$1,145,000 and the whole amount is reversed from equity-settled share-based payment reserve to retained profits.

The fair value of equity-settled share options granted was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used on each date of grant:

		12 December 2014 二零一四年 十二月十二日	13 March 2013 二零一三年 三月十三日
Dividend yield (%)	股息率(%)	0.000	1.032
Expected volatility (%)	預期波幅(%)	63.513	56.939
Risk-free interest rate (%)	無風險利率(%)	0.499	0.229
Expected life of options (years)	預計購股權有效年期(年)	2.000	2.500
Weighted average share price (HK\$ per share)	加權平均股價(每股港元)	0.495	0.435

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the end of the reporting period, the Company had 600,000 share options outstanding under the AV Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 600,000 additional ordinary shares of the Company and additional share capital of HK\$60,000 and share premium of HK\$201,000 (before issue expenses).

At the date of approval of these consolidated financial statements, the Company had 600,000 share options outstanding under the AV Scheme, which represented approximately 0.1% of the Company's shares in issue as at that date.

30. 購股權計劃(續)

本公司採納之購股權計劃(續)

於截至二零一七年三月三十一日止年度失效之購股權為數1,145,000港元，全數已由股權結算以股份付款儲備撥回保留溢利。

已授出之股權結算購股權公平價值乃於授出日期按二項式模型估算，並已計及該等已授出購股權之條款及條件。下表載列於各授出日期該模型所採用之輸入值：

	12 December 2014 二零一四年 十二月十二日	13 March 2013 二零一三年 三月十三日
預計購股權有效年期	0.000	1.032
預期波幅	63.513	56.939
無風險利率	0.499	0.229
預計購股權有效年期(年)	2.000	2.500
加權平均股價(每股港元)	0.495	0.435

預計購股權有效年期乃按過去三年之歷史數據計算，並不表示可能出現之行使模式。預期波幅則反映歷史波幅可表示日後走勢之假設，亦未必代表實際結果。

計量公平價值時並無考慮授出之購股權之其他特質。

於報告期間結束時，本公司於AV計劃項下之尚未行使購股權數目為600,000份。在本公司現時之股本架構下，悉數行使尚未行使之購股權將導致須額外發行600,000股本公司普通股，並產生60,000港元之額外股本及201,000港元之股份溢價(扣除發行開支前)。

於批准本綜合財務報表當日，本公司於AV計劃項下之尚未行使購股權數目為600,000份，相當於本公司於該日已發行股份約0.1%。

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31 March 2017 二零一七年三月三十一日

30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by a subsidiary

On 5 August 2013, Koocell Limited ("Koocell") adopted a share option scheme (the "Koocell Scheme"). Under the Koocell Scheme, Koocell may grant options to any of its full-time employees and directors and any eligible persons as defined therein to subscribe for the respective ordinary shares of Koocell.

The following share options were outstanding under the Koocell Scheme during the year:

Name or category of participant	Number of share options 購股權數目						At 31 March 2017 於二零一七年三月三十一日	Date of grant of share options	Exercise period of share options (both dates inclusive) (包括首尾兩天)	Exercise price of share options HK\$ per share (每股)
	At 1 April 2016 於二零一六年四月一日	Granted during the year 於年內授出	Lapsed during the year 於年內失效	Exercised during the year 於年內獲行使	Cancelled during the year 於年內註銷	Expired during the year 於年內屆滿				
Director of Koocell and the Company Koocell及本公司之董事 So Chi Sun Sunny (note b) 蘇智樂 (附註b)	220,000	-	-	-	-	-	220,000	5 August 2013 二零一三年八月五日	6 September 2015 to 5 August 2023 二零一五年九月六日至二零二三年八月五日	8.0
Employees of Koocell Koocell之僱員	45,000	-	-	-	-	-	45,000	5 August 2013 二零一三年八月五日	6 September 2015 to 5 August 2023 二零一五年九月六日至二零二三年八月五日	8.0
Total 合計	265,000	-	-	-	-	-	265,000			

Notes:

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- Mr. So Chi Sun Sunny was appointed as a director of the Company on 2 November 2015.

附註:

- 購股權之歸屬期為授出日期至行使期開始之期間。
- 蘇智樂先生於二零一五年十一月二日獲委任為本公司董事。

30. 購股權計劃(續)

一間附屬公司採納之購股權計劃

於二零一三年八月五日，Koocell Limited (「Koocell」)採納購股權計劃(「Koocell計劃」)。根據Koocell計劃，Koocell可向其任何全職僱員及董事以及Koocell計劃所界定之任何合資格人士授出購股權，以認購相應之Koocell普通股。

年內，於Koocell計劃項下未行使之購股權如下：

(Note a)
(附註a)

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30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by a subsidiary (continued)

30. 購股權計劃 (續)

一間附屬公司採納之購股權計劃 (續)

		2017 二零一七年		2016 二零一六年	
		Weighted average exercise price 加權平均行使價	Number of options 購股權數目	Weighted average exercise price 加權平均行使價	Number of options 購股權數目
		HK\$ 港元	'000 千份	HK\$ 港元	'000 千份
		per share (每股)		per share (每股)	
At beginning and end of year	於年初及年終	8.0	265	8.0	265

The fair value of the share options granted during prior years was HK\$12,453,000, of which no share option expense (2016: HK\$2,765,000) was recognised by the Group since all share options granted had been vested during prior years.

於過往年度授出之購股權之公平價值為12,453,000港元，由於全部已授出購股權已於過往年度歸屬，因此本集團並無確認當中任何購股權開支（二零一六年：2,765,000港元）。

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30. SHARE OPTION SCHEMES (continued)

Share option scheme adopted by a subsidiary (continued)

The fair value of equity-settled share options granted was estimated as at 1 October 2013, being the date when the Group obtained control over Koocell, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

1 October 2013 二零一三年十月一日		
Dividend yield (%)	股息率(%)	0.000
Expected volatility (%)	預期波幅(%)	75.500
Risk-free interest rate (%)	無風險利率(%)	2.092
Expected life of options (years)	預計購股權有效年期(年)	10
Weighted average share price (HK\$ per share)	加權平均股價(每股港元)	49.379

The expected life of the options is not necessarily indicative of the exercise patterns that may occur. The expected volatility was determined by using the historical volatility of comparable companies' share prices corresponding to the terms of options from the valuation date, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the end of the reporting period, Koocell had 265,000 share options outstanding under the Koocell Scheme. The exercise in full of the outstanding share options would, under the present capital structure of Koocell, result in the issue of 265,000 additional ordinary shares of Koocell and additional share capital of HK\$2,120,000 (before issue expenses).

At the date of approval of these financial statements, Koocell had 265,000 share options outstanding under the Koocell Scheme, which represented approximately 37.3% of Koocell's shares in issue as at that date.

31. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 66 to 67 of the consolidated financial statements.

30. 購股權計劃(續)

一間附屬公司採納之購股權計劃(續)

已授出之股權結算購股權公平價值乃於二零一三年十月一日(即本集團取得Koocell控制權之日)按二項式模型估算,並已計及該等已授出購股權之條款及條件。下表載列該模型所採用之輸入值:

1 October 2013
二零一三年十月一日

預計購股權有效年期並不表示可能出現之行使模式。預期波幅則使用可資比較公司於與購股權自估值日期起的有效年期相應之期間之股價歷史波幅釐定,亦未必代表實際結果。

計量公平價值時並無考慮授出之購股權之其他特質。

於報告期間結束時, Koocell於Koocell計劃項下之尚未行使購股權數目為265,000份。在Koocell現時之股本架構下,悉數行使尚未行使之購股權將導致須額外發行265,000股Koocell普通股,並產生2,120,000港元之額外股本(扣除發行開支前)。

於批准本財務報表當日, Koocell於Koocell計劃項下之尚未行使購股權數目為265,000份,相當於Koocell於該日已發行股份約37.3%。

31. 儲備

本集團本年度及上一年度之儲備金額及有關變動呈列於綜合財務報表第66頁至第67頁之綜合權益變動表。

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32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Major non-cash transactions

- (a) In the current year, the increase in investments in joint ventures amounting to HK\$1,685,000 (2016: decrease of HK\$1,599,000) was attributable to the recognition of financial guarantee obligation of HK\$37,480,000 (2016: HK\$27,200,000) and the derecognition of financial guarantee obligation of HK\$35,795,000 (2016: HK\$28,799,000).
- (b) In the current year, the Group entered into a finance lease arrangement in respect of an addition of an item of property, plant and equipment with a total capital value at the inception of the lease of HK\$1,950,000 (2016: HK\$704,000).
- (c) During the year, the Group's shareholding of Me2on has been diluted and the Group no longer had significant influence over it. As a result, the investments in associates of HK\$114,009,000 was reclassified to available-for-sale investments.
- (d) In the prior year, the consideration for disposal of an available-for-sale investment amounting to HK\$23,768,000 was settled by an equity investment at fair value through profit a loss with a fair value of HK\$23,768,000.

33. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the consolidated financial statements are follows:

Guarantees given to banks in connection with facilities granted to joint ventures	對授予合營企業之信貸提供予銀行之擔保
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As at 31 March 2017, the bank lending facilities granted to joint ventures subject to cross-guarantees given to the banks by the Group were utilised to the extent of approximately HK\$1,934,058,000 (2016: HK\$2,287,356,000). For the financial guarantees provided to joint ventures in relation to the bank lending facilities granted, the Group has recognised the financial guarantee obligation amounting to HK\$14,551,000 (2016: HK\$12,866,000) as a liability as at 31 March 2017 which was disclosed in note 27 to the consolidated financial statements.

32. 綜合現金流量表附註

主要非現金交易

- (a) 於本年度，於合營企業之投資增加1,685,000港元（二零一六年：減少1,599,000港元），乃由於確認財務擔保責任37,480,000港元（二零一六年：27,200,000港元）及終止確認財務擔保責任35,795,000港元（二零一六年：28,799,000港元）所致。
- (b) 於本年度，本集團就添置一項於租賃開始時資本總值為1,950,000港元（二零一六年：704,000港元）之物業、廠房及設備項目訂立融資租賃安排。
- (c) 於年內，本集團於Me2on之持股量被攤薄，本集團不再對其行使重大影響力。因此，於聯營公司之投資114,009,000港元已重新分類為可供出售投資。
- (d) 於上一年度，出售可供出售投資之代價為23,768,000港元，以公平價值為23,768,000港元之透過損益按公平價值列賬之股本投資交收。

33. 或然負債

於報告期間結束時，於綜合財務報表內未作撥備之或然負債如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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1,934,058	2,287,356
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於二零一七年三月三十一日，本集團就合營企業獲授之銀行貸款信貸提供交互擔保予銀行，已使用約1,934,058,000港元（二零一六年：2,287,356,000港元）。對於就合營企業獲授之銀行貸款信貸而提供之財務擔保，本集團已於二零一七年三月三十一日將財務擔保責任14,551,000港元（二零一六年：12,866,000港元）確認為負債，詳情於綜合財務報表附註27披露。

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

34. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 13) under operating lease arrangements, with leases negotiated for terms ranging from one to ten years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 March 2017, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	1,986	5,232
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	-	6,712
		1,986	11,944

(b) As lessee

The Group leases certain of its office premises, staff quarters and warehouses under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to two years.

At 31 March 2017, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	936	1,108
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	-	828
		936	1,936

34. 營業租賃安排

(a) 作為出租人

本集團根據營業租賃安排出租其若干投資物業(附註13)，經磋商之租賃年期介乎一至十年。租賃之條款一般亦會要求租客支付保證金，並容許定期根據當時通行市況對租金作出調整。

於二零一七年三月三十一日，本集團根據與租客訂立之不可取消營業租賃於下列年期到期之未來最低應收租賃款項總額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	1,986	5,232
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	-	6,712
		1,986	11,944

(b) 作為承租人

本集團根據營業租賃安排租用其若干辦公室物業、員工宿舍及貨倉。有關物業經磋商之租賃年期介乎一至兩年。

於二零一七年三月三十一日，本集團根據不可取消營業租賃於下列年期到期之未來最低租賃款項總額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	936	1,108
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	-	828
		936	1,936

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35. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these consolidated financial statements, the Group had the following material transactions with related parties during the year:

35. 有關連人士交易

- (a) 除於本綜合財務報表其他部分詳述之交易外，本集團於年內與有關連人士進行了以下重大交易：

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Associates:	聯營公司：			
Sales of products	銷售產品	(i)	1,710	866
Purchases of products	購買產品	(i)	696	638
Trademark licence income	商標授權收入	(ii)	389	389
Joint venture:	合營企業：			
Sales of products	銷售產品	(i)	4,472	7,065
Dividend income	股息收入	(iii)	116,550	-
Related companies:	有關連公司：			
Sales of products	銷售產品	(i)	-	8
Rental expense	租金開支	(iv)	-	311

Notes:

- (i) The sales to an associate, a joint venture and a related company and purchases from an associate were made with reference to the cost of products.
- (ii) The trademark licence income from an associate was made with reference to the actual costs incurred.
- (iii) The dividend was declared by the joint venture of the Group for the interim dividend for six months ended 30 June 2016 and year-end dividend for years ended 31 December 2015 and 31 December 2016.
- (iv) The rental expense was charged in accordance with the respective tenancy agreement. The related company is controlled by Dr. So Yuk Kwan, a director of the Company.

附註：

- (i) 向一間聯營公司、一間合營企業及一間有關連公司作出之銷售及自一間聯營公司作出之採購乃參照產品成本進行。
- (ii) 來自一間聯營公司之商標授權收入乃參照所產生之實際成本收取。
- (iii) 股息乃本集團合營企業就截至二零一六年六月三十日止六個月之中期股息及截至二零一五年十二月三十一日及二零一六年十二月三十一日止年度之年終股息而宣派。
- (iv) 租金開支乃根據相應租賃協議收取。該有關連公司受本公司之董事蘇煜均博士控制。

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35. RELATED PARTY TRANSACTIONS (continued)

(b) Other transaction with a related party

During the year, the Group acquired a subsidiary, AA Lend Limited, from a director of the Company at a cash consideration of HK\$1, based on the net asset value at approximately HK\$64,000 and results in a gain on bargain purchase of approximately HK\$64,000.

(c) Compensation of key management personnel of the Group

The Group's key management personnel are the executive directors of the Company, and further details of their emoluments are included in note 8(b) to the consolidated financial statements.

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2017

Financial assets

			Financial assets at fair value through profit or loss 透過損益按公平價值列賬之金融資產				
	Notes 附註	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Designated as such upon initial recognition 於初步確認時指定 HK\$'000 千港元	Held for trading 持作買賣 HK\$'000 千港元	Available-for-sale financial assets 可供出售金融資產 HK\$'000 千港元	Total 合計 HK\$'000 千港元	
Due from associates	17	760	-	-	-	760	
Available-for-sale investments	18	-	-	-	282,930	282,930	
Trade receivables	20	49,359	-	-	-	49,359	
Financial assets included in prepayments, deposits and other receivables	21	20,216	-	-	-	20,216	
Equity investments at fair value through profit or loss	22	-	97,560	4,495	-	102,055	
Cash and bank balances	23	111,174	-	-	-	111,174	
Deposits with other financial institutions	23	426	-	-	-	426	
Non-pledged time deposits with original maturity more than twelve months when acquired	23	3,193	-	-	-	3,193	
		185,128	97,560	4,495	282,930	570,113	

35. 有關連人士交易 (續)

(b) 與一名有關連人士進行之其他交易

年內，本集團向本公司一名董事收購附屬公司AA Lend Limited，現金代價為1港元，按照資產淨值約64,000港元計算，產生議價收購之收益約64,000港元。

(c) 本集團主要管理人員之補償

本集團之主要管理人員為本公司之執行董事，有關彼等酬金之進一步詳情載於綜合財務報表附註8(b)。

36. 金融工具之分類

各類別金融工具於報告期間結束時之賬面金額如下：

二零一七年

金融資產

		Financial assets at fair value through profit or loss 透過損益按公平價值列賬之金融資產				
	Notes 附註	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Designated as such upon initial recognition 於初步確認時指定 HK\$'000 千港元	Held for trading 持作買賣 HK\$'000 千港元	Available-for-sale financial assets 可供出售金融資產 HK\$'000 千港元	Total 合計 HK\$'000 千港元
應收聯營公司款項	17	760	-	-	-	760
可供出售投資	18	-	-	-	282,930	282,930
應收貿易賬款	20	49,359	-	-	-	49,359
計入預付款項、按金及其他應收款項之金融資產	21	20,216	-	-	-	20,216
透過損益按公平價值列賬之股本投資	22	-	97,560	4,495	-	102,055
現金及銀行結存	23	111,174	-	-	-	111,174
於其他金融機構之存款	23	426	-	-	-	426
於獲得時原到期日超過十二個月之無抵押定期存款	23	3,193	-	-	-	3,193
		185,128	97,560	4,495	282,930	570,113

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36. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

2017

Financial liabilities

		Notes 附註	Financial liabilities at amortised cost 按攤銷成本列賬 之金融負債 HK\$'000 千港元
Trade payables	應付貿易賬款	24	25,920
Interest-bearing bank borrowings	付息銀行借款	25	116,073
Finance lease payables	應付融資租賃款項	26	2,334
Financial guarantee obligation	財務擔保責任	27	14,551
			158,878

2016

Financial assets

		Notes 附註	Financial assets at fair value through profit or loss 透過損益按公平價值列賬之 金融資產				Total 合計 HK\$'000 千港元
			Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Designated as such upon initial recognition 於初步確認時 指定 HK\$'000 千港元	Held for trading 持作買賣 HK\$'000 千港元	Available- for-sale financial assets 可供出售 金融資產 HK\$'000 千港元	
Due from associates	應收聯營公司款項	17	12,157	-	-	-	12,157
Available-for-sale investments	可供出售投資	18	-	-	-	20,891	20,891
Trade receivables	應收貿易賬款	20	63,994	-	-	-	63,994
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及 其他應收款項之金融資產	21	9,047	-	-	-	9,047
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之 股本投資	22	-	60,567	12,427	-	72,994
Cash and bank balances	現金及銀行結存	23	52,691	-	-	-	52,691
Deposits with other financial institutions	於其他金融機構之存款	23	17,141	-	-	-	17,141
			155,030	60,567	12,427	20,891	248,915

36. 金融工具之分類 (續)

各類別金融工具於報告期間結束時之賬面金額如下：(續)

二零一七年

金融負債

	Notes 附註	Financial liabilities at amortised cost 按攤銷成本列賬 之金融負債 HK\$'000 千港元
Trade payables	24	25,920
Interest-bearing bank borrowings	25	116,073
Finance lease payables	26	2,334
Financial guarantee obligation	27	14,551
		158,878

二零一六年

金融資產

	Notes 附註	Financial assets at fair value through profit or loss 透過損益按公平價值列賬之 金融資產				Total 合計 HK\$'000 千港元
		Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Designated as such upon initial recognition 於初步確認時 指定 HK\$'000 千港元	Held for trading 持作買賣 HK\$'000 千港元	Available- for-sale financial assets 可供出售 金融資產 HK\$'000 千港元	
Due from associates	17	12,157	-	-	-	12,157
Available-for-sale investments	18	-	-	-	20,891	20,891
Trade receivables	20	63,994	-	-	-	63,994
Financial assets included in prepayments, deposits and other receivables	21	9,047	-	-	-	9,047
Equity investments at fair value through profit or loss	22	-	60,567	12,427	-	72,994
Cash and bank balances	23	52,691	-	-	-	52,691
Deposits with other financial institutions	23	17,141	-	-	-	17,141
		155,030	60,567	12,427	20,891	248,915

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36. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

2016

Financial liabilities

36. 金融工具之分類(續)

各類別金融工具於報告期間結束時之賬面金額如下：(續)

二零一六年

金融負債

		Notes 附註	Financial liabilities at amortised cost 按攤銷成本列賬 之金融負債 HK\$'000 千港元
Trade payables	應付貿易賬款	24	37,644
Interest-bearing bank borrowings	付息銀行借款	25	136,306
Finance lease payables	應付融資租賃款項	26	897
Financial guarantee obligation	財務擔保責任	27	12,866
			187,713

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37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

37. 金融工具公平價值及公平價值等級架構

本集團金融工具(賬面金額與公平價值合理地相若者除外)之賬面金額及公平價值如下:

		Carrying amounts		Fair values	
		賬面金額		公平價值	
		2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets	金融資產				
Available-for-sale investments measured at fair value	按公平價值計量之可供出售投資	282,930	20,891	282,930	20,891
Non-current deposits	非流動按金	42	466	42	466
Non-pledged time deposits	無抵押定期存款	3,193	-	3,193	-
Pledged time deposits	有抵押定期存款	-	269	-	269
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資	102,055	72,994	102,055	72,994
		388,220	94,620	388,220	94,620
Financial liabilities	金融負債				
Interest-bearing bank borrowings	附息銀行借款	116,073	136,306	116,073	136,306
Finance lease payables	應付融資租賃款項	2,334	897	2,334	897
		118,407	137,203	118,407	137,203

Management has assessed that the fair values of cash and cash equivalents, amounts due from associates, trade receivables, financial assets included in prepayments, deposits and other receivables (other than non-current deposits and non-pledged time deposits), trade payables and financial guarantee obligation approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

管理層評定，現金及等同現金項目、應收聯營公司款項、應收貿易賬款、計入預付款項、按金及其他應收款項之金融資產(非流動按金及無抵押定期存款除外)、應付貿易賬款以及財務擔保責任之公平價值與其賬面金額相若，主要由於該等工具均於短期內到期。

本集團由財務經理統領之財務部門負責釐定計算金融工具公平價值之政策及程序。財務經理直接向首席財務總監及審核委員會匯報。財務部門於各報告日期分析金融工具價值之變動，並釐定估值中使用之主要輸入值。首席財務總監審閱並批准估值。審核委員會則一年兩度為中期及年度財務申報事宜討論估值過程及結果。

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37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of non-current deposits, pledged time deposits, non-pledged time deposits, finance lease payables and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for finance lease payables, and interest-bearing bank borrowings as at 31 March 2017 was assessed to be insignificant.

The fair values of listed equity investments at fair value through profit or loss are based on quoted market prices. The fair value of an investment in convertible bonds measured at fair value through profit or loss has been estimated with reference to discount rates and volatility of share prices of comparable listed companies. The fair value of an investment in a joint venture measured at fair value through profit or loss has been estimated with reference to discount rate based on credit rating of the party who provides income source to the joint venture. The fair value of a listed available-for-sale equity investment is based on quoted market price. The fair value of unlisted available-for-sale equity investment measured at fair value in prior years had been estimated with reference to multiples of comparable listed companies, such as average of the enterprise value ("EV")/earnings before interest and tax ("EBIT"). The fair values of key management insurance contracts classified as available-for-sale investments are based on the account values less surrender charges, quoted by the vendors. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss or other comprehensive income, as appropriate, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The fair values of the unlisted available-for-sale equity investments and convertible promissory note measured at cost were not disclosed because they cannot be reliably measured as the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair values.

37. 金融工具公平價值及公平價值等級架構(續)

金融資產及負債之公平價值以有關工具於自願交易方(而非強迫或清倉銷售)當前交易下之可交易金額入賬。下列方法及假設乃用於估算公平價值:

非流動按金、有抵押定期存款、無抵押定期存款、應付融資租賃款項以及附息銀行借款之公平價值乃使用具類似條款、信貸風險及餘下到期日之工具之現時利率將預期未來現金流量貼現而計算。於二零一七年三月三十一日,本集團因應付融資租賃款項以及附息銀行借款而產生之違約風險被評定為並不重大。

透過損益按公平價值列賬之上市股本投資之公平價值乃根據所報市價計算。透過損益按公平價值計量之可換股債券投資之公平價值乃參考可資比較上市公司之貼現率及股價波幅估算。透過損益按公平價值計量之一間合營企業投資之公平價值乃參考根據為合營企業帶來收入之人士的信貸評級釐定之貼現率估算。上市可供出售股本投資之公平價值乃根據所報市價計算。於過往年度按公平價值計量之非上市可供出售股本投資之公平價值乃參考可資比較上市公司之倍數(例如企業價值/除利息及稅項前盈利(「除息稅前盈利」))平均數估算。分類為可供出售投資之主要管理人員保險合約之公平價值乃依照賬戶價值減退保費用(由供應方報價)計算。董事相信,以估值技術得出之估計公平價值(於綜合財務狀況表記錄)及公平價值之相關變動(於損益或其他全面收入(倘適用)內記錄)均為合理,並為報告期間結束時最合適之價值。

按成本計量之非上市可供出售股本投資及可換股承兌票據之公平價值因不能可靠地計量而未予披露,原因在於範圍內多項估計之可能性不能合理地評估及用於估計公平價值。

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37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 March 2017 and 2016:

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入值	Value 數值	Sensitivity of fair value to input 公平價值對輸入值之敏感度
Unlisted available-for-sale equity investment as at 31 March 2016 於二零一六年三月三十一日之非上市可供出售股本投資	Market approach 市場法	EV/EBIT 企業價值／除息稅前盈利	30.5x 30.5x	0.1x increase (decrease) in EV/EBIT would result in no change in fair value 企業價值／除息稅前盈利上升(下降)0.1x將不會產生公平價值變動
Key management insurance contracts classified as available-for-sale investments 分類為可供出售投資之主要管理人員保險合約	N/A 不適用	Account values 賬戶價值	HK\$24,633,000 (2016: HK\$23,976,000) 24,633,000港元 (二零一六年: 23,976,000港元)	5% (2016: 5%) increase (decrease) in account values would result in increase (decrease) in fair value by HK\$1,232,000 (HK\$1,232,000) (2016: HK\$1,199,000 (HK\$1,199,000)) 賬戶價值上升(下降)5% (二零一六年: 5%) 將導致公平價值增加(減少) 1,232,000港元(1,232,000港元) (二零一六年: 1,199,000港元(1,199,000港元))
		Surrender charges 退保費用	HK\$3,006,000 (2016: HK\$3,085,000) 3,006,000港元 (二零一六年: 3,085,000港元)	5% (2016: 5%) increase (decrease) in surrender charges would result in decrease (increase) in fair value by HK\$150,000 (HK\$150,000) (2016: HK\$154,000 (HK\$154,000)) 退保費用上升(下降)5% (二零一六年: 5%) 將導致公平價值減少(增加) 150,000港元(150,000港元) (二零一六年: 154,000港元(154,000港元))
Investment in convertible bonds classified as equity investments at fair value through profit or loss 分類為透過損益按公平價值列賬之股本投資之可換股債券投資	Binomial option pricing method 二項式期權定價方法	Discount rates 貼現率	11.13% to 11.24% 11.13%至11.24%	100 basis point increase (decrease) in discount rates would result in decrease (increase) in fair values by HK\$652,000 (HK\$667,000) 貼現率上升(下降)100個基點將導致公平價值減少(增加)652,000港元(667,000港元)
Investment in a joint venture classified as equity investments at fair value through profit or loss 分類為透過損益按公平價值列賬之股本投資之一間合營企業投資	Discounted cash flow model 貼現現金流量法	Discount rate 貼現率	16.18% 16.18%	10 basis point increase (decrease) in discount rate would result in decrease (increase) in fair values by HK\$200,000 (HK\$200,000) 貼現率上升(下降)10個基點將導致公平價值減少(增加)200,000港元(200,000港元)

37. 金融工具公平價值及公平價值等級架構(續)

金融工具估值於二零一七年及二零一六年三月三十一日之重大不可觀察輸入值連同定量敏感度分析概述如下:

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37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 March 2017:

		Fair value measurement using 計量公平價值時使用			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	261,303	–	21,627	282,930
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之 股本投資	15,424	–	86,631	102,055
		276,727	–	108,258	384,985

As at 31 March 2016:

		Fair value measurement using 計量公平價值時使用			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	–	–	20,891	20,891
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之 股本投資	67,986	5,008	–	72,994
		67,986	5,008	20,891	93,885

37. 金融工具公平價值及公平價值等級架構(續)

公平價值等級架構

下表列示計算本集團金融工具公平價值之等級架構：

按公平價值計量之資產：

於二零一七年三月三十一日：

於二零一六年三月三十一日：

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37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	年初	20,891	74,633
Total gains/(losses) recognised in other comprehensive income	於其他全面收入確認之收益/ (虧損)總額	(908)	(30,817)
Purchases	購買	88,275	8,181
Disposals	出售	-	(31,106)
At end of year	年終	108,258	20,891

The Group did not have any financial liabilities measured at fair value as at 31 March 2017 and 31 March 2016.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2016: Nil).

Assets for which fair values are disclosed:

As at 31 March 2017:

		Fair value measurement using 計量公平價值時使用			Total 合計
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	
Non-current deposits	非流動按金	-	-	42	42
Non-pledged time deposits	無抵押定期存款	-	3,193	-	3,193
		-	3,193	42	3,235

37. 金融工具公平價值及公平價值等級架構(續)

公平價值等級架構(續)

按公平價值計量之資產:(續)

年內,第三層內公平價值計量之變動如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of year	年初	20,891	74,633
Total gains/(losses) recognised in other comprehensive income	於其他全面收入確認之收益/ (虧損)總額	(908)	(30,817)
Purchases	購買	88,275	8,181
Disposals	出售	-	(31,106)
At end of year	年終	108,258	20,891

於二零一七年三月三十一日及二零一六年三月三十一日,本集團概無任何按公平價值計量之金融負債。

年內,第一及第二層公平價值計量之間並無金融資產及金融負債轉移,第三層亦無任何轉入或轉出(二零一六年:無)。

披露公平價值之資產:

於二零一七年三月三十一日:

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets for which fair values are disclosed: (continued)

As at 31 March 2016:

		Fair value measurement using 計量公平價值時使用			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Non-current deposits	非流動按金	–	–	466	466
Pledged timed deposits	有抵押定期存款	–	269	–	269
		–	269	466	735

Liabilities for which fair values are disclosed:

披露公平價值之負債：

As at 31 March 2017:

於二零一七年三月三十一日：

		Fair value measurement using 計量公平價值時使用			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Interest-bearing bank borrowings	付息銀行借款	–	116,073	–	116,073
Finance lease payables	應付融資租賃款項	–	2,334	–	2,334
		–	118,407	–	118,407

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37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed: (continued)

As at 31 March 2016:

37. 金融工具公平價值及公平價值等級架構(續)

公平價值等級架構(續)

披露公平價值之負債：(續)

於二零一六年三月三十一日：

		Fair value measurement using 計量公平價值時使用			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Interest-bearing bank borrowings	付息銀行借款	–	136,306	–	136,306
Finance lease payables	應付融資租賃款項	–	897	–	897
		–	137,203	–	137,203

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, finance lease payables, cash and bank balances, and deposits with other financial institutions. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The Group is also exposed to market price risk in respect of equity investments at fair value through profit or loss, listed equity investment classified as available-for-sale investments and key management insurance contracts comprising investment and insurance elements classified as available-for-sale investments.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and market price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings with floating interest rates.

The Group's funding policy is to use short term interest-bearing debts to finance its working capital requirements and interest-bearing debts over one year or internally generated resources to finance its capital investments. The Group borrows mainly at floating interest rates. Interest-bearing debts over one year will only be considered for capital investments and under favourable market conditions.

38. 財務風險管理目標及政策

本集團之主要金融工具包括附息銀行借款、應付融資租賃款項、現金及銀行結存，以及於其他金融機構之存款。該等金融工具之主要用途乃為本集團營運集資。本集團有其他多項金融資產及負債，例如應收貿易賬款及應付貿易賬款，均自本集團營運直接產生。本集團亦因透過損益按公平價值列賬之股本投資、分類為可供出售投資之上市股本投資及主要管理人員保險合約（包括投資及保險部分，並分類為可供出售投資）而面臨市價風險。

本集團金融工具所產生之主要風險為利率風險、外幣風險、信貸風險、流動資金風險及市價風險。董事會檢討及協定有關管理各風險之政策，現概述如下。

利率風險

本集團因市場利率變動而面臨之風險主要與本集團按浮動利率計息之附息銀行借款有關。

本集團之資金政策為以短期附息債務撥付其營運資金需要，並以一年以上之附息債務或內部產生資源撥付其資本投資。本集團之借款主要按浮動利率計息，僅會就資本投資及在有利之市況下方會考慮一年以上之附息債務。

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit/loss before tax (through the impact on floating rate borrowings).

		Increase/ (decrease) in basis points 基點 增加／(減少)	Increase/(decrease) in profit before tax 除稅前溢利 增加／(減少) HK\$'000 千港元
2017	二零一七年		
Hong Kong dollars	港元	10	(116)
Hong Kong dollars	港元	(10)	116

		Increase/ (decrease) in basis points 基點 增加／(減少)	Increase/(decrease) in profit before tax 除稅前溢利 增加／(減少) HK\$'000 千港元
2016	二零一六年		
Hong Kong dollars	港元	10	(115)
Hong Kong dollars	港元	(10)	115

38. 財務風險管理目標及政策 (續)

利率風險 (續)

下表列示在所有其他變數維持不變之情況下，本集團之除稅前溢利／虧損（透過浮息借款之影響）對利率可能出現之合理變動之敏感度。

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group has no significant foreign currency risk because its business is principally conducted in Hong Kong and most of the transactions are denominated in Hong Kong dollar or United States dollar. Since the Hong Kong dollar is pegged to the United States dollar, the Group's exposure to foreign currency risk is considered to be minimal.

Credit risk

The Group trades only with recognised and creditworthy third parties, an associate, a joint venture and a related company. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and bank balances, non-pledged time deposits, deposits with other financial institutions, amounts due from associates, available-for-sale investments, equity investments at fair value through profit or loss, and deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, an associate, a joint venture and a related company, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 20 to the consolidated financial statements.

38. 財務風險管理目標及政策(續)

外幣風險

本集團並無重大外幣風險，因其主要於香港經營業務，其大部分交易亦以港元或美元計值。由於港元與美元掛鈎，故本集團所面臨之外幣風險被視為微不足道。

信貸風險

本集團只與經認可而信譽可靠之第三方、一間聯營公司、一間合營企業及一間有關連公司進行買賣。本集團之政策為所有有意以信貸條款進行買賣之客戶均須經過信貸核實程序。此外，應收款項結餘乃按持續基準監察，而本集團所面臨之壞賬風險並不重大。

就本集團其他金融資產(包括現金及銀行結存、無抵押定期存款、於其他金融機構之存款、應收聯營公司款項、可供出售投資、透過損益按公平價值列賬之股本投資以及按金及其他應收款項)而言，信貸風險因交易對手違約而產生，最高風險相等於該等工具之賬面金額。

由於本集團只與經認可而信譽可靠之第三方、一間聯營公司、一間合營企業及一間有關連公司進行買賣，因此毋須抵押品。信貸風險集中度乃按客戶/交易對手、按地區及按行業管理。由於本集團應收貿易賬款之客戶基礎乃廣為分散於不同業務及行業，因此本集團並無高度集中之信貸風險。

有關本集團因應收貿易賬款而面臨之信貸風險之進一步定量分析數據乃於綜合財務報表附註20披露。

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綜合財務報表附註

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		2017 二零一七年				
	Within 1 year or on demand 一年內或 按要求償還 HK\$'000 千港元	More than 1 year but less than 2 years 一年以上 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 兩年以上 但少於五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total 合計 HK\$'000 千港元	
Trade payables	應付貿易賬款	25,920	-	-	-	25,920
Interest-bearing bank borrowings	付息銀行借款	116,354	-	-	-	116,354
Finance lease payables	應付融資租賃款項	805	671	1,073	-	2,549
Guarantees given to banks in connection with facilities granted to joint ventures	對授予合營企業之 信貸提供予銀行之擔保	1,934,058	-	-	-	1,934,058
		2,077,137	671	1,073	-	2,078,881

		2016 二零一六年				
	Within 1 year or on demand 一年內或 按要求償還 HK\$'000 千港元	More than 1 year but less than 2 years 一年以上 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 兩年以上 但少於五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total 合計 HK\$'000 千港元	
Trade payables	應付貿易賬款	37,644	-	-	-	37,644
Interest-bearing bank borrowings	付息銀行借款	128,096	670	2,258	6,361	137,385
Finance lease payables	應付融資租賃款項	325	278	374	-	977
Guarantees given to banks in connection with facilities granted to joint ventures	對授予合營企業之 信貸提供予銀行之擔保	2,287,356	-	-	-	2,287,356
		2,453,421	948	2,632	6,361	2,463,362

38. 財務風險管理目標及政策 (續)

流動資金風險

本集團之金融負債於報告期間結束時按訂約未貼現付款之到期資料如下：

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31 March 2017 二零一七年三月三十一日

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market price risk

Market price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to market price risk arising from individual equity investments classified as trading equity investments (note 22), listed equity investments classified as available-for-sale investments (note 18) and key management insurance contracts classified as available-for-sale investments (note 18) as at 31 March 2017. Most of the Group's listed investments are listed on the Hong Kong Stock Exchange and Korean Securities Dealers Automated Quotations ("KOSDAQ") and were valued at quoted market prices at the end of the reporting period.

The market equity indices for the Hong Kong Stock Exchange and KOSDAQ, at the close of business of the nearest trading day in the year to the end of the reporting period, and their respective highest and lowest points during the year are as follows:

		31 March 2017 二零一七年 三月三十一日	High/low 2017 二零一七年 最高/最低	31 March 2016 二零一六年 三月三十一日	High/low 2016 二零一六年 最高/最低
Hong Kong – Hang Seng Index	香港–恒生指數	24,112	24,593/ 19,694	20,777	28,443/ 18,320
Korean Securities Dealers Automated Quotations	韓國證券交易商協會 自動報價系統	619.28	710.42/ 573.54	688.38	782.64/ 608.45

38. 財務風險管理目標及政策(續)

市價風險

市價風險為股本指數及個別證券價值水平之變動導致股本證券公平價值下降之風險。本集團因於二零一七年三月三十一日分類為買賣股本投資之個別股本投資(附註22)、分類為可供出售投資之上市股本投資(附註18)及分類為可供出售投資之主要管理人員保險合約(附註18)而面臨市價風險。本集團大部分上市投資乃於香港聯交所及韓國證券交易商協會自動報價系統(「韓國科斯達克」)上市,並按於報告期間結束時所報之市價計算估值。

於報告期間結束時年內最接近之交易日營業時間結束時,於香港聯交所及韓國科斯達克之市場股本指數,以及彼等各自之年內最高及最低點數如下:

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market price risk (continued)

The following table demonstrates the sensitivity to every 5% change in the fair values of the equity investments at fair value through profit or loss, listed equity investments classified as available-for-sale investments and key management insurance contracts classified as available-for-sale investments with all other variables held constant, of the Group's profit/loss before tax and the Group's equity, based on their carrying amounts at the end of the reporting period.

		Carrying amount	Increase/decrease in profit before tax	Increase/decrease in equity*
		賬面金額	除稅前溢利	權益*
		增加/減少	增加/減少	增加/減少
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2017	二零一七年			
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資	102,055	5,103	-
Listed equity investments classified as available-for-sale investments	分類為可供出售投資之上市股本投資	261,303	-	13,065
Key management insurance contracts classified as available-for-sale investments	分類為可供出售投資之主要管理人員保險合約	21,627	-	1,081
		Carrying amount	Increase/decrease in profit before tax	Increase/decrease in equity*
		賬面金額	除稅前溢利	權益*
		增加/減少	增加/減少	增加/減少
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2016	二零一六年			
Equity investments at fair value through profit or loss	透過損益按公平價值列賬之股本投資	72,994	3,650	-
Key management insurance contracts classified as available-for-sale investments	分類為可供出售投資之主要管理人員保險合約	20,891	-	1,045

* Excluding retained profits

* 不包括保留溢利

38. 財務風險管理目標及政策 (續)

市價風險 (續)

下表列示在所有其他變數維持不變之情況下，按報告期間結束時之賬面金額計算，透過損益按公平價值列賬之股本投資、分類為可供出售投資之上市股本投資及分類為可供出售投資之主要管理人員保險合約之公平價值每變動5%，本集團除稅前溢利／虧損及本集團權益之敏感度。

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綜合財務報表附註

31 March 2017 二零一七年三月三十一日

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise the shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is required to comply with certain capital requirements set out in the bank lending facilities. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

The Group monitors capital using a gearing ratio, which is net debt divided by the total capital. The Group's policy is to maintain the gearing ratio at less than 75%. Net debt includes trade payables, interest-bearing bank borrowings, and finance lease payables, less cash and cash equivalents and equity investments at fair value through profit or loss. Capital represents total equity.

The gearing ratios as at the end of the reporting periods are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	應付貿易賬款	25,920	37,644
Interest-bearing bank borrowings	附息銀行借款	116,073	136,306
Finance lease payables	應付融資租賃款項	2,334	897
Less: Cash and cash equivalents	減：現金及等同現金項目	(111,600)	(69,563)
Less: Equity investments at fair value through profit or loss	減：透過損益按公平價值列賬之股本投資	(102,055)	(72,994)
Net (cash) debt	(現金)債務淨額	(69,328)	32,290
Total capital	資本總額	1,078,294	657,562
Gearing ratio	資本負債比率	N/A 不適用	5%

38. 財務風險管理目標及政策(續)

資本管理

本集團資本管理之主要目標是保障本集團持續經營之能力，並維持穩健之資本比率，以支持其業務及爭取最大之股東價值。

本集團根據經濟狀況之轉變管理其資本結構及作出調整。本集團或會藉著調整向股東派發之股息、向股東發還資本或發行新股以保持或調整資本結構。本集團須遵守銀行貸款信貸所載之若干資本規定。於截至二零一七年三月三十一日及二零一六年三月三十一日止年度，本集團管理資本之目標、政策或程序概無轉變。

本集團利用資本負債比率(債務淨額除以資本總額)監察資本。本集團之政策乃將資本負債比率維持於75%以下。債務淨額包括應付貿易賬款、附息銀行借款以及應付融資租賃款項，減現金及等同現金項目以及透過損益按公平價值列賬之股本投資。資本指權益總額。

於報告期間結束時之資本負債比率如下：

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

39 本公司之財務狀況表

有關本公司財務狀況表於報告期間結束時之資料如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	460,044	472,459
CURRENT ASSETS	流動資產		
Due from subsidiaries	應收附屬公司款項	1,062	614
Prepayments	預付款項	54	87
Cash and cash equivalents	現金及等同現金項目	751	935
Total current assets	流動資產總值	1,867	1,636
CURRENT LIABILITIES	流動負債		
Accrued expenses	應計費用	2,064	2,475
Financial guarantee obligation	財務擔保責任	14,551	12,866
Total current liabilities	流動負債總額	16,615	15,341
NET CURRENT LIABILITIES	流動負債淨額	(14,748)	(13,705)
Net assets	資產淨值	445,296	458,754
EQUITY	權益		
Issued capital	已發行股本	77,294	77,294
Reserves (note)	儲備(附註)	368,002	381,460
Total equity	權益總額	445,296	458,754

Notes to Consolidated Financial Statements

綜合財務報表附註

31 March 2017 二零一七年三月三十一日

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account	Equity-settled share-based payment reserve	Capital redemption reserve	Accumulated losses	Total
		股份溢價賬	股權結算以股份付款儲備	股本贖回儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 April 2015	於二零一五年四月一日	453,469	1,255	16,142	(71,301)	399,565
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(18,105)	(18,105)
At 31 March 2016 and at 1 April 2016	於二零一六年三月三十一日及於二零一六年四月一日	453,469	1,255	16,142	(89,406)	381,460
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(13,458)	(13,458)
Share options lapsed	已失效購股權	-	(1,145)	-	1,145	-
At 31 March 2017	於二零一七年三月三十一日	453,469	110	16,142	(101,719)	368,002

In accordance with the Companies Law (2004 Revision) of the Cayman Islands, the Company's share premium account is distributable in certain circumstances.

40. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 26 June 2017.

39. 本公司之財務狀況表(續)

附註：

本公司之儲備概述如下：

		Share premium account	Equity-settled share-based payment reserve	Capital redemption reserve	Accumulated losses	Total
		股份溢價賬	股權結算以股份付款儲備	股本贖回儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 April 2015	於二零一五年四月一日	453,469	1,255	16,142	(71,301)	399,565
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(18,105)	(18,105)
At 31 March 2016 and at 1 April 2016	於二零一六年三月三十一日及於二零一六年四月一日	453,469	1,255	16,142	(89,406)	381,460
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(13,458)	(13,458)
Share options lapsed	已失效購股權	-	(1,145)	-	1,145	-
At 31 March 2017	於二零一七年三月三十一日	453,469	110	16,142	(101,719)	368,002

根據開曼群島公司法(二零零四年修訂法)，本公司之股份溢價賬在若干情況下可予分派。

40. 綜合財務報表之批准

本綜合財務報表已於二零一七年六月二十六日獲董事會批准及授權刊發。

List of Investment Properties

投資物業清單

31 March 2017 二零一七年三月三十一日

Address	Approximate gross areas	Lot number	Lease expiry	Effective equity interest to the Group 本集團應佔 實際股權	Usage
地址	概約總面積	地段編號	租約到期日		用途
HONG KONG					
香港					
Flat 302, 3/F, Block G, Telford Gardens, No. 33 Wai Yip Street, Kowloon Bay, Kowloon	603.00 sq.ft.	NKI 5744	2047	100%	Residential
九龍九龍灣偉業街33號德福花園G座3樓302室	603.00平方呎	NKI 5744	二零四七年	100%	住宅
MAINLAND CHINA					
中國內地					
Units A-D, 25/F, Noble Center, 1006 Fu Zhong San Road, Futian District, Shenzhen City, Guangdong Province	1,000.77 sq.m.	N/A	2053	100%	Office
廣東省深圳市福田區福中三路1006號 諾德中心25樓A至D室	1,000.77平方米	不適用	二零五三年	100%	辦公室
The whole of 28th Floor, Tower One, Neptune Center, Gaoxin District, Chengdu City, Sichuan Province	1,088.42 sq.m.	N/A	2048	100%	Services apartments
四川省成都市高新區海洋中心一期28樓整樓	1,088.42平方米	不適用	二零四八年	100%	服務式公寓
SINGAPORE					
新加坡					
219 Henderson Road, #10-01, Henderson Industrial Park, Singapore	185.00 sq.m.	N/A	Freehold property	100%	Residential
	185.00平方米	不適用	永久業權物業	100%	住宅



AV CONCEPT HOLDINGS LIMITED

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