

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 GENERAL INFORMATION

The principal activity of Stelux Holdings International Limited (the “Company”) is investment holding. The activities of its principal subsidiaries are shown in Note 34 to the consolidated financial statements.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Canon’s Court, 22 Victoria Street, Hamilton, HM12, Bermuda.

The Company’s shares are listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (together, the “Group”) have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and the liability component of the convertible bonds, which are carried at fair value.

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

1 一般資料

寶光實業(國際)有限公司(「本公司」)的主要業務為投資控股，其主要附屬公司的業務載於綜合財務報表附註34。

本公司為於百慕達註冊成立之有限公司，其註冊地址為Canon’s Court, 22 Victoria Street, Hamilton, HM12, Bermuda。

本公司的股份於香港聯合交易所有限公司上市。

除另有註明者外，本綜合財務報表乃以港幣計值。

2 主要會計政策概要

編製本綜合財務報表所採用的主要會計政策載列如下。除另有註明者外，否則該等政策已於呈報年間貫徹應用。

(a) 編製基準

寶光實業(國際)有限公司及其附屬公司(「本集團」)綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)及香港《公司條例》第622條規定，按歷史成本常規法編製，惟可供出售財務資產及可換股債券負債部分按公平值計量。

根據香港財務報告準則規定編製財務報表需進行若干重大會計估計，而規定管理層在採用本集團會計政策時作出判斷。有關範圍涉及較高程度判斷或複雜性，或對賬目而言屬重大範疇之假設及估計，於附註4披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(a) Basis of preparation (Continued)

Adoption of new standard and amendments to standards

The following new standard and amendments to standards are mandatory for the first time for the financial year beginning 1 April 2016 and are adopted by the Group during the year:

HKAS 1 (Amendment)	Disclosure Initiative
HKAS 16 and HKAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortization
HKAS 16 and HKAS 41 (Amendment)	Agriculture: Bearer Plants
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment Entities: Applying the Consolidation Exception
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts
Annual Improvements Project	Annual Improvements 2012-2014 Cycle

The adoption of the above new standard and amendments to standards has no significant impact on the results and financial position of the Group.

2 主要會計政策概要 (續)

(a) 編製基準 (續)

採納新準則及準則修訂

以下新準則及準則修訂於2016年4月1日開始之財政年度首次生效，本集團已採納：

香港會計準則第1號(修訂本)	披露主動性
香港會計準則第16號及香港會計準則第38號(修訂本)	釐清折舊及攤銷可接納之方法
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(修訂本)	獨立財務報表之權益法
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(修訂本)	投資實體：應用綜合之入賬例外情況
香港財務報告準則第11號(修訂本)	收購合營業務權益之會計處理
香港財務報告準則第14號	監管遞延賬戶
年度改進項目	2012至2014年週期之年度改進

採納上述新準則及準則修訂對本集團的業績及財務狀況並沒有重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(a) Basis of preparation (Continued)

New standards and amendments to standards that are not yet effective and have not been early adopted by the Group

The Group has not early adopted the following new standard and amendments to standards that have been issued but are not yet effective:

2 主要會計政策概要 (續)

(a) 編製基準 (續)

尚未生效而本集團亦無提早採納的新準則及準則修訂

本集團並無提早採納以下已頒布但尚未生效的新準則及準則修訂：

		Effective for the Group's annual financial periods beginning on or after 於下列日期或之後開始之 財務年度生效
HKFRS 2 (Amendment)	Classification and Measurement of Share-based Payment Transactions	1 April 2018
香港財務報告準則第2號 (修訂本)	股份支付的交易之分類及計量	2018年4月1日
HKFRS 4 (Amendment)	Applying HKFRS 9 Financial instruments with HKFRS 4 Insurance contracts	1 April 2019
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9號金融工具與香港財務 報告準則第4號保險合同	2019年4月1日
HKAS 7 (Amendment)	Statement of Cash Flows	1 April 2017
香港會計準則第7號 (修訂本)	現金流量表	2017年4月1日
HKAS 12 (Amendment)	Income Taxes	1 April 2017
香港會計準則第12號 (修訂本)	所得稅	2017年4月1日
HKFRS 9	Financial Instruments	1 April 2018
香港財務報告準則第9號	金融工具	2018年4月1日
HKFRS 16	Leases	1 April 2019
香港財務報告準則第16號	租賃	2019年4月1日
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets Between Investor and its Associate or Joint Venture	To be determined
香港財務報告準則第10號及 香港會計準則第28號 (修訂本)	投資者與其聯營公司或合營 公司之間的資產出售或注資	待確定
HKFRS 15	Revenue from Contracts with Customers	1 April 2018
香港財務報告準則第15號	來自客戶合約之收入	2018年4月1日
HKFRS 15 (Amendment)	Clarifications to HKFRS 15	1 April 2019
香港財務報告準則第15號 (修訂本)	澄清香港財務報告準則第15號	2019年4月1日
Annual Improvements Project	Annual Improvements 2014-2016 Cycle	1 April 2017
年度改進項目	2014年至2016年週期之年度改進	2017年4月1日

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)(a) Basis of preparation *(Continued)*

New standards and amendments to standards that are not yet effective and have not been early adopted by the Group (Continued)

HKFRS 16 “Leases” — The Group is a lessee of its offices, retail stores and warehouses which are currently classified as operating leases. The Group’s current accounting policy for such leases is set out in Note 2(v). As at 31 March 2017, the aggregated future lease payments of the Group under operating leases was HK\$876,662,000. HKFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to account for certain leases outside the statements of financial position. Instead, all long-term leases must be recognised in the form of assets (for the rights of use) and lease liabilities (for the payment obligations), both of which would carry initially at the discounted present value of the future operating lease commitments currently disclosed in Note 28(b). Short-term leases with a lease term of twelve months or less and leases of low-value assets are exempt from such reporting obligations. The new standard will therefore result in recognition of a right-to-use asset and an increase in lease liabilities in the statements of financial position. In profit or loss, rental expenses will be replaced with depreciation and interest expense. It is expected that certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right of use assets and lease liabilities.

Apart from aforementioned HKFRS 16, the directors of the Company are in the process of assessing the financial impact of the adoption of the above new standards and amendments to standards. The directors of the Company will adopt the new standards and amendments to standards when they become effective.

2 主要會計政策概要 (續)

(a) 編製基準 (續)

尚未生效而本集團亦無提早採納的新準則及準則修訂 (續)

香港財務報告準則第16號「租賃」— 本集團為現時分類為經營租賃的辦公室、零售店舖及倉庫的承租人。本集團現時有關該等租賃的會計政策載於附註2(v)。於2017年3月31日，本集團經營租賃項下的未來租金付款總額為HK\$876,662,000。香港財務報告準則第16號提供有關租賃會計處理的新規定，此等規定將於日後不再允許承租人於財務狀況表外列賬若干租賃。取而代之，所有長期租賃均須以資產（就使用權而言）及租賃負債（就付款責任而言）的形式確認，首次均按附註28(b)現時披露的未來經營租賃承擔的已貼現現值計量。租期為十二個月或以下的短期租賃及低價值資產租賃均獲豁免遵守有關申報責任。故此，新訂準則將導致於財務狀況表內終止確認使用權資產及使租賃負債增加。於損益內，租金開支將以折舊及利息開支取代。若干租賃承擔預期將須在綜合財務狀況表內確認為資產及租賃負債的使用權。

除上述香港財務報告準則第16號外，本公司董事正在評估採用該等新準則及準則修訂本所造成的財務影響。本公司董事將於新準則及準則修訂本生效後採納有關準則。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(b) Subsidiaries***(i) Consolidation*

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

(1) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2 主要會計政策概要 (續)**(b) 附屬公司***(i) 綜合賬目*

附屬公司指本集團對其具有控制權的所有實體(包括結構性實體)。當本集團因為參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該實體的權力影響此等回報時，本集團即控制該實體。附屬公司之賬目自控制權轉讓予本集團之日起全面綜合入賬，並自該控制權終止之日停止綜合計入賬目。

(1) 業務合併

本集團採用收購法為業務合併入賬。收購附屬公司所轉讓代價根據本集團所轉讓的資產、對被收購方前擁有人所產生的負債及本集團所發行股本權益的公平值計算。所轉讓的代價包括因或然代價安排產生的任何資產或負債的公平值。在業務合併過程中所收購的可識別資產以及所承擔的負債及或然負債，均於收購當日按其公平值作初步計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

(b) Subsidiaries (Continued)

(i) Consolidation (Continued)

(1) Business combinations (Continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

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

2 主要會計政策概要 (續)

(b) 附屬公司 (續)

(i) 綜合賬目 (續)

(1) 業務合併 (續)

本集團視乎個別收購基準確認其於被收購方的非控股權益。於被收購方的屬於現時擁有權權益並賦予其持有人於清盤時按比例分佔實體資產淨值的非控股權益乃初步以公平值或現時的擁有權工具應佔被收購方可識別資產淨值中已確認款額的比例計量。非控股權益的所有其他成分均按公平值計量，除非香港財務報告準則規定必須以其他計量基準計算。

收購相關成本於產生時支銷。

倘業務合併分階段達成，收購方以往持有之被收購方股權在列入收益表時乃按收購日期之公平值重新計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Subsidiaries (Continued)

(i) Consolidation (Continued)

(1) Business combinations (Continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in the income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill (Note 2(f)). If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

2 主要會計政策概要 (續)

(b) 附屬公司 (續)

(i) 綜合賬目 (續)

(1) 業務合併 (續)

本集團將予轉讓之任何或然代價按收購日期之公平值確認。被視為資產或負債之或然代價日後在公平值上如有任何變動乃根據香港會計準則第39號於收益表中確認或在其他全面收益表中確認。分類為權益之或然代價不予重新計量，而在日後支付時於權益中入賬。

所轉讓代價、被收購方之任何非控股權益金額及任何先前於被收購方之股權於收購日期之公允價值高於所收購可辨認資產淨值之公平值時，其差額以商譽列賬就議價購買而言(附註2(f))，如轉讓代價、已確認非控股權益及先前持有之權益計量總額低於所收購附屬公司資產淨值之公平值，其差額將直接於收益表中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

(b) Subsidiaries (Continued)

(i) Consolidation (Continued)

(1) Business combinations (Continued)

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

(2) Changes in ownership interests in subsidiaries without change of control

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

2 主要會計政策概要 (續)

(b) 附屬公司 (續)

(i) 綜合賬目 (續)

(1) 業務合併 (續)

集團內交易、集團內公司間交易之結餘及未變現收益予以對銷。未變現虧損亦予以對銷。於有需要時，附屬公司匯報之金額予以調整以確保與本集團之會計政策符合一致。

(2) 改變於附屬公司之擁有權權益而控制權維持不變

與非控股性權益進行不致失去控制權之交易以權益交易形式入賬，即列作與擁有人進行之交易。任何已付代價之公平值與應佔所購入附屬公司淨資產賬面值兩者間之差額列入權益。出售予非控股性權益所產生之盈虧亦列入權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(b) Subsidiaries** *(Continued)**(i) Consolidation* *(Continued)***(3) Disposal of subsidiaries**

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

(ii) Separate financial statements

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

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

2 主要會計政策概要 *(續)***(b) 附屬公司** *(續)**(i) 綜合賬目* *(續)***(3) 出售附屬公司**

當本集團不再擁有控制權，於實體中之任何保留權益須按失去控制權當日之公平值重新計量，而賬面值的變動均於損益確認。就其後為保留權益以聯營公司、合營公司或財務資產等形式入賬而言，公平值為初始賬面值。此外，以往就該實體於其他全面收益中確認之任何金額，乃按猶如本集團已直接出售相關資產或負債之方式入賬。此舉可能意味以往在其他全面收益中確認之金額重新分類至收益表。

(ii) 獨立財務報表

於附屬公司的投資按成本扣除減值列賬。成本亦包括投資的直接應佔成本。本公司將附屬公司的業績根據已收及應收股息入賬。

倘於附屬公司的投資產生的股息超過附屬公司於宣派股息期間的全面收益總額或倘該等投資於獨立財務報表內的賬面值超過投資對象資產淨值(包括商譽)於綜合財務報表內的賬面值，則於收到該等股息時須對該等投資進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Segment reporting

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

(d) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2 主要會計政策概要 (續)

(c) 分部報告

營運分部之報告方式，與向主要營運決策者提供內部報告之方式一致。主要營運決策者負責就營運分部分配資源及評估分部之表現，而行政董事被視為作出策略決定的主要營運決策者。

(d) 外幣換算

(i) 功能及呈報貨幣

本集團旗下每個實體之財務報表所包括之項目，均以該實體之主要營運地區之貨幣計算，此為功能貨幣。本綜合財務報表乃以港幣呈報，港幣為本公司之功能及呈報貨幣。

(ii) 交易及結餘

外幣交易均按交易當日或項目重新估值採用估值日之現行匯率換算為功能貨幣。因上述交易結算及按結算日之匯率兌換以外幣計值之貨幣資產及負債而產生之匯兌損益，均於綜合收益表確認。除合資格的現金流量對沖及合資格的淨投資對沖在其他全面收益內確認。

非貨幣財務資產(如分類為可供出售財務資產之股本)之匯兌差額則計入其他全面收益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

(d) Foreign currency translation (Continued)

(iii) Group companies

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

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2 主要會計政策概要 (續)

(d) 外幣換算 (續)

(iii) 集團旗下公司

集團旗下所有功能貨幣與呈報貨幣不同之實體 (全部均非高通貨經濟之貨幣) 之業績及財務狀況，按以下方式換算為呈報貨幣：

- 各資產負債表所呈列資產及負債，按結算日之收市匯率換算；
- 各收益表之收入及支出，按平均匯率換算，惟此平均值並非交易當日現行匯率具累積效果之合理約數除外。在此情況下，收入及支出於交易日期換算；及
- 所有匯兌差額於其他全面收益表中確認。

收購海外實體所產生商譽及公平值調整視作海外實體之資產及負債處理，並按收市匯率換算。產生的匯兌差額於其他全面收益表中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

(d) Foreign currency translation (Continued)

(iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the equity holders of the Company are reclassified to the income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are reattributed to non-controlling interests and are not recognised in income statement. For all other partial disposals (that is, reductions in the group's ownership interest in associate that do not result in the group losing significant influence), the proportionate share of the accumulated exchange difference is reclassified to the income statement.

(e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

2 主要會計政策概要 (續)

(d) 外幣換算 (續)

(iv) 出售海外業務及部分出售

於出售一項海外業務時(即出售本集團於海外業務所持全部權益,或涉及失去(包括一項海外業務)附屬公司之控制權之出售),就公司權益持有人應佔該項業務而在權益中累計之匯兌差額均重新分類至收益表。

在部分出售不致令本集團失去對海外業務附屬公司控制權之情況,按比例分佔之累計匯兌差額重新歸屬非控股性權益而不在收益表中確認。其他部分出售(即集團減少聯營公司的權益不會導致集團失去對此的重大影響力)。比例分佔之累計之匯兌差額均重新分類至收益表。

(e) 物業、機器及設備

物業、機器及設備按歷史成本減累積折舊及累積減值虧損入賬。歷史成本包括直接歸屬於該收購項目的支出。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Property, plant and equipment (Continued)

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

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold land classified as finance lease	Shorter of remaining lease term or useful life
Buildings	Lesser of the unexpired lease term or 20 to 50 years
Equipment and leasehold improvements	3 to 10 years or over the lease term
Furniture and fixtures	3 to 15 years
Motor vehicles	4 to 5 years

No depreciation is provided on freehold land.

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

2 主要會計政策概要 (續)

(e) 物業、機器及設備 (續)

當與項目有關之未來經濟利益可能流入本集團，以及項目成本能可靠計算時，其後成本才會計入資產之賬面值或確認為獨立資產（視適用情況而定）。所有其他維修及保養費用於產生財政期間於收益表扣除。

租賃土地分類為融資租賃，並當土地權益可用作其擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產之折舊以直線法於其估計可用年期內分配其成本至剩餘價值。所採用年率如下：

租賃土地 (分類為融資租賃)	未屆滿租期或使用年限 (以較短者為準)
樓宇	未屆滿租期或20至50年 (以較短者為準)
設備及租賃權益改良	3至10年或租賃期
傢俬及裝修	3至15年
汽車	4至5年

永久業權之土地無須折舊。

資產之剩餘價值及可用年期會於各結算日審閱及調整 (如適用)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)(e) Property, plant and equipment *(Continued)*

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(g)).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

(f) Intangible assets

(i) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of CGU containing goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 主要會計政策概要 (續)

(e) 物業、機器及設備 (續)

倘資產之賬面值超過其估計可收回金額，則其賬面值將即時撇減至可收回金額 (附註2(g))。

出售之損益按比較所得款項與賬面值釐定，並計入收益表。

(f) 無形資產

(i) 商譽

商譽於收購附屬公司時產生，指已轉移代價超出本集團於被收購方可識別資產淨值及被收購方非控股權益之公平值之權益。

為進行減值測試，於業務合併中收購之商譽乃分配至預期自合併協同效應受惠之各賺取現金單位 (或現金單位組別)。各獲分配商譽之單位或單位組別指就內部管理而言實體監察商譽之最低層面。商譽於經營分部層面監察。

商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。商譽賬面值與可收回金額作比較，可收回金額為使用值與公平值減出售成本之較高者。任何減值即時確認為開支，且其後不會撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)(f) Intangible assets *(Continued)*

(ii) Trademarks

Separately acquired trademark are shown at historical cost. Trademarks have an indefinite useful life and the carrying amount brought forward are not amortised but tested annually for impairment.

(iii) Technical know-how

Technical know-how acquired in a business combination is recognised at fair value at the acquisition date. The technical know-how has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the technical know-how of thirty years.

(g) Impairment of non-financial assets

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

2 主要會計政策概要 (續)

(f) 無形資產 (續)

(ii) 商標

單獨購入的商標按歷史成本列賬。商標具有無限使用年期，而結轉自上一個年度之賬面值毋須攤銷，但須每年就減值進行測試。

(iii) 專業技術

在業務合併中取得的專業技術於收購日期按公平值確認。專業技術具有使用期限，並按成本減累計攤銷列賬。攤銷乃使用直線法按預期專業技術的三十年使用期計算。

(g) 非財務資產減值

具有無限使用年期的資產(如商譽、商標或尚未可供使用之無形資產)毋須攤銷，但每年均作出減值評估。當有事件出現或狀況變動顯示賬面值可能無法收回時會對需經攤銷的資產是否需要減值進行檢討。減值虧損為資產賬面值超越其可收回價值之數額。可收回金額為資產公平值減出售成本後之價值，與其使用價值之間的較高者。為了評估資產減值，本集團按可個別確認其現金流量(現金產生單位)的最低水平劃分資產類別。出現減值之非財務資產(商譽除外)將於每個申報日期進行檢討以確定其減值是否須撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***(h) Financial assets****Classification**

The Group classifies its financial assets in the following categories: loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

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

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2 主要會計政策概要 (續)

(h) 金融資產**分類**

本集團按以下類別分類其金融資產：貸款及應收款項以及可供出售。分類視乎已收購的金融資產而定。管理層按其初步確認將其金融資產進行分類。

(i) 貸款及應收款項

貸款及應收款項為具有固定或可釐定付款但並無於活躍市場報價的非衍生金融資產，其包括在流動資產，已結算或預期將於報告期間結束後12個月以後方會結算的款項則除外。該等分類為非流動資產。本集團的貸款及應收款項包括資產負債表的按金、貿易及其他應收款項及銀行結餘。

(ii) 可供出售金融資產

可供出售金融資產為指定於此類別或並無分類為其他類別的非衍生工具，包括在非流動資產，除非投資到期或管理層有意於報告期間結束後12個月內將其出售則另作別論。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)(h) Financial assets *(Continued)***Recognition and measurement**

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as other gains/(losses), net.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement as part of other income when the Group's right to receive payments is established.

2 主要會計政策概要 (續)

(h) 金融資產 (續)

確認及計量

以正常途徑購買及出售金融資產於交易日確認，交易日為本集團承諾購買或出售資產的日子。投資初步按公平值另加並非按公平值計入損益的所有金融資產的交易成本確認。金融資產於收取投資現金流的權利屆滿或已轉讓及本集團已大致上將所有擁有權風險及回報轉讓時剔除確認。可供出售金融資產及按公平值計入損益的金融資產其後按公平值列賬。貸款及應收款項其後使用實際利率法按攤銷成本列賬。

分類為可供出售的貨幣及非貨幣證券的公平值變動於其他全面收益中確認。

分類為可供出售的證券已出售或減值時，於權益確認的累計公平值調整包括在收益表之其他收益／(虧損)淨額。

使用實際利率法計算之可供出售證券利息於綜合收益表確認為部分其他收入。可供出售權益工具之股息於本集團有權收取獲發有關款項時於綜合收益表確認為部分其他收入。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Financial assets (Continued)

Impairment of financial assets

(i) Assets carried at amortised cost

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

Evidence of impairment may include indications that the debtors 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 where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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

2 主要會計政策概要 (續)

(h) 金融資產 (續)

金融資產減值

(i) 按攤銷成本列賬之資產

本集團於各報告期間結束時評估是否有客觀證據證明一項金融資產或一組金融資產減值。一項金融資產或一組金融資產已減值及減值虧損僅於初步確認資產後產生一項或多項事件(「虧損事件」)而虧損事件(或該等事件)對一項金融資產或一組金融資產的估計日後現金流造成影響能可靠地估計，導致出現減值的客觀證據方會產生減值虧損。

減值證據可能包括債務人或一組債務人正經歷重大財務困難、違約或逾期償付利息或本金、彼等將會破產或進行其他財務重組的可能性的跡象，而當可觀察數據指估計日後現金流出現可計量減少，例如與違約相關的其後變動或經濟狀況。

就貸款及應收款項類別而言，虧損金額按資產賬值與估計日後現金流(不包括尚未產生的日後信貸虧損)現值之差額按金融資產原先的實際利率折讓計算得出。資產的賬面值減少及虧損金額於綜合收益表確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***(h) Financial assets** *(Continued)***Impairment of financial assets** *(Continued)**(i) Assets carried at amortised cost (Continued)*

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(i) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes the cost of direct labour, materials and appropriate proportion of production overhead expenditure, and is calculated on the weighted average basis. Net realisable value is the anticipated sales proceeds less selling expenses in the ordinary course of business.

(j) Trade debtors

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

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

2 主要會計政策概要 (續)

(h) 金融資產 (續)**金融資產減值 (續)***(i) 按攤銷成本列賬的資產 (續)*

倘於其後期間減值虧損金額減少，而減幅客觀上與已確認減值後發生的事件（例如債務人信貸評級改善）相關，先前確認之減值虧損撥回於綜合收益表中確認。

(i) 存貨

存貨按成本值及可變現淨值兩者較低者入賬。成本值乃包括直接工資、原料成本及適當攤分的生產開支，並按加權平均基準計算。可變現淨值乃按預期銷售收益減估計銷售費用釐定。

(j) 應收賬款

應收賬款是於正常業務過程中自銷售商品或提供服務予客戶所應收的款項。倘應收賬款預計將在一年或以內收回（若更長則在業務正常經營週期內），則為流動資產。否則，在非流動資產中列報。

應收賬款初步按公平值確認，其後使用實際利率法計量攤銷成本並扣除減值撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***(j) Trade debtors** *(Continued)*

A provision for impairment of trade debtors is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the trade debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for debtors. Subsequent recoveries of amounts previously written off are credited in the income statement.

(k) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

(l) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Creditors

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

2 主要會計政策概要 (續)

(j) 應收賬款 (續)

當有客觀證據顯示本集團未能根據應收款之原訂條款收回所有到期款項，則會作出應收賬款之減值撥備。債務人出現重大財務困難，可能破產或進行財務重組，及拖欠或無法如期償還，均將視為應收賬款減值之跡象。撥備金額為資產賬面值與預期日後現金流量之現值間之差額，按原有的實際息率貼現。資產之賬面值會使用撥備賬扣減，而虧損金額則於收益表確認。當應收賬款不可收回時，其將於應收賬款撥備賬內撇銷。先前撇銷而於其後收回之金額會計入收益表中。

(k) 現金及現金等價物

現金及現金等價物包括庫存現金、銀行通知存款。

(l) 股本

普通股分類為權益。發行新股份或購股權直接應佔成本之增幅為自所得款項扣除稅項之扣減後於權益中列示。

(m) 應付賬款

應付賬款為就於正常業務過程中自供應商收購貨品或服務的付款責任。倘應付賬款預計將在一年或以內支付（若更長則在業務正常經營週期內），則為流動負債。否則，在非流動負債中列報。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Creditors (Continued)

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

(n) Borrowings and borrowing costs

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facilities to which it relates.

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

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

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

2 主要會計政策概要 (續)

(m) 應付賬款 (續)

應付賬款最初以公平值確認，其後則以實際利率法按攤銷成本計量。

(n) 貸款及貸款費用

貸款初步以公平值確認(減去所產生之交易成本)。貸款其後以攤銷成本列賬。所得款項(扣除交易成本)與贖回價值間之差額，乃實際利率法於借款年度在綜合收益表確認。

在貸款很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

貸款歸類為流動負債，除非本集團有權無條件將債項延長至結算日後最少12個月後清償則作別論。

直接歸因於收購、建設或生產合資格資產(有關資產須較長時間準備以作其擬定用途或出售)的一般及特定貸款成本計入該等資產的成本，直至有關資產大致上準備作其擬定用途或出售之時為止。

所有其他借貸成本於其發生期間的收益表內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Compound financial instruments

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, plus directly attributable transaction costs.

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component, which is included in shareholders' equity in other reserves. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is carried at fair value. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

The liability component of a convertible instrument is classified as current unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

2 主要會計政策概要 (續)

(o) 複式金融工具

本集團之財務負債於初步確認時釐定其分類。所有財務負債於初步確認時均以公平值計量，另加直接應佔交易成本。

本集團發行的複式金融工具，包含持有人可選擇轉換為股本的可換股債券，而發行的股份數目不會因公平值變動而改變。

複式金融工具的負債部分乃初步按不含權益轉換權的類似負債的公平值確認。權益部分乃初步按複式金融工具整體公平值及負債部分公平值(包括在其他儲備中的股東權益內)的差額確認。任何直接應佔交易成本，乃按其初步賬面值比例分配至負債及權益部分。

於初步確認後，複式金融工具的負債部分乃以公平值計量。複式金融工具的權益部分於初步確認後不重新計量(轉換或到期時除外)。

可換股工具的負債部分乃分類為流動負債，除非本集團擁有於報告期間後延遲償還負債最少12個月的無條件權利。

倘某項財務負債下之負債責任獲解除或註銷或屆滿時，則會終止確認該財務負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***(p) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(q) Current and deferred income tax

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

(i) Current income tax

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

2 主要會計政策概要 (續)

(p) 抵銷財務工具

財務資產及負債於有法定強制權以抵銷已確認金額及於擬按淨值基準結算或同時將資產變現及償付負債時予以抵銷，而有關淨額於資產負債表內呈報。法定強制權並不得取決於未來事項，且須可於日常業務過程中在公司或交易對手違約、陷入財政困難或破產的情況下強制執行。

(q) 本期及遞延所得稅

期內所得稅費用包括本期所得稅及遞延所得稅。除與於其他全面收益表內確認或直接於權益確認的項目相關（在該情況下亦分別於其他全面收益表內確認或直接於權益確認）外，所得稅於收益表確認。

(i) 本期所得稅

本期所得稅支出根據本公司及其附屬公司營運所在及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Current and deferred income tax (Continued)

(ii) Deferred income tax

Inside basis differences

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

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

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

2 主要會計政策概要 (續)

(q) 本期及遞延所得稅 (續)

(ii) 遞延所得稅

內部基礎差異

對於資產及負債的稅基與在綜合財務報表的賬面值之間的暫時性差額，使用負債法確認遞延所得稅。然而，若遞延所得稅來自在交易（不包括業務合併）中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記帳。遞延所得稅乃以於結算日已頒佈或實質頒佈的稅率（及稅法）釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時應用。

倘若很可能出現未來應課稅溢利，使暫時性差額得以使用，則確認遞延所得稅資產。

外部基礎差異

遞延所得稅負債按於附屬公司之投資產生之應課稅暫時性差額計提撥備，惟本集團可控制撥回暫時性差額的時間，而暫時性差額不甚可能在可見將來撥回之遞延所得稅負債除外。

就附屬公司的投資產生的可扣減暫時性差額確認遞延所得稅資產，但只限於暫時性差額很可能在將來轉回，並有充足的應課稅利潤抵銷可用的暫時性差額。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(q) Current and deferred income tax** *(Continued)**(ii) Deferred income tax (Continued)*

Offsetting

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

(r) Employee benefits*(i) Pension obligations*

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. The Group mainly has defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 主要會計政策概要 (續)**(q) 本期及遞延所得稅 (續)***(ii) 遞延所得稅 (續)*

抵銷

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

(r) 僱員福利*(i) 退休計劃責任*

集團公司營辦不同的退休金計劃。該等計劃一般是通過向保險公司或由信託管理的退休金作出供款而撥付。本集團主要設有界定供款計劃。

界定供款計劃為本集團須向獨立實體支付固定供款之退休金計劃。倘基金之資產於本期間或過往期間並不足以向全體僱員支付所有與僱員服務有關之福利，則本集團概無任何法律或推定責任支付額外供款。

本集團按強制、合約或自願基準向公眾或私人管理之退休金計劃供款。本集團於支付供款後，再無其他付款責任。供款於到期時確認為僱員福利開支。預付供款確認為資產，惟以退回現金或可扣減日後付款金額為限。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***(r) Employee benefits** *(Continued)**(ii) Profit-sharing and bonus plans*

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(iv) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2 主要會計政策概要 (續)

(r) 僱員福利 (續)*(ii) 利潤分享及花紅計劃*

本集團根據一項公式(已計及於作出若干調整後本公司權益持有人之應佔溢利)就花紅及利潤分享確認負債及支出。當負有合約上之責任或當以往慣例造成推定性責任時，本集團須確認撥備。

(iii) 終止福利

終止福利於僱員在正常退休日前被本集團終止聘用或僱員接受自願離職以換取這些福利時支付。本集團按以下日期(以較早者為準)確認離職福利：(a) 於本集團不能取消提供該等福利時；及(b)實體確認任何屬香港會計準則第37號範疇內及涉及終止服務權益付款之有關重組成本當日。在提出要約以鼓勵自願離職的情況下，離職福利乃根據預期接受要約的僱員人數計量。在報告期末後超過十二個月到期支付的福利應貼現為現值。

(iv) 僱員應有假期

僱員在年假及長期服務休假的權利在僱員應享有時確認。本集團為截至結算日止僱員已提供服務而產生的休假及長期服務假的估計負債作出撥備。

僱員的病假及產假於僱員正式休假前不作確認，於離職時確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(s) Share-based payment transactions***Issue of convertible bonds as share-based payment transactions*

If the identifiable consideration received by the Company appears to be less than the fair value of the convertible bonds issued, the Company measures the unidentifiable services received (to be received) as the difference between the fair value of the convertible bonds issued and that of the identifiable consideration received, and the difference is recognised in the profit or loss immediately unless qualified for capitalisation.

The liability component (i.e. the bondholder's right to demand payment in cash) of the convertible bonds will be accounted for as a cash-settled share-based payment transaction while the equity component (i.e. the bondholder's right to demand settlement in the Company's shares) of the convertible bonds will be accounted for as an equity-settled share-based payment transaction. The entity first measures the fair value of the liability component, and then measure the fair value of the equity component by taking into account that the bondholder must forfeit the right to receive cash in order to receive the equity instrument. Subsequent to initial recognition, the liability component of the convertible bonds is stated at fair value, with changes recorded in the income statement under finance cost. The equity component is not re-measured subsequent to initial recognition.

(t) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amounts has been reliably estimated. Provisions are not recognised for future operating losses. Provision for an onerous contract is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

2 主要會計政策概要 (續)**(s) 以股份為基礎之付款交易***發行可換股債券作為以股份為基礎之付款交易*

若本公司收取可辨識的代價看似低於所發行可換股債券的公平值，本公司應以所發行可換股債券的公平值與已收取可辨識代價公平值之間的差額，計量已收取（將會收取）未能辨識的服務，而有關差額應即時在損益內確認，除非其符合資格可撥充資本。

可換股債券之負債成份（即債券持有人要求以現金付款之權利），將作為現金結算以股份為基礎之付款交易入賬，而可換股債券之權益成份（即債券持有人要求以本公司股份償付之權利），將作為以股本結算以股份為基礎之付款交易。實體首先計量負債成份之公平值，其後計量權益成份之公平值，其中已考慮債券持有人必須放棄收取現金之權利，方可收取權益工具。初始確認後，可換股債券之負債成份按公平值列賬，而變動則記入收益表列於財務成本下。權益成份於初始確認後不作重新計量。

(t) 撥備

當集團因已發生的事件須承擔現有的法律性或推定性的責任，而解除責任時有可能消耗資源，且責任金額能夠可靠地作出估算，則需確認撥備。未來經營虧損不會被確認為撥備。有法律義務的租賃合同撥備於履行合同義務的不可避免成本超過根據該合同預計將獲取的經濟利益時確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(t) Provisions (Continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(u) Recognition of revenue

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

(i) Sales of goods-retail

Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card.

2 主要會計政策概要 (續)

(t) 撥備 (續)

如有多項類似義務，則履行時要求資源流出的可能性應通過總體考慮該類義務來確定。即使就該類義務中某個項目而言，資源流出的可能性很低，仍須確認撥備。

撥備乃按預期需用作清償責任開支以稅前比率計算之現值計量，其反映當時市場對貨幣之時間值及該責任之特定風險之評估。因時間之流逝而增加之撥備確認為利息開支。

(u) 確認收入

收入包括在本集團日常業務中就售出貨品及服務已收或應收之代價之公平值，所呈示之收入已減去折扣、退貨及增值稅，當收益的數額能夠可靠計量、未來經濟利益有可能流入有關實體，而本集團每項活動均符合具體條件時(如下文所述)，本集團便會將收益確認。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

(i) 貨品銷售—零售

貨品銷售在集團實體已將貨品售予顧客後確認。零售通常以現金或信用卡付款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(u) Recognition of revenue** *(Continued)**(ii) Sales of goods-wholesale and trading*

Sales of goods are recognised when the Group has delivered products to the customer, the customer has accepted the product and collectability of the related receivables is reasonably assured.

(iii) Building management fee income

Building management fee income is recognised when the services are rendered.

(iv) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(v) Dividend income

Dividend income is recognised when the right to receive payment is established.

(v) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

2 主要會計政策概要 (續)**(u) 確認收入 (續)***(ii) 貨品銷售—批發及貿易*

貨品銷售在本集團已將貨品交付予顧客，顧客接收產品後，以及有關應收款的收回可合理確保時確認。

(iii) 物業管理費收入

物業管理費收入於有關服務提供後確認。

(iv) 利息收入

利息收入依據實際利息法按時間比例確認。

(v) 股息收入

股息收入在確定有權獲發有關款項時確認。

(v) 租賃資產

營業租賃是指資產擁有權的絕大部分風險及得益實質地由出租公司承擔的租賃。根據營業租賃支付的款項(扣除從出租公司收取的優惠)乃以直線法於租賃期內在綜合收益表中扣除。

本集團持有若干租賃物業、機器及設備。倘本集團持有租賃物業、機器及設備擁有權的大部分風險及回報，則分類為融資租賃。融資租賃在租賃開始時按租賃物業之公平值及最低租賃付款現值兩者之較低者入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(v) Leases (Continued)

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2 主要會計政策概要 (續)

(v) 租賃資產 (續)

每筆租金均分攤為負債及財務開支。相應租賃責任在扣除財務開支後計入貸款內。融資成本的利息部份於租約期內在收益表支銷，致使融資成本與各期間的負債餘額之比為常數定期利率。根據融資租賃取得的物業、機器及設備按資產之可用年期或租期兩者的較低者折舊。

3 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's principal financial instruments comprise bank borrowings, and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations. The Group's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by management under the policies approved by the Board and it identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units.

The Group's activities expose it to a variety of financial risks: foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarized below.

(i) Foreign exchange risk

The Group mainly operates in Hong Kong, China and a number of countries in South East Asia. Retail sales transactions are mostly denominated in the functional currencies of respective group entities. The Group's exposure to foreign exchange risk mainly arises from commercial transactions, recognised assets and liabilities denominated in currencies other than the functional currency of the group entities to which they relate. The Group considers its foreign currency exposure as mainly arising from the exposure of the Singapore dollar, Malaysian ringgit, Thai baht and Renminbi against the Hong Kong dollar. The Group regularly monitors its exposures to foreign currency transactions.

3 財務風險管理

(a) 財務風險因素

本集團之主要金融工具包括銀行貸款與及銀行存款。此等金融工具之主要用途乃為本集團之業務籌集資金。本集團有若干其他財務資產及負債來自其經營業務直接產生，例如應收賬款及應付賬款。本集團之整體風險管理政策針對金融市場之難以預測性，並尋求減低對本集團財務表現構成之潛在不利影響。風險管理乃由管理層根據董事會批核之政策進行，而管理層與本集團之營運單位緊密合作，以識別、評估及監察財務風險。

本集團經營活動面對各種財務風險：外匯風險、利率風險、信貸風險及流動資金風險。董事會審閱並同意下文所概述管理各項此等風險之政策。

(i) 外匯風險

本集團主要於香港、中國及若干東南亞國家經營業務。而零售交易大部分乃以集團實體的功能貨幣計值。本集團主要承受來自以集團實體的功能貨幣以外貨幣計值的商業交易，已確認資產及負債的外匯風險。本集團認為其外幣風險主要來自新加坡元、馬來西亞令吉、泰銖及人民幣兌港幣的風險。本集團定期監控其外幣交易風險。

3 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(i) Foreign exchange risk (Continued)

The details of the currencies in which the Group's bank loans are denominated are set out in Note 24 to the consolidated financial statements. The Group's bank loans are principally denominated in the functional currency of the relevant group entity. Management does not anticipate any significant foreign exchange risk associated with the Group's borrowings.

The approximate impact to the Group's loss before tax that might be resulted from the reasonable possible changes in the foreign exchange rates against the Hong Kong dollar to which the Group has significant exposure at 31 March 2017 is summarised below. The analysis includes balances between group companies where the balances are denominated in a currency other than the functional currencies of the lending or the borrowing entities.

		2017		2016	
		Increase in foreign exchange rate	Decrease in loss before income tax	Increase in foreign exchange rate	Decrease in loss before income tax
		外匯匯率 的增加	除稅前虧 損的減少	外匯匯率 的增加	除稅前虧 損的減少
			HK\$'000 港幣仟元		HK\$'000 港幣仟元
Singapore dollar	新加坡元	5%	3,345	5%	3,876
Malaysian ringgit	馬來西亞令吉	5%	1,602	5%	4,666
Thai baht	泰銖	5%	680	5%	390
Renminbi	人民幣	5%	8,754	5%	8,064

Decrease in the above foreign exchange rates by 5% (2016: 5%) would affect the loss before income tax by the same amount but in the opposite direction.

3 財務風險管理 (續)

(a) 財務風險因素 (續)

(i) 外匯風險 (續)

本集團的銀行貸款的計值貨幣詳情載於賬目附註24。本集團的銀行貸款主要以本集團相關實體的功能貨幣計值。管理層並不預期有關本集團貸款的任何重大外匯風險。

於2017年3月31日，因本集團主要面臨的港幣外匯匯率的合理可能變動而導致的對本集團的稅前虧損概約影響概要如下。該分析包括集團公司之間的結餘，而該結餘乃以除借貸實體的功能貨幣外的貨幣計值。

上述外匯匯率減少5% (2016年：5%) 將對除稅前虧損產生相同金額但相反方向的影響。

3 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets other than bank balances, details of which have been disclosed in Note 19. The Group's exposure to changes in interest rates is mainly attributable to its bank loans. Bank borrowings at variable rates expose the Group to cash flow interest-rate risk. Details of the Group's bank borrowings are disclosed in Note 24(a) to the consolidated financial statements. The Group's policy is to obtain the most favorable interest rates available.

The Group has not used any interest rate swaps to hedge its exposure to cash flow interest rate risk.

At 31 March 2017, if interest rates of bank borrowings at variable rates had been 50 basis points (2016: 50) higher/lower with all other variables held constant, loss for the year would have been HK\$4,429,000 (2016: HK\$3,265,000) higher/lower, mainly as a result of higher/lower interest expense.

(iii) Credit risk

The Group's maximum exposure to credit risk which cause a financial loss to the Group due to failure to perform an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets (mainly include deposits with banks and debtors) as stated in the consolidated balance sheet.

3 財務風險管理 (續)

(a) 財務風險因素 (續)

(ii) 利率風險

由於本集團並無重大計息資產除銀行結餘外，有關詳情已披露於附註19，故本集團之收入及營運現金流量大致上不受市場利率變動影響。本集團面對的利率變動風險主要來自其銀行貸款。按浮動利率授出的銀行貸款使本集團承受現金流量利率風險。有關本集團銀行借貸的詳情披露於綜合財務報表附註24(a)。本集團的政策乃為公司爭取最有利之利率。

本集團並無使用任何利率掉期對沖現金流量利率風險。

於2017年3月31日，倘貸款利率上升／降低50個(2016年：50個)基點而其他因素保持不變，除所得稅前虧損將上升／降低港幣4,429,000元(2016年：港幣3,265,000元)，主要是由於浮動利率借貸利息開支上升／降低所致。

(iii) 信貸風險

本集團因交易對手方未能履行責任引致財務虧損所承擔之最大信貸風險來自綜合資產負債表所載各已確認財務資產之賬面值，主要包括銀行存款以及應收賬款。

3 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iii) Credit risk (Continued)

Bank balances are deposited in banks with sound credit ratings to mitigate the risk arising from banks. The Group has no significant concentration of credit risk with any single counterparty or group of counterparties. The Group also has policies in place to assess the credit worthiness of customers to ensure that sales of products are made to wholesale customers with an appropriate credit history. Besides, management of the Group monitors its credit risk on an ongoing basis by reviewing the debtors' aging to minimise its exposure to credit risk.

Sales to retail customers are made in cash or via major credit cards.

Rental deposits are mainly placed with various landlords in countries where the Group operates and are due to refund upon the expiry of the tenancy agreements and handover of the leased premises. During the year, the Group did not experience any defaults by the landlords.

(iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of banking facilities. Due to the dynamic nature of the underlying businesses, management aims to maintain flexibility in funding by keeping credit lines available and to maintain a balance between continuity of funding and flexibility through the use of banking facilities in order to meet its liquidity requirements both in the short term and long term.

3 財務風險管理 (續)

(a) 財務風險因素 (續)

(iii) 信貸風險 (續)

銀行結餘存放於信貸評級良好的銀行以減低銀行產生的風險。本集團並無與任何單一交易對手方或一組交易對手方有關的任何重大信貸集中風險。本集團亦已訂有政策評估客戶之信貸記錄，以確保產品乃向信貸紀錄良好之批發客戶銷售。此外，本集團管理層通過檢討應收賬款的賬齡以持續監察及減低其信貸風險。

對零售顧客之銷售以現金支付或透過主要信用卡進行。

租金按金主要給予本集團有經營業務的國家的多名業主，並於租賃協議屆滿及交還租賃物業時可予退還。年內，本集團並無遭遇重大業主違約事件。

(iv) 流動資金風險

審慎之流動資金風險管理代表維持足夠之現金及透過獲取足夠之已承諾信貸額度獲得足夠之資金。由於相關業務活躍多變，故管理層旨在維持充裕信貸融資，以保持資金之靈活彈性及透過使用銀行之信貸在資金之持續性及靈活性之間取得平衡，以配合其短期及長期資金需求。

3 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Repayable on demand/ within 1 year 應要求償還/ 1年以下 HK\$'000 港幣仟元	Between 1 and 2 years 1至2年內 HK\$'000 港幣仟元	Between 2 and 3 years 2至3年內 HK\$'000 港幣仟元	Over 3 years 3年以上 HK\$'000 港幣仟元
At 31 March 2017	於2017年3月31日				
Bank borrowings (note b)	銀行貸款(附註b)	1,106,511	1,551	1,579	12,790
Finance lease	融資租賃	60	60	55	-
Creditors and accruals	應付賬款及應計費用	571,749	-	-	-
At 31 March 2016	於2016年3月31日				
Bank borrowings (note b)	銀行貸款(附註b)	668,886	1,666	1,700	15,888
Finance lease	融資租賃	31	62	62	88
Convertible bonds (note a)	可換股債券(附註a)	124,293	380,308	-	-
Creditors and accruals	應付賬款及應計費用	556,018	-	-	-

3 財務風險管理(續)

(a) 財務風險因素(續)

(iv) 流動資金風險(續)

下表顯示本集團及本公司之財務負債，按照相關到期組別，根據由結算日至合約到期日的剩餘時間進行分析。於表內披露的金額為未折現的現金流量。

3 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Liquidity risk (Continued)

Notes:

- (a) The convertible bonds were fully redeemed on 15 September 2016 (Note 25).
- (b) Certain borrowings contain a repayment on demand clause which can be exercised at the bank's sole discretion. The analysis below shows the cash outflows based on the scheduled repayment. The amount includes interest payments computed using contractual rates. The directors believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

		Within 1 year 1年以下 HK\$'000 港幣仟元	Between 1 and 2 years 1至2年內 HK\$'000 港幣仟元	Between 2 and 3 years 2至3年內 HK\$'000 港幣仟元	Over 3 years 3年以上 HK\$'000 港幣仟元
At 31 March 2017	於2017年3月31日	327,788	126,855	132,842	596,836
At 31 March 2016	於2016年3月31日	323,486	43,019	42,047	309,955

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 流動資金風險 (續)

附註：

- (a) 上述可換股債券於2016年9月15日全數贖回(附註25)。
- (b) 若干貸款載有應要求償還的條文，可按銀行全權酌情行使。以下分析顯示根據計劃還款的現金流出。有關金額包括使用合約利率計算的利息付款。董事認為，有關貸款將根據貸款協議所載的計劃還款日期償還。

(b) 資本風險管理

本集團的資本管理目標是保障本集團能繼續營運以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本之能力。

為了維持或調整資本結構，本集團可能會調整支付股東的股息數額、向股東返還資本、發行新股或出售資產以減低債務。

3 FINANCIAL RISK MANAGEMENT (Continued)

(b) Capital risk management (Continued)

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings and convertible bonds as shown in the consolidated balance sheet) less bank balances and cash. Total capital is calculated as 'shareholders' funds' as shown in the consolidated balance sheet.

The gearing ratios at 31 March 2017 and 2016 were as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Total borrowings (Note 24)	貸款總額 (附註24)	1,097,355	674,487
Convertible bonds (Note 25)	可換股債券 (附註25)	-	446,424
Less: Bank balances and cash (Note 19)	減：銀行結餘及現金 (附註19)	(533,774)	(599,225)
Net debt	淨債務	563,581	521,686
Shareholders' funds	股東資金	919,079	1,229,803
Gearing ratio	借貸比率	61%	42%

The increase in gearing ratio is due to the decrease in shareholder's funds.

3 財務風險管理 (續)

(b) 資本風險管理 (續)

與業內其他公司作法一致，本集團以借貸比率作為監控資本的基準。借貸比率按淨債務除以資本總額計算。淨債務按貸款總額（包括綜合資產負債表所示之流動及非流動貸款以及可換股債券）減銀行結餘及現金計算。資本總額計算為綜合資產負債表所示的「股東資金」。

於2016年及2017年3月31日之借貸比率載列如下：

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Total borrowings (Note 24)	貸款總額 (附註24)	1,097,355	674,487
Convertible bonds (Note 25)	可換股債券 (附註25)	-	446,424
Less: Bank balances and cash (Note 19)	減：銀行結餘及現金 (附註19)	(533,774)	(599,225)
Net debt	淨債務	563,581	521,686
Shareholders' funds	股東資金	919,079	1,229,803
Gearing ratio	借貸比率	61%	42%

借貸比率增加乃由於股東資金減少所致。

3 FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation

The table below analyses the Group's financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Group's available-for-sale financial assets and liability components of convertible bonds are measured at fair value by discounting the estimated future cash flows. Their fair value measurement is classified as level 3. Changes in level 3 instruments for the year ended 31 March 2017 are set out in Note 16 and Note 25 respectively.

There was no transfer of financial instruments into or out of level 3 during the year.

The carrying amounts of the Group's financial assets including cash and cash equivalents, deposits, debtors and other receivables, and financial liabilities including creditors, other payables and current borrowings, approximate their fair values due to their short maturities.

3 財務風險管理 (續)

(c) 公平值評估

本集團按公平值計量財務工具，其規定以下列公平值計量架構披露公平值計量層次：

- 相同資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外，資產或負債的可直接(即價格)或間接(即從價格得出)觀察所得輸入值(第二級)。
- 並非根據可觀察市場數據釐定的資產或負債輸入值(即不可觀察輸入值)(第三級)。

本集團的可供出售財務資產及可換股債券負債部分乃按公平值由折現估計未來現金流量計量。公平值測量按第三級分類。截至2017年3月31日止第三級工具的變動分別載於附註16及附註25。

年內並無轉入或轉出第三級分類之金融工具。

由於到期日短，本集團之財務資產(包括現金及現金等價物、存款、應收賬款及其他應收款項)及財務負債(包括應付賬款、其他應付費用及短期貸款)之賬面值與公平值相若。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Net realisable value of stocks

Net realisable value of stocks is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycles. Management will reassess the estimations at the balance sheet date.

(ii) Impairment of trade debtors

The Group's management determines the provision for impairment of trade debtors. This estimate is based on the credit history of its customers and the current market condition. Management reassesses the provision at each balance sheet date.

4 關鍵會計估計及判斷

估計及判斷不斷按過往經驗及其他因素評核並以此為基準，包括預期相信於有關情況屬合理的日後事項。

本集團就日後作出估計及假設，因此而作出之估計顧名思義大多有別於相關實際結果。有重大風險或會導致下一個財政年度內資產及負債賬面值作出重大調整之有關估計及假設之論述如下：

(i) 存貨的可變現淨值

存貨的可變現淨值乃日常業務中的估計售價減去完成時的估計成本及銷售開支。該等估計乃基於當時市況，以及生產和銷售同類產品的過往經驗，並可能因客戶喜好及競爭對手的行動有所改變而有大幅變動。管理層將於結算日重新評估該等估計。

(ii) 應收賬款減值

本集團管理層釐定應收賬款減值之撥備。此項估計乃基於本集團客戶的信貸記錄以及當時市況而作出。管理層於各結算日重新評估撥備。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(iii) Impairment of property, plant and equipment

The Group assesses at least annually whether property, plant and equipment exhibit any indications of impairment. The recoverable amounts are determined based on value-in-use calculation. The value-in-use calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset and applying the appropriate discount rate to those future cash flows. The estimation of future cash flows and selection of discount rate require the use of judgements and estimates. Management believes that any reasonably foreseeable change in any of the above key elements in the value-in-use calculation would not result in material additional impairment charges.

(iv) Impairment of intangible assets

The Group tests annually whether goodwill and trademarks have suffered any impairment. Technical know-how is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgments and estimates (Note 15).

(v) Deferred income tax

The Group's management determines the amount of deferred tax asset to be recognised by estimating the amount of future profit available to utilise the tax losses or certain temporary differences in the relevant tax jurisdiction and entity. The estimate is based on the projected profit in respective jurisdiction and entity and the Group uses its judgement to make assumptions that are mainly based on market conditions existing on balance sheet date. It could change as a result of the uncertainties in the market conditions.

4 關鍵會計估計及判斷 (續)

(iii) 物業、機器及設備的減值

本集團會至少每年評估物業、機器及設備是否存在任何減值跡象。可收回金額按照使用價值計算而釐定。使用價值計算包括對持續使用該資產於未來所得之現金流入及流出，以及按適當貼現率折現現金流量。對將產生之現金流量、及選擇適用市場該等計算需要應用判斷及估計。管理層認為，上述任何主要假設的任何合理可預見變動，將不會導致重大額外的減值。

(iv) 無形資產的減值

本集團每年測試商譽及商標是否出現減值。當事件出現或狀況變動顯示帳面值可能無法收回時會對專業技術是否需要減值進行檢討。可收回金額按照使用價值計算或按公平值減去銷售成本而釐定。此等計算需要利用判斷及估計(附註15)。

(v) 遞延所得稅

本集團管理層決定將遞延稅項資產數額，按估計日後可動用有關稅務司法權區及公司稅務虧損的溢利確認。該估計乃根據各司法權區及實體的預測溢利作出，而本集團則以該判斷及主要根據結算日當時市況作出假設。該估計或會因市況不明朗而更改。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(vi) The right to acquire 12% equity interest in CATENA SA

On 16 April 2015, the Group entered into a shareholders' agreement with the 12% equity interest holder of CATENA SA for a right to purchase the 12% equity interest. Management has assessed the risks and rewards of the 12% equity interest by considering the purchase price of the right and the Group's intention to exercise the right. Since the exercise price is the net asset value in the book of CATENA SA which is substantially lower than the fair value of CATENA SA and it is highly likely that the Group will exercise the right, management considered that the risks and rewards of the 12% equity interest have been transferred to the Group upon the completion of the transaction. Accordingly, the financial statements of CATENA SA have been consolidated as if it is a 100% owned subsidiary since 16 April 2015.

4 關鍵會計估計及判斷 (續)

(vi) 收購 CATENA SA 的 12% 股權的權利

於2015年4月16日，本集團與CATENA SA的12%股權持有人就收購CATENA SA的12%股權的權利訂立股東協議。管理層考慮到收購CATENA SA的12%股權的權利的購買價及本集團有意行使有關認購權以評估12%股權的風險及回報。由於該權利的行使價為CATENA SA的賬面淨值，這比CATENA SA的公平值低很多，本集團極有可能行使認購權，管理層認為，12%股權的風險及回報已於交易完成後轉嫁本集團。因此，CATENA的財務報表已合併，並當作從2015年4月16日成為集團全資子公司。

5 SEGMENT INFORMATION

The chief operating decision-makers have been identified as the executive directors. The executive directors review the Group's financial information mainly from product and geographical perspectives. From a geographical perspective, management mainly assesses the performance of watch and optical operations in Hong Kong, Macau and Mainland China and rest of Asia.

Revenue represents sales of goods. Sales between operating segments are carried out on terms equivalent to those prevailing in arm's length transactions. The executive directors assess the performance of the operating segments based on a measure of adjusted earnings before interest and tax (EBIT). This measurement basis excludes unallocated income and net corporate expenses.

Unallocated income represents dividend income from investment. Net corporate expenses mainly represent corporate staff costs and provision for senior management bonus. Unallocated assets represent property, plant and equipment, deposits and prepayments at corporate level, available-for-sale financial assets, deferred tax assets and bank balances and cash. Unallocated liabilities represent creditors and accruals at corporate level, borrowings, convertible bonds, deferred tax liabilities and income tax payable.

5 分部資料

本集團之首席經營決策者為行政董事。行政董事主要從產品及地區角度審閱本集團之財務資料。管理層主要從地區角度評核香港、澳門及中國大陸和亞洲其餘地區之鐘錶及眼鏡業績。

收入為貨品銷售。營運分部間之銷售按相等於現行按公平原則進行的交易之條款進行。行政董事按除利息及稅項前經調整盈利(EBIT)評核營運分部之業績，計算該盈利時不包括未分配收入及集團行政淨支出。

未分配收入為投資的股息收入。集團行政淨支出主要為集團層面的員工成本及高級管理層花紅撥備。未分配資產為集團層面的物業、機器及設備、按金及預付款項、可供出售財務資產、遞延稅項資產以及銀行結餘及現金。未分配負債為集團層面的應付賬款及應計費用、借貸、可換股債券、遞延稅項負債及應付所得稅。

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料 (續)

		For the year ended 31 March 2017 截至2017年3月31日止年度					
		Watch retail 鐘錶零售		Optical retail 眼鏡零售		Wholesale Trading	Group Total
		Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區	Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區		
		HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元
Revenues	收入						
Gross segment	分部總額	964,464	360,831	1,001,191	197,127	557,089	3,080,702
Inter-segment	分部間	-	-	-	-	(230,292)	(230,292)
		<u>964,464</u>	<u>360,831</u>	<u>1,001,191</u>	<u>197,127</u>	<u>326,797</u>	<u>2,850,410</u>
Segment results	分部業績	(107,097)	(11,475)	28,620	(31,571)	22,288	(99,235)
Unallocated income	未分配收入						1,938
Net corporate expenses	集團行政淨支出						(17,972)
Operating loss	營業虧損						(115,269)
Finance costs	財務成本						(59,755)
Loss before income tax	除所得稅前虧損						(175,024)
Income tax expense	所得稅支出						(2,689)
Loss for the year	年度虧損						<u>(177,713)</u>

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料 (續)

For the year ended 31 March 2017
截至2017年3月31日止年度

		Watch retail 鐘錶零售		Optical retail 眼鏡零售		Wholesale Trading	Unallocated	Group Total
		Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區	Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區			
		HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元
Capital expenditures	資本性開支	(14,196)	(10,665)	(32,664)	(13,807)	(3,380)	(3,992)	(78,704)
Depreciation	折舊	(21,794)	(12,446)	(33,983)	(11,247)	(2,494)	(12,679)	(94,643)
Amortisation of prepayment of lease premium	攤銷預付租賃地價	-	(2,960)	-	(2,835)	-	-	(5,795)
Amortisation of intangible assets	攤銷無形資產	-	-	-	-	(2,311)	-	(2,311)
(Provision)/write back of provision for stocks	存貨(撥備)/撥回	(10,772)	3,297	(4,715)	35	(11,214)	-	(23,369)
Impairment of property, plant and equipment	物業、機器及 設備減值	(3,643)	(1,264)	(2,820)	(1,734)	-	-	(9,461)
Impairment of intangible assets	無形資產減值	-	-	-	-	(3,736)	-	(3,736)
Provision for onerous contracts	有法律義務合約 的撥備	(17,713)	(827)	(3,271)	(2,084)	-	-	(23,895)

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料 (續)

For the year ended 31 March 2016
截至2016年3月31日止年度

		Watch retail 鐘錶零售		Optical retail 眼鏡零售		Wholesale Trading	Group Total
		Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區	Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區		
		HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元
Revenues	收入						
Gross segment	分部總額	1,387,825	415,946	1,025,062	228,746	613,815	3,671,394
Inter-segment	分部間	-	-	-	-	(269,678)	(269,678)
		<u>1,387,825</u>	<u>415,946</u>	<u>1,025,062</u>	<u>228,746</u>	<u>344,137</u>	<u>3,401,716</u>
Segment results	分部業績	(30,770)	(199)	22,950	(10,590)	10,159	(8,450)
Unallocated income	未分配收入						3,506
Net corporate expenses	集團行政淨支出						(89,991)
Operating loss	營業虧損						(94,935)
Finance costs	財務成本						(90,778)
Loss before income tax	除所得稅前虧損						(185,713)
Income tax expense	所得稅支出						(4,066)
Loss for the year	年度虧損						<u>(189,779)</u>

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料 (續)

		For the year ended 31 March 2016 截至2016年3月31日止年度						
		Watch retail 鐘錶零售		Optical retail 眼鏡零售		Wholesale Trading	Unallocated	Group Total
		Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸 HK\$'000 港幣仟元	Rest of Asia 亞洲 其餘地區 HK\$'000 港幣仟元	Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸 HK\$'000 港幣仟元	Rest of Asia 亞洲 其餘地區 HK\$'000 港幣仟元	Wholesale Trading 批發 業務 HK\$'000 港幣仟元	Unallocated 未分配 港幣仟元	Group Total 集團 總計 HK\$'000 港幣仟元
Capital expenditures	資本性開支	(28,827)	(11,096)	(39,957)	(18,174)	(76,947)	(9,042)	(184,043)
Depreciation	折舊	(27,590)	(17,136)	(36,957)	(10,674)	(3,157)	(12,760)	(108,274)
Amortisation of prepayment of lease premium	攤銷預付租賃地價	-	(3,126)	-	(2,774)	-	-	(5,900)
Amortisation of intangible assets	攤銷無形資產	-	-	-	-	(2,346)	-	(2,346)
(Provision)/write back of provision for stocks	存貨(撥備)/撥回	(4,947)	6,545	(5,678)	(673)	(29,477)	-	(34,230)
Impairment of property, plant and equipment	物業、機器及設備 減值	(3,438)	(568)	(2,620)	(395)	-	-	(7,021)
Impairment of intangible assets	無形資產減值	-	-	-	-	(26,431)	-	(26,431)
Provision for onerous contracts	有法律義務合約 的撥備	(15,424)	-	(2,136)	-	-	-	(17,560)
		As at 31 March 2017 於2017年3月31日						
		Watch retail 鐘錶零售		Optical retail 眼鏡零售		Wholesale Trading	Unallocated	Group Total
		Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸 HK\$'000 港幣仟元	Rest of Asia 亞洲 其餘地區 HK\$'000 港幣仟元	Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸 HK\$'000 港幣仟元	Rest of Asia 亞洲 其餘地區 HK\$'000 港幣仟元	Wholesale Trading 批發 業務 HK\$'000 港幣仟元	Unallocated 未分配 港幣仟元	Group Total 集團 總計 HK\$'000 港幣仟元
Segment assets	分部資產	680,919	167,066	331,699	112,898	490,313		1,782,895
Unallocated assets	未分配資產							865,336
Total assets	總資產							<u>2,648,231</u>
Segment liabilities	分部負債	289,455	35,733	156,745	23,918	70,537		576,388
Unallocated liabilities	未分配負債							1,145,684
Total liabilities	總負債							<u>1,722,072</u>

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

5 SEGMENT INFORMATION (Continued)

5 分部資料 (續)

		As at 31 March 2016 於2016年3月31日					
		Watch retail 鐘錶零售		Optical retail 眼鏡零售		Wholesale Trading 批發 業務	Group Total 集團 總計
		Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區	Hong Kong, Macau and Mainland China 香港、 澳門及 中國大陸	Rest of Asia 亞洲 其餘地區		
Segment assets	分部資產	787,577	200,472	365,570	136,079	536,047	2,025,745
Unallocated assets	未分配資產						932,643
Total assets	總資產						<u>2,958,388</u>
Segment liabilities	分部負債	256,077	40,140	155,551	28,333	85,909	566,010
Unallocated liabilities	未分配負債						1,155,560
Total liabilities	總負債						<u>1,721,570</u>

An analysis of the Group's revenue by geographical area is as follows:

按地區分析集團收入如下：

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong, Macau and Mainland China	香港、澳門及中國大陸	2,135,881	2,577,680
Rest of Asia	亞洲其餘地區	711,973	823,003
Europe	歐洲	2,556	1,033
		<u>2,850,410</u>	<u>3,401,716</u>

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

5 SEGMENT INFORMATION (Continued)

An analysis of the Group's segments results by geographical area is as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong, Macau and Mainland China	香港、澳門及中國大陸	(55,268)	20,761
Rest of Asia	亞洲其餘地區	(23,948)	4,450
Europe	歐洲	(20,019)	(33,661)
		(99,235)	(8,450)

An analysis of the Group's non-current assets (other than financial instruments and deferred tax assets) by geographical area is as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong, Macau and Mainland China	香港、澳門及中國大陸	434,090	481,835
Rest of Asia	亞洲其餘地區	154,310	176,459
Europe	歐洲	75,384	80,721
		663,784	739,015

6 OTHER GAINS, NET

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
(Loss)/gain on disposal of property, plant and equipment, net	出售物業、機器及設備的 (虧損)/收益，淨額	(3,758)	265
Exchange losses, net	滙兌虧損，淨額	(16,658)	(2,170)
Gain on redemption of convertible bonds	贖回可換股債券的收益	75,901	-
Gain on bargain purchase of a subsidiary (Note 30)	議價購買子公司收益 (附註30)	-	9,863
Gain on remeasuring to fair value of the existing interest in an associate upon acquisition of control (Note 30)	於收購現有聯營公司控制權 之重新測量公平值收益 (附註30)	-	4,222
		55,485	12,180

5 分部資料 (續)

按地區分析集團分部業績如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong, Macau and Mainland China	(55,268)	20,761
Rest of Asia	(23,948)	4,450
Europe	(20,019)	(33,661)
	(99,235)	(8,450)

按地區分析集團非流動資產(金融工具及遞延稅項資產除外)如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong, Macau and Mainland China	434,090	481,835
Rest of Asia	154,310	176,459
Europe	75,384	80,721
	663,784	739,015

6 其他收益淨額

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
(Loss)/gain on disposal of property, plant and equipment, net	(3,758)	265
Exchange losses, net	(16,658)	(2,170)
Gain on redemption of convertible bonds	75,901	-
Gain on bargain purchase of a subsidiary (Note 30)	-	9,863
Gain on remeasuring to fair value of the existing interest in an associate upon acquisition of control (Note 30)	-	4,222
	55,485	12,180

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7 OTHER INCOME

7 其他收入

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Building management fee income	樓宇管理費收入	2,340	2,340
Dividend income from investments	投資股息收入	1,938	3,506
Interest income	利息收入	2,827	1,946
Sundries	雜項	19,295	14,578
		26,400	22,370

8 EXPENSES BY NATURE

8 按性質列示的費用

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Cost of stocks sold and raw materials consumed	出售存貨成本及原材料消耗	1,173,680	1,370,752
Amortisation of intangible assets	攤銷無形資產	2,311	2,346
Amortisation of prepayment of lease premium	攤銷預付租賃地價	5,795	5,900
Depreciation of property, plant and equipment	物業、機器及設備的折舊		
– Owned	– 自置	94,589	108,220
– Leased	– 租賃	54	54
Impairment of property, plant and equipment	物業、機器及設備減值	9,461	7,021
Impairment of intangible assets	無形資產減值	3,736	26,431
Provision for onerous contracts	有法律義務合約的撥備	23,895	17,560
Auditor's remuneration	核數師酬金		
– Audit services	– 核數服務	5,813	5,350
– Non-audit services	– 非核數服務	1,208	1,777
Operating leases on buildings	樓宇營業租賃	650,046	715,354
Provision for stocks	存貨準備	23,369	34,230
Impairment of debtors	應收款項減值	813	80
Write back of bad debt provision	撥回壞賬準備	(63)	(55)
Donations	捐款	963	293
Employee benefit expenses (Note 9)	僱員福利支出(附註9)	594,022	683,546
Others	其他	457,872	552,342
Total cost of sales, selling expenses, general and administrative expenses and other operating expenses	銷售成本、銷售支出、一般及行政支出及其他營運支出總額	3,047,564	3,531,201

9 EMPLOYEE BENEFIT EXPENSES

		2017	2016
		HK\$'000	HK\$'000
		港幣仟元	港幣仟元
Salaries and allowances	薪金及津貼	533,670	621,199
Pension contributions less forfeiture utilised (Note a)	退休金供款(扣除已被動用的沒收供款)(附註a)	33,655	33,853
Termination benefits	終止福利	2,762	2,124
Unutilised annual leave	未被動用的年假	230	(576)
Social security costs	社會保障支出	19,504	23,143
Other allowances	其他津貼	4,201	3,803
		594,022	683,546

(a) Pensions-defined contribution plans

The Group operated a retirement scheme under Occupation Retirement Scheme Ordinance (“ORSO scheme”) up to 30 November 2000 for employees in Hong Kong. With effect from 1 December 2000, a mandatory provident fund (“MPF”) scheme is set up which is available to eligible employees of the Group, including executive directors. No further employees and contributions have been added to the ORSO scheme after the set up of MPF. Contributions to the MPF scheme by the Group and employees are calculated at rates specified in 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.

For subsidiaries outside Hong Kong, contributions to the local pension schemes are made by the Group and employee, which are calculated at rates specified in the rules of the local pension schemes. The assets of the pension scheme are held separately from those of the Group in an independently administered fund.

Forfeited contributions totalling HK\$1,940,000 for the year ended 31 March 2017 (2016: HK\$4,049,000) arising from employees leaving the ORSO scheme, were utilised to offset contributions during the year.

9 僱員福利支出

(a) 退休金－定額供款計劃

直至2000年11月30日為止，本集團根據職業退休計劃條例為香港區僱員提供退休計劃。自2000年12月1日起，本集團設立強制性公積金計劃（「強積金計劃」），本集團的合資格僱員（包括行政董事）均有權參與。本集團及僱員向強積金計劃作出的供款乃依據強積金計劃規則所規定的水平計算。強積金計劃的資產與本集團的資產分開持有，並由獨立管理基金負責管理。

就香港以外的附屬公司而言，本集團及僱員對當地退休金計劃作出的供款，乃按當地退休金計劃規則所規定的水平計算。退休金計劃之資產與本集團之資產分開持有，並由獨立管理基金負責管理。

截至2017年3月31日止年度內，僱員離職時被沒收之職業退休計劃供款總額港幣1,940,000元（2016年：港幣4,049,000元），已被動用以抵銷年內供款。

9 EMPLOYEE BENEFIT EXPENSES (Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2016: three) directors whose emoluments are reflected in the analysis shown in Note 33.

The emoluments payable to the remaining three (2016: two) individuals during the year are as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Basic salaries, allowance and benefits in kind	基本薪金，津貼及實物利益	3,890	2,451
Performance bonus	表現花紅	4,602	3,201
Contributions to pension plans	退休金計劃的供款	176	115
		8,668	5,767

The emoluments fell within the following bands:

		Number of individuals 人數	
		2017	2016
Emolument bands (in HK dollar)	薪酬組別 (港幣)		
HK\$2,000,001 to HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元	-	1
HK\$2,500,001 to HK\$3,000,000	港幣 2,500,001 元至港幣 3,000,000 元	2	-
HK\$3,000,001 to HK\$3,500,000	港幣 3,000,001 元至港幣 3,500,000 元	1	1
		3	2

(c) Senior management emoluments

The emoluments fell within the following bands:

		Number of individuals 人數	
		2017	2016
Emolument bands (in HK dollar)	薪酬組別 (港幣)		
HK\$2,000,001 to HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元	-	1
		-	1

9 僱員福利支出 (續)

(b) 五位最高薪酬人士

本年度本集團五名最高薪酬人士包括二名(2016年：三名)董事，其薪酬詳情已於附註33分析中反映。

於年內應付予其餘三名(2016年：二名)人士之酬金如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Basic salaries, allowance and benefits in kind	3,890	2,451
Performance bonus	4,602	3,201
Contributions to pension plans	176	115
	8,668	5,767

介於下列酬金組別人士如下：

		Number of individuals 人數	
		2017	2016
Emolument bands (in HK dollar)	薪酬組別 (港幣)		
HK\$2,000,001 to HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元	-	1
HK\$2,500,001 to HK\$3,000,000	港幣 2,500,001 元至港幣 3,000,000 元	2	-
HK\$3,000,001 to HK\$3,500,000	港幣 3,000,001 元至港幣 3,500,000 元	1	1
		3	2

(c) 高級管理人員酬金

介於下列酬金組別人士如下：

		Number of individuals 人數	
		2017	2016
Emolument bands (in HK dollar)	薪酬組別 (港幣)		
HK\$2,000,001 to HK\$2,500,000	港幣 2,000,001 元至港幣 2,500,000 元	-	1
		-	1

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10 FINANCE COSTS

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Interest on bank loans and overdrafts	銀行貸款及透支利息	18,538	12,089
Borrowing cost on convertible bonds	可換股債券借貸費用	41,210	78,657
Interest on other financial liabilities	其他財務負債利息	-	25
Interest on finance leases	融資租賃利息	7	7
		59,755	90,778

11 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the year ended 31 March 2017 (2016: 16.5%) less relief for available tax losses. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the territories in which the Group operates.

The amount of income tax charged to the consolidated income statement represents:

10 財務成本

11 所得稅支出

截至2017年3月31日止年度香港利得稅乃根據已沖銷可動用稅項損失的估計應課稅溢利按稅率16.5%(2016年: 16.5%)計算。海外利得稅乃根據年內估計應課稅溢利按本集團經營地區的適用稅率計算。

已計入綜合收益表的所得稅包括:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Current income tax	本期所得稅		
– Hong Kong profits tax	– 香港利得稅	9,012	11,188
– Overseas profits tax	– 海外利得稅	5,680	6,145
– Over provision in respect of prior years	– 過往年度撥備過多	(184)	(1,048)
		14,508	16,285
Deferred income tax (Note 26)	遞延所得稅(附註26)	(11,819)	(12,219)
Income tax expense	所得稅支出	2,689	4,066

11 INCOME TAX EXPENSE (Continued)

The taxation on the Group's loss before income tax differs from the theoretical amount that would arise using the applicable tax rate, being the weighted average of tax rates prevailing in the territories in which the Group operates, as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Loss before income tax	除所得稅前虧損	(175,024)	(185,713)
Theoretical tax at weighted average rate of 23.07% (2016: 20.75%)	按加權平均率23.07% (2016年：20.75%) 而計算的理論稅項	(40,380)	(38,538)
Income not subject to tax	無需課稅的收入	(17,901)	(8,037)
Expenses not deductible for tax purpose	不可扣稅的開支	17,484	13,679
Recognition of temporary differences not previously recognised	確認往年未被確認的暫時性差額	-	423
Utilisation of previously unrecognised tax losses	使用往年未確認的稅項虧損	(2,214)	(6,221)
Tax losses not recognised	未確認的稅項虧損	45,703	41,975
Over provisions in respect of prior years	過往年度撥備過多	(184)	(1,048)
Others	其他	181	1,833
Income tax expense	所得稅支出	2,689	4,066

The weighted average applicable tax rate was 23.07% (2016: 20.75%). The increase is caused by a change in the distribution of profitability of the Group's subsidiaries in the respective countries.

11 所得稅支出 (續)

本集團按其除所得稅前虧損而計算的稅項，與按其於各營運地區的適用稅率 (加權平均率) 而計算的理論稅項有差別，詳情如下：

加權平均適用稅率為23.07% (2016年：20.75%)。增加乃由於本集團於各個國家的附屬公司的溢利分配變動所致。

12 LOSS PER SHARE

Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		2017	2016
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (以仟股計)	1,046,474	1,046,474
Loss attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔虧損 (港幣仟元)	(177,921)	(190,009)
Basic loss per share (HK cents)	每股基本虧損(港仙)	(17.00)	(18.16)

Diluted

Diluted loss per share for the years ended 31 March 2017 and 2016 equal the basic loss per share as the conversion of convertible bonds is anti-dilutive.

12 每股虧損

基本

每股基本虧損以年內本公司權益持有人應佔虧損除以已發行普通股加權平均數而計算。

攤薄

截至2017年3月31日及2016年3月31日，每股攤薄虧損等於每股基本虧損，因為兌換可換股債券造成反攤薄所致。

13 PROPERTY, PLANT AND EQUIPMENT

13 物業、機器及設備

		Land and buildings	Equipment, leasehold improvements and others	Total
		土地及樓宇	設備、 租賃權益 改良及其他	總額
		HK\$'000 港幣仟元	HK\$'000 港幣仟元	HK\$'000 港幣仟元
Year ended 31 March 2016	截至2016年3月31日止年度			
Opening net book amount	年初賬面淨額	307,157	153,306	460,463
Additions	添置	–	109,695	109,695
Disposals/write off	出售／撇賬	–	(939)	(939)
Depreciation	折舊	(7,995)	(100,279)	(108,274)
Impairment (note d)	減值(附註d)	–	(7,021)	(7,021)
Acquisition of a subsidiary (Note 30)	收購子公司(附註30)	–	3,532	3,532
Exchange differences	匯兌差額	(2,476)	(3,788)	(6,264)
Closing net book amount	年終賬面淨額	296,686	154,506	451,192
At 31 March 2016	於2016年3月31日			
Cost	成本	448,881	766,034	1,214,915
Accumulated depreciation and impairment	累計折舊及減值	(152,195)	(611,528)	(763,723)
Net book amount	賬面淨額	296,686	154,506	451,192

13 PROPERTY, PLANT AND EQUIPMENT (Continued)

13 物業、機器及設備 (續)

		Land and buildings	Equipment, leasehold improvements and others	Total
		土地及樓宇	設備、 租賃權益 改良及其他	總額
		HK\$'000	HK\$'000	HK\$'000
		港幣仟元	港幣仟元	港幣仟元
Year ended 31 March 2017	截至 2017 年 3 月 31 日止年度			
Opening net book amount	年初賬面淨額	296,686	154,506	451,192
Additions	添置	–	67,460	67,460
Disposals/write off	出售／撇賬	–	(4,611)	(4,611)
Depreciation	折舊	(8,080)	(86,563)	(94,643)
Impairment (note d)	減值 (附註 d)	–	(9,461)	(9,461)
Exchange differences	匯兌差額	(2,529)	(4,195)	(6,724)
Closing net book amount	年終賬面淨額	<u>286,077</u>	<u>117,136</u>	<u>403,213</u>
At 31 March 2017	於 2017 年 3 月 31 日			
Cost	成本	446,485	709,383	1,155,868
Accumulated depreciation and impairment	累計折舊及減值	(160,408)	(592,247)	(752,655)
Net book amount	賬面淨額	<u>286,077</u>	<u>117,136</u>	<u>403,213</u>

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財務報表附註

13 PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

- (a) Certain property, plant and equipment of the Group have been pledged for bank borrowings. The carrying value of these property, plant and equipment as at 31 March 2017 were approximately HK\$272,796,000 (2016: HK\$283,382,000).
- (b) At 31 March 2017, the net book value of property, plant and equipment held under finance leases amounted to HK\$155,000 (2016: HK\$215,000).
- (c) Depreciation expense of HK\$74,912,000 (2016: HK\$89,595,000) has been charged in selling expenses and HK\$19,731,000 (2016: HK\$18,679,000) has been charged in general and administrative expenses.
- (d) The Group regards its individual retail stores as separately identifiable CGUs. It assessed the recoverable amounts of the CGUs with reference to their value-in-use. During the year ended 31 March 2017, an impairment provision of HK\$9,461,000 (2016: HK\$7,021,000) was made as their carrying values are not expected to be fully recoverable. Impairment loss was included in other operating expenses in the consolidated income statement.

14 PREPAYMENT OF LEASE PREMIUM

At beginning of the year	於年初
Additions	添置
Amortisation	攤銷
Exchange differences	匯兌差額
Disposal	出售
At end of the year	於年終

Amortisation of prepayment of lease premium for premises was included in selling expenses in the consolidated income statement.

13 物業、機器及設備(續)

附註：

- (a) 本集團若干物業、機器及設備已就銀行貸款作抵押。於2017年3月31日，該等物業、機器及設備的賬面值約為港幣272,796,000元(2016年：港幣283,382,000元)。
- (b) 於2017年3月31日，在融資租賃下所持物業、機器及設備之賬面淨額為港幣155,000元(2016年：港幣215,000元)。
- (c) 折舊費用港幣74,912,000元(2016年：港幣89,595,000元)已計入銷售支出及港幣19,731,000元(2016年：港幣18,679,000元)已計入一般及行政支出。
- (d) 本集團視其個別零售店舖為獨立可識別現金產生單位。而評估可收回之現金產生單位是經參考若干物業及設備的使用價值，截至2017年3月31日，因預期無法悉數收回其賬面值，故就其作出減值撥備港幣9,461,000元(2016年：港幣7,021,000元)。減值虧損計入綜合收益表的其他營運支出。

14 預付租賃地價

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
At beginning of the year	於年初	29,777	40,242
Additions	添置	8,614	–
Amortisation	攤銷	(5,795)	(5,900)
Exchange differences	匯兌差額	718	(3,038)
Disposal	出售	(2,032)	(1,527)
At end of the year	於年終	31,282	29,777

物業預付租賃地價的攤銷於綜合收益表內計入銷售支出中。

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15 INTANGIBLE ASSETS

15 無形資產

		Goodwill 商譽 HK\$'000 港幣仟元	Trademarks 商標 HK\$'000 港幣仟元	Technical know-how 專業技術 HK\$'000 港幣仟元	Total 總額 HK\$'000 港幣仟元
Year ended 31 March 2016	截至2016年3月31日止年度				
Opening net book amount	年初賬面淨值	9,006	51,658	–	60,664
Acquisition of a subsidiary (Note 30)	收購子公司(附註30)	–	–	70,816	70,816
Amortisation	攤銷	–	–	(2,346)	(2,346)
Impairment	減值	–	–	(26,431)	(26,431)
Exchange differences	匯兌差額	876	86	535	1,497
Closing net book amount	年終賬面淨額	9,882	51,744	42,574	104,200
At 31 March 2016	於2016年3月31日				
Cost	成本	9,882	81,512	70,941	162,335
Accumulated amortisation and impairment	累計攤銷及減值	–	(29,768)	(28,367)	(58,135)
Net book amount	賬面淨額	9,882	51,744	42,574	104,200
Year ended 31 March 2017	截至2017年3月31日止年度				
Opening net book amount	年初賬面淨值	9,882	51,744	42,574	104,200
Additions	添置	–	2,630	–	2,630
Amortisation	攤銷	–	–	(2,311)	(2,311)
Impairment	減值	–	–	(3,736)	(3,736)
Exchange differences	匯兌差額	9	(588)	(505)	(1,084)
Closing net book amount	年終賬面淨額	9,891	53,786	36,022	99,699
At 31 March 2017	於2017年3月31日				
Cost	成本	9,891	83,567	74,120	167,578
Accumulated amortisation and impairment	累計攤銷及減值	–	(29,781)	(38,098)	(67,879)
Net book amount	賬面淨額	9,891	53,786	36,022	99,699

Impairment test for goodwill

Goodwill is allocated to the Group's CGUs identified according to business segment. The goodwill is attributable to the watch wholesale trading operations.

商譽減值測試

商譽根據業務分部分配至本集團可識別的現金產生單位。商譽來自鐘錶批發貿易業務。

15 INTANGIBLE ASSETS (Continued)

Impairment test for goodwill (Continued)

The recoverable amount of a CGU is determined based on value-in-use calculation. This calculation uses pre-tax cash flow projections based on financial budgets performed by management covering a five-year period. Management determined the financial budgets based on past performance and its expectations for the market development. Cash flows beyond the five year period are extrapolated using the estimated growth rate stated below.

The key assumptions used for value-in-use calculation are as follows:

1. Growth rate used to extrapolate cash flows beyond the budget period of 0% (2016: 0%) which does not exceed historical growth rate.
2. Pre-tax discount rate applied to cash flow projections of 8% (2016: 8%). The discount rate used reflects specific risks related to the Group.

Management believes that any reasonably foreseeable change in any of the above key assumptions would not cause the carrying amount of goodwill to exceed the recoverable amount significantly.

During the year ended 31 March 2017, there was no impairment on the CGUs containing goodwill with indefinite useful lives (2016: nil).

15 無形資產 (續)

商譽減值測試 (續)

現金產生單位的可收回金額根據使用價值計算。計算方式利用稅前現金流量預測，依據管理層批核的五年期財政預算。管理層依據過往表現及其對市場發展的預期制定財政預算。超越該五年期的現金流量採用以下所述的估計增長率作出推算。

計算使用價值的主要假設如下：

1. 用以推算超過預算期的現金流量所使用的增長率為0% (2016年：0%)，並不超出過往的增長率。
2. 用於現金流量預測的稅前貼現率為8% (2016年：8%)。該貼現率為稅前，並反映與本集團有關的特定風險。

管理層認為，上述任何主要假設的任何合理可預見變動，將不會導致商譽之賬面值大幅超過可收回金額。

截至2017年3月31日止年度內，現金產生單位所含具無限壽命的商譽並無減值(2016年：無)。

15 INTANGIBLE ASSETS (Continued)

Impairment test for trademarks

Management tests annually whether the trademarks here suffered any impairment by considering the economic benefit generated from the trademarks. The recoverable amount is determined based on value-in-use calculation. This calculation use pre-tax cash flow projections based on financial budgets performed by management covering a four-year period. Management determined the financial budgeted based on past performance and its expectations for the market development. The key assumption used for the value-in-use calculation includes a pre-tax discount rate of 8%.

No impairment provision on trademarks was made during the year ended 31 March 2017 (2016: nil).

Impairment test for technical know-how

In order to secure the supply of mechanical movements in the future, the Group acquired CATENA SA, a Swiss watch manufacturer, on 16 April 2015 and recognised an identified technical know-how of HK\$70,816,000. In view of the unexpected downturn of the market condition and the decrease in demand for mechanical watches subsequent to the acquisition, management has performed an impairment assessment for the technical know-how as at 31 March 2017 and 2016, taking into account the current market condition and production plan of CATENA SA.

The recoverable amount of the technical know-how is determined based on value-in-use calculation. This calculation uses pre-tax cash flow projections based on financial budgets performed by management covering a five-year period. Management determined the financial budgets based on past performance and its expectations for the market development. Cash flows beyond the five year period are extrapolated using the estimated growth rate stated below.

15 無形資產 (續)

商標減值測試

管理層考慮到商標產生的經濟利益，每年測試商標是否受到任何減值。可回收金額根據使用價值之計算而釐定。該等計算採用根據管理層就涵蓋四年期間之財政預算作出之稅前現金流量預測。本集團管理層根據過往表現及其對市場發展之預期而釐定財政預算。用於使用價值之計算的主要假設包括除稅前折現率8%。

截至2017年3月31日止年度，並無就商標作出減值撥備(2016年：無)。

專業技術的減值測試

為確保日後的鐘錶零件供應，本集團於2015年4月16日收購瑞士鐘錶生產商CATENA SA，並確認可識別專業技術為港幣70,816,000元。鑑於市況低迷及收購後對電子機械鐘錶的需求下跌，管理層已於2017年3月31日及2016年3月31日就專業技術進行減值評估，並已計及現行市況及CATENA SA的生產計劃。

專業技術的可收回金額乃根據使用價值計算釐定。此計算方式根據管理層就涵蓋五年期間之財務預算使用除稅前現金流預測。管理層根據過往表現及預期市場發展釐定財務預算。超過五年期的現金流使用下述的估計增長率推斷。

15 INTANGIBLE ASSETS (Continued)

Impairment test for technical know-how (Continued)

The key assumptions used for value-in-use calculation are as follows:

1. The useful life of the technical know-how of 29 years (2016: 30 years).
2. Growth rate used to extrapolate cash flows beyond the five-year budget period of 2% (2016: 2%).
3. Pre-tax discount rate applied to cash flow projections of 12% (2016:12%). The discount rate used reflects specific risk related to the Group's watch movement manufacturing business.

Based on the result of the impairment test, the Group has made an impairment provision of HK\$30,167,000 as at 31 March 2017 (2016: HK\$26,431,000).

Should the growth rate used to extrapolate cash flows beyond the five-year budget period applied in the value-in-use calculation for the technical know-how had been reduced to 1%, additional impairment provision of HK\$3,080,000 (2016: HK\$3,949,000) would have been recognised.

15 無形資產 (續)

專業技術的減值測試 (續)

使用價值計算所用的主要假設如下：

1. 專業技術的使用期限為29年(2016年：30年)。
2. 用作推斷超過五年預算期的現金流增長率為2%(2016年：2%)。
3. 應用於現金流預測的除稅前折讓率為12%(2016年：12%)。所用折讓率反映有關本集團鐘錶零件生產業務的特定風險。

根據減值測試的結果，本集團截至2017年3月31日止年度的減值費用為港幣30,167,000元(2016年：港幣26,431,000元)。

倘用作推斷超過五年預期的現金流增長率於計算使用價值時下調至1%，則需確認額外減值港幣3,080,000元(2016年：港幣3,949,000元)。

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16 AVAILABLE-FOR-SALE FINANCIAL ASSETS

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
At beginning of the year	於年初	12,129	12,652
Revaluation deficit transfer to equity (Note 21)	轉往權益的重估虧損 (附註21)	(896)	(523)
At end of the year	於年終	11,233	12,129

Available-for-sale financial assets as at 31 March 2017 represent unlisted equity investment in an entity incorporated in Liechtenstein and are denominated in Swiss Francs.

The valuation of available-for-sale financial assets was determined using dividend growth model and are within level 3 of fair value hierarchy. The most significant unobservable input is the rate of return on the investment of 22% (2016: 24%). The lower the rate of return, the higher the fair value of the available-for-sale financial assets.

17 STOCKS

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Raw materials	原材料	155,669	166,386
Work-in-progress	在製品	9,981	15,127
Finished goods	製成品	985,848	1,130,578
		1,151,498	1,312,091
Less: Provision	減：撥備	(224,994)	(213,484)
		926,504	1,098,607

The cost of stocks sold recognised as expense and included in cost of sales amounted to HK\$1,173,680,000 (2016: HK\$1,370,752,000).

16 可供出售的財務資產

於2017年3月31日，可供出售的財務資產乃指以瑞士法郎計值的於一間在列支敦士登註冊成立的公司的非上市股本投資。

可供出售的財務資產估值通過使用貼現現金流量預測釐定，並屬於第三級公平值等級範圍內。較重大不可觀察輸入值即為投資的回報率為22% (2016年：24%)。回報率越低，可供出售財務資產的公平值越高。

17 存貨

已確認為開支並計入銷售成本內的存貨成本為港幣1,173,680,000元(2016年：港幣1,370,752,000元)。

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18 DEBTORS, DEPOSITS AND PREPAYMENTS

18 應收賬款、按金及預付款項

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Trade debtors, gross	應收貿易賬款，總額	252,701	249,337
Less: provision for impairment of trade debtors (note b)	減：應收貿易賬款的 減值撥備 (附註 b)	(1,253)	(549)
Trade debtors, net (note a)	應收貿易賬款，淨額 (附註 a)	251,448	248,788
Deposits, prepayments and other debtors (notes c and d)	按金、預付款項及 其他應收款項 (附註 c 及 d)	303,134	338,308
		554,582	587,096
Less: non-current portion	減：非流動部份	(129,590)	(153,846)
Current portion	流動部份	424,992	433,250
Trade debtors analysed by invoice date:	按發票日分析的 應收貿易賬款：		
Below 60 days	60 日以下	48,458	54,902
Over 60 days	60 日以上	204,243	194,435
		252,701	249,337

Notes:

- (a) The Group engages designated import and export agents for the importation of products from the subsidiaries in Hong Kong to the subsidiaries in the Mainland China. The balances due from and due to the import and export agents are settled on a back-to-back basis, and hence, there are no fixed terms of settlement for such balances. The Group's trade debtors and trade creditors include balances due from and due to the import and export agents of HK\$175,081,000 (2016: HK\$159,755,000).

Other than the balances due from the import and export agents, the Group allows an average credit period of 60 days from the invoice date to its trade debtors.

Balances that are neither past due nor impaired relate to a number of independent customers whom there was no relevant history of default.

Included in the Group's trade debtors were debtors with a carrying amount of HK\$24,170,000 (2016: HK\$31,098,000) which were past due but not impaired. The ageing analysis of these trade debtors based on due dates is as follows:

附註：

- (a) 本集團透過指定的進出口代理，將香港附屬公司的產品運往內地的附屬公司。應收及應付進出口代理的結餘乃按同等的對應金額結算，因此，該等結餘之結算並無固定年期。本集團應收賬款及應付賬款包括應收及應付進出口代理的結餘為港幣175,081,000元(2016年：港幣159,755,000元)。

除應收及應付進出口代理的結餘外，本集團給予其應收貿易賬款由發票日起計平均60天的信貸期。

並無逾期或減值的結餘乃關於多名並無相關違約記錄之獨立客戶。

本集團的應收貿易賬款包括賬面值為港幣24,170,000元(2016年：港幣31,098,000元)的應收款項，有關款項已逾期但尚未減值。該等應收貿易賬款按到期日之賬齡分析如下：

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18 DEBTORS, DEPOSITS AND PREPAYMENTS (Continued)

Notes: (Continued)

(a) (Continued)

Overdue:	逾期：
Within 1 year	1年內
1-2 years	1-2年
2-3 years	2-3年
Over 3 years	超過3年

Receivables that were past due but not impaired relate to a number of independent customers for whom there is no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully receivable. The Group does not hold any collateral over these balances.

(b) Movements on the provision for impairment of trade debtors are as follows:

At beginning of the year	於年初
Provision for impairment	減值撥備
Provision written back	減值撥備撥回
Exchange differences	匯兌差額
At end of the year	於年終

The creation and release of provision for impaired receivables have been included in other operating expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(c) The balance included amounts due from related companies of HK\$5,871,000 (2016: HK\$4,897,000).

The balances due from related companies (Note 29 (iii)) are unsecured, interest-free and repayable on demand.

18 應收賬款、按金及預付款項 (續)

附註：(續)

(a) (續)

2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
21,968	29,747
1,922	1,048
47	66
233	237
24,170	31,098

逾期但未減值的應收貿易賬款與多名獨立客戶有關，彼等近期並無拖欠還款記錄。根據過往經驗，鑒於有關應收賬項的信貸質素並沒有重大改變，欠款仍視為可以全數收回，因此管理層相信無需作出減值撥備。本集團並無就該等欠款持有任何抵押。

(b) 應收貿易賬款的減值撥備的變動如下：

2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
549	472
813	80
(63)	(55)
(46)	52
1,253	549

新增及撥回之應收款項的減值撥備已計入綜合收益表的「其他營運支出」內。計入撥備賬的金額一般於預期不可再收回額外現金時撇銷。

(c) 此筆款項包括應收關連公司的款項港幣5,871,000元(2016年：港幣4,897,000元)。

應收有關連公司的結餘均為無抵押、免息及應要求償還(附註29(iii))。

NOTES TO THE FINANCIAL STATEMENTS

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18 DEBTORS, DEPOSITS AND PREPAYMENTS (Continued)

Notes: (Continued)

(d) As at 31 March 2017, there is no prepayment for services arising from the issue of convertible bonds (2016: HK\$9,302,000) (Note 25).

(e) An analysis of debtors, deposits and prepayments by currency is as follows:

Hong Kong dollars	港幣
Renminbi	人民幣
Singapore dollars	新加坡元
Malaysian ringgit	馬來西亞令吉
Thai bahts	泰銖
Swiss Francs	瑞士法郎
Others	其他

18 應收賬款、按金及預付款項 (續)

附註 (續) :

(d) 於可2017年3月31日，此筆款項並無包括發行可換股債券產生的服務預付款項 (2016年：港幣9,302,000元) (附註25)。

(e) 應收賬款、按金及預付款項按貨幣分析如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong dollars	357,853	353,052
Renminbi	70,601	83,782
Singapore dollars	33,344	35,081
Malaysian ringgit	41,848	55,296
Thai bahts	11,449	17,068
Swiss Francs	3,204	6,682
Others	36,283	36,135
	554,582	587,096

19 BANK BALANCES AND CASH

An analysis of bank balances and cash by currency is as follows:

Hong Kong dollars	港幣
Renminbi	人民幣
Singapore dollars	新加坡元
Malaysian ringgit	馬來西亞令吉
Thai bahts	泰銖
Swiss Francs	瑞士法郎
Others	其他

The conversion of Renminbi into foreign currencies and remittance of Renminbi out of the PRC is subject to the rules and regulations of exchange controls promulgated by the PRC government.

19 銀行結餘及現金

銀行結餘及現金按貨幣分析如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong dollars	184,134	179,750
Renminbi	70,689	104,295
Singapore dollars	63,173	50,956
Malaysian ringgit	67,290	127,877
Thai bahts	110,497	106,762
Swiss Francs	6,079	2,555
Others	31,912	27,030
	533,774	599,225

將人民幣兌換為外幣及將人民幣匯出中國須受中國政府頒佈的外匯管控規則及條例規限。

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20 SHARE CAPITAL

20 股本

		Number of shares of HK\$0.1 each 每股面值港幣 0.1元的股份數目	HK\$'000 港幣仟元
Authorised:	法定股本：		
At 31 March 2016 and 2017	於2016年及2017年3月31日	1,600,000,000	160,000
Issued and fully paid:	已發行及繳足股本：		
At 31 March 2016 and 2017	於2016年及2017年3月31日	1,046,474,025	104,647

The Company and its subsidiaries did not set up or operate any share option scheme for the year ended 31 March 2017 and up to the date of publication of this Annual Report.

本公司及其附屬公司於截至2017年3月31日止年度及直至本年報刊發日期並無設立或進行任何購股權計劃。

21 RESERVES

21 儲備

		Share premium	Revaluation reserve	Exchange reserve	Convertible bonds reserve (Note 25) 可換股 債券儲備 (附註25)	Retained earnings	Total
		股份溢價 HK\$'000 港幣仟元	重估儲備 HK\$'000 港幣仟元	匯兌儲備 HK\$'000 港幣仟元	(附註25) HK\$'000 港幣仟元	保留盈利 HK\$'000 港幣仟元	總額 HK\$'000 港幣仟元
At 1 April 2015	於2015年4月1日	1,977	10,401	(26,046)	77,090	1,278,411	1,341,833
Exchange differences	匯兌差額	-	-	(15,680)	-	-	(15,680)
Revaluation of available-for-sale financial assets (Note 16)	可供出售的財務資產 重估(附註16)	-	(523)	-	-	-	(523)
Loss for the year	年內虧損	-	-	-	-	(190,009)	(190,009)
Dividends paid (Note 22)	已付股息(附註22)	-	-	-	-	(10,465)	(10,465)
At 31 March 2016	於2016年3月31日	1,977	9,878	(41,726)	77,090	1,077,937	1,125,156
At 1 April 2016	於2016年4月1日	1,977	9,878	(41,726)	77,090	1,077,937	1,125,156
Exchange differences	匯兌差額	-	-	(54,817)	-	-	(54,817)
Revaluation of available-for-sale financial assets (Note 16)	可供出售的財務資產 重估(附註16)	-	(896)	-	-	-	(896)
Loss for the year	年內虧損	-	-	-	-	(177,921)	(177,921)
Release of convertible bonds reserve upon redemption	贖回後撥回可換股債券儲備	-	-	-	(77,090)	-	(77,090)
At 31 March 2017	於2017年3月31日	1,977	8,982	(96,543)	-	900,016	814,432

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22 DIVIDENDS

The dividends paid in 2016 were HK\$10,465,000 (HK\$0.01 per ordinary share). The directors did not recommend a final dividend in respect of the years ended 31 March 2017 and 2016.

23 CREDITORS AND ACCRUALS

Trade creditors analysed by invoice date:	按發票日分析的 應付貿易賬款：
Below 60 days	60日以下
Over 60 days	60日以上
Other creditors and accruals (note a)	其他應付賬款及 應計費用(附註a)

Notes:

- (a) Included in other creditors and accruals are amounts due to related companies of HK\$7,334,000 (2016: HK\$1,367,000) (Note 29(iii)), which are unsecured, interest-free and repayable on demand.
- (b) An analysis of creditors and accruals by currency is as follows:

22 股息

於2016年派發股息為港幣10,465,000元(每股普通股港幣0.01元)。董事會不建議宣派截至2017年3月31日及2016年3月31日止年度的末期股息。

23 應付賬款及應計費用

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Trade creditors analysed by invoice date:		
Below 60 days	125,986	157,259
Over 60 days	187,196	164,002
	313,182	321,261
Other creditors and accruals (note a)	298,723	267,974
	611,905	589,235

附註：

- (a) 計入其他應付賬款及應計費用的款項包括應付關連公司的款項港幣7,334,000元(2016年：港幣1,367,000元)(附註29(iii))，款項為無抵押、免息及應要求償還。
- (b) 應付賬款及應計費用按貨幣分析如下：

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong dollars	港幣	442,120	372,253
Renminbi	人民幣	59,673	63,140
Singapore dollars	新加坡元	20,586	27,325
Malaysian ringgit	馬來西亞令吉	19,857	27,484
Thai bahts	泰銖	26,272	23,579
Swiss Francs	瑞士法郎	4,757	24,922
US dollars	美元	22,295	34,476
Others	其他	16,345	16,056
		611,905	589,235

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

24 BORROWINGS

24 貸款

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Bank borrowings (note a)	銀行貸款 (附註 a)	1,097,200	674,272
Obligations under finance leases (note b)	融資租賃承擔 (附註 b)	155	215
		1,097,355	674,487
Balances repayable on demand or within one year included in current liabilities	應要求償還或於一年內償還的流動負債款項	(1,082,645)	(656,439)
		14,710	18,048

(a) Bank borrowings

(a) 銀行貸款

The Group's bank borrowings are repayable as follows:

本集團銀行貸款的須償還情況如下：

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Repayable on demand/ within 1 year	應要求償還／一年之內	1,082,592	656,412
Between 1 and 2 years	1 至 2 年	1,233	1,336
Between 2 and 5 years	2 至 5 年	4,034	4,369
Over 5 years	5 年以上	9,341	12,155
		1,097,200	674,272

Included in bank borrowings as at 31 March 2017 are secured borrowings amounted to HK\$1,097,200,000 (2016: HK\$661,237,000), which are secured by property, plant and equipment of the Group (Note 13).

於2017年3月31日之銀行貸款內有抵押之貸款港幣1,097,200,000元(2016年：港幣661,237,000元)，以本集團的物業、機器及設備抵押(附註13)。

24 BORROWINGS (Continued)

(a) Bank borrowings (Continued)

An analysis of the carrying amount of the Group's bank borrowings by currency is as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong dollars	港幣	1,081,411	655,132
Malaysian ringgit	馬來西亞令吉	15,789	19,140
		1,097,200	674,272

The weighted average effective interest rate per annum for bank borrowings was 2.09% (2016: 1.85%).

As at 31 March 2017, the carrying amounts of current bank borrowings approximate their fair values.

As at 31 March 2017, the Company had given guarantees to various banks to secure general banking facilities granted to certain subsidiaries amounting to HK\$1,620,950,000 (2016: HK\$1,661,773,000). As at 31 March 2017, the utilised amount of such facilities covered by the Company's guarantees was HK\$1,097,200,000 (2016: HK\$674,272,000) and the undrawn banking facilities was HK\$271,529,000 (2016: HK\$857,471,000).

Prior to the date of this report, the Group obtained a one-off waiver from a bank from strict compliance with certain covenant requirements; and the Group has further agreed revisions to certain covenant requirements of bank borrowings amounting to HK\$660,830,000 (2016: HK\$222,364,000) with the same bank.

24 貸款(續)

(a) 銀行貸款(續)

本集團銀行貸款賬面值按貨幣分析如下：

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Hong Kong dollars	港幣	1,081,411	655,132
Malaysian ringgit	馬來西亞令吉	15,789	19,140
		1,097,200	674,272

銀行貸款的加權平均實際年利率為2.09厘(2016年：1.85厘)。

於2017年3月31日，銀行貸款的賬面值與公平值相若。

於2017年3月31日，本公司就授予若干附屬公司的一般銀行融資向不同銀行作出擔保共港幣1,620,950,000元(2016年：港幣1,661,773,000元)。於2017年3月31日，該等由本公司擔保的融資已動用之金額為港幣1,097,200,000元(2016年：港幣674,272,000元)。而尚未動用的銀行融資金額為港幣271,529,000元(2016年：港幣857,471,000元)。

在此報告日期前，本集團已從一間銀行獲得一次性豁免關於借貸合約的部份合約要求；本集團亦同意同一銀行的有關借貸金額港幣660,830,000元(2016年：港幣222,364,000元)相關借貸合約要求的修訂。

24 BORROWINGS (Continued)

(b) Obligations under finance leases

The obligations under finance leases are payable as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Within 1 year	1年之內	60	31
Between 1 and 2 years	1至2年	60	62
Between 2 and 5 years	2至5年	55	150
		175	243
Future finance charges on finance leases	融資租賃的未來財務支出	(20)	(28)
Present value of finance lease liabilities	融資租賃負債的現值	155	215

The present value of finance lease liabilities is analysed as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Within 1 year	1年之內	53	27
Between 1 and 2 years	1至2年	53	55
Between 2 and 5 years	2至5年	49	133
		155	215

The carrying amount of obligations under finance leases is denominated in Singapore dollars.

24 貸款 (續)

(b) 融資租賃承擔

融資租賃承擔的須償還情況如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Within 1 year	60	31
Between 1 and 2 years	60	62
Between 2 and 5 years	55	150
	175	243
Future finance charges on finance leases	(20)	(28)
Present value of finance lease liabilities	155	215

融資租賃負債的現值分析如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Within 1 year	53	27
Between 1 and 2 years	53	55
Between 2 and 5 years	49	133
	155	215

融資租賃承擔的賬面淨值以新加坡元計價。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

25 CONVERTIBLE BONDS

On 29 November 2012, the Company issued unlisted and unsecured convertible bonds with a principal amount of HK\$371,022,600 to Sapphire Illuminatus Holdings Limited (“Sapphire”), an independent third party.

On 15 September 2016, the convertible bonds were fully redeemed and the convertible bonds were re-measured at its fair value at the date of redemption. The Group has recognised HK\$75,901,000 as a gain upon redemption of convertible bonds mainly as a result of the release of the convertible bond reserve upon redemption.

The terms of the convertible bonds were summarised below:

- the bonds bore interest at 3.5% per annum if the bonds were held by Sapphire or its affiliates, or 2.75% per annum if otherwise, on the principal amounts of the convertible bonds outstanding from time to time, payable semi-annually in arrears;
- the bonds were convertible at the option of the bondholders into fully paid ordinary shares 18 months after the issue of bonds up to fifth anniversary of the issue date of the bonds at a conversion price of HK\$1.95 per share, subject to certain adjustments pursuant to the terms of the agreement entered with the bondholders;
- 190,268,000 conversion shares would be issued upon full conversion of the bonds based on the initial conversion price of HK\$1.95 per share;

25 可換股債券

於2012年11月29日，本公司向一名獨立第三方Sapphire Illuminatus Holdings Limited (「Sapphire」)發行本金總額港幣371,022,600元的非上市及無抵押可換股債券。

集團於2016年9月15日贖回全部可換股債券，可換股債券於贖回日以公平值重新測量。集團於贖回後確認港幣75,901,000元的收益，主要由於贖回後撥回可換股債券儲備而產生。

可換股債券的條款概述如下：

- 根據不時尚未行使的可換股債券本金金額，倘債券由Sapphire或其聯屬人士持有，按年利率3.5%計息，或倘由其他人士持有，則按年利率2.75%計息，每半年支付一次；
- 債券可按債券持有人的選擇於債券發行18個月後截至債券發行日期的第五週年按兌換價每股港幣1.95元兌換為已繳足股款的普通股，惟兌換價或須根據與債券持有人訂立協議的條款進行若干調整；
- 190,268,000股兌換股份將於債券根據初步兌換價每股港幣1.95元悉數兌換後發行；

25 CONVERTIBLE BONDS (Continued)

- Sapphire had the option to require the Company to early redeem 30% of the outstanding principal (the "Option") if i) the consolidated net income of the Company (without taking into account any expenses arising from accounting treatment of the bonds) was less than HK\$400 million in more than one out of the three financial years ended/ending 31 March 2015 to 2017; or ii) the aggregate consolidated net income of the Company (without taking into account any expenses arising from accounting treatment of the bonds) was less than HK\$1 billion for three financial years ended/ending 31 March 2015 to 2017. The remainder of the bonds shall remain to be convertible, and such the bonds which had not been previously converted, redeemed, or purchased and cancelled and remain outstanding on the maturity shall be redeemed. The Company shall also pay an amount in cash to Sapphire equal to 3/7th of the outstanding principal amount of such remaining bonds held by Sapphire upon maturity; and
- Sapphire would be compensated by the difference between the accrued interest and cash dividend (calculated on as-converted basis) (the "Additional Interest"), if the former was less than the latter.

The convertible bonds consisted of a liability component, comprising the 5-year 3.5% straight debt, other redemption features and additional interest liabilities, and an equity component, representing the convertible option of HK\$1.95 per share. At the date of the issuance of the bonds, the liability component and the equity component were recognised at fair value, determined based on the valuations performed by an independent professional valuer using the binominal model with the major following assumptions:

- Risk-free interest rate of 0.261%;
- Volatility of 25.07%;
- Borrowing rate of 8.29%;
- Dividend yield of 6.0%

25 可換股債券 (續)

- Sapphire於以下情況可要求本公司提早贖回30%未償還本金(「期權」)，倘i)本公司的綜合淨收入(未計及債券會計處理產生的任何開支)於截至2015年至2017年3月31日止三個財政年度中一個或多個財政年度低於港幣400,000,000元；或ii)截至2015年至2017年3月31日止三個財政年度本公司的綜合淨收入總額(未計及債券會計處理產生的任何開支)低於港幣1,000,000,000元。餘下債券應為可兌換，而未曾贖回、兌換或購買及註銷且於到期時尚未償還的債券可予以贖回。本公司亦應向Sapphire支付相當於其於到期時持有的尚未償還的餘下債券本金額七份之三的現金；及
- 倘應計利息少於現金股息(按已兌換的基準計算)，Sapphire將獲補償應計利息與現金股息之間的差額(「額外利率」)。

可換股債券包括負債部分(為按5年3.5%計息的普通債券及其他贖回機制以及額外利率負債)及權益部分(每股港幣1.95元兌換權)。於發行債券時，負債部分及權益部分按公平值確認，根據獨立專業估值師的估值採用下列主要假設的二項式模式：

- 無風險利率0.261%；
- 波幅25.07%；
- 貸款利率8.29%；
- 股息率6.0%

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25 CONVERTIBLE BONDS (Continued)

The liability component and equity component of the convertible bonds recognised at initial recognition as at 29 November 2012 were as follows:

		HK\$'000 港幣仟元
Fair value of convertible bonds issued	已發行可換股債券的公平值	396,772
Less: Liability component	減：負債部分	(319,682)
Equity component	權益部分	<u>77,090</u>

The convertible bonds were issued with fair value higher than the principal amount and were accounted for as share-based payment transactions. The excess of the fair value of the convertible bonds over the consideration received of HK\$28,018,000 were recorded as a prepayment for services and are amortised on a straight line basis over the term of contract. Amortisation expense of HK\$9,302,000 has been recognised in the consolidated income statement for the year ended 31 March 2017 (2016: HK\$5,604,000) (Note 18).

The liability component of the bonds was stated at fair value. The equity component was presented in equity as "convertible bonds reserve".

The movement of the liability component of the convertible bonds for the year is set out below:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Liability component at beginning of the year	於年初的負債部分	446,424	380,753
Changes in fair value included in finance costs	計入融資成本的公平值變動	41,210	78,657
Interest paid	已付利息	(6,493)	(12,986)
Redeemed	已贖回	(481,141)	-
Liability component at end of the year	於年終的負債部分	-	446,424
Less: balances redeemable/payable within one year	減：於1年內贖回／償還餘額	-	(109,949)
		<u>-</u>	<u>336,475</u>

25 可換股債券 (續)

可換股債券的負債部分及權益部分於2012年11月29日初步確認時確認如下：

可換股債券乃按高於本金金額的公平值發行，並按以股份為基礎的付款交易入賬。可換股債券的公平值超出所收取的代價港幣28,018,000元乃記錄為服務的預付款項，並按直線基準於合約期間內攤銷。攤銷開支港幣9,302,000元已於截至2017年3月31日止年度的綜合收益表中的其他營運支出內確認(2016年：港幣5,604,000元)(附註18)。

債券的負債部分按公平值呈列。權益部分於股權內呈列為「可換股債券儲備」。

年內，可換股債券負債部分的變動載列如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

25 CONVERTIBLE BONDS (Continued)

The liability component of the convertible bonds was valued by independent qualified valuers, AVISTA Valuation Advisory Limited, who holds a recognised relevant professional qualification and have recent experience in valuation of convertible bonds.

The valuation of the liability component of the convertible bonds was determined using the binominal option pricing model. In valuing the Option, the external valuer has assigned a probability for each scenario under the Option and calculated the probability weighted fair value of the liability component of the convertible bonds. In valuing the Additional Interest portion, the amount is based on the present value of the differences between the estimated dividend received on an as-if converted basis and the annual coupon interest of the convertible bonds over the remaining outstanding period.

The more significant input used in the valuation of the liability component of the convertible bonds are as follows:

		2016
Risk-free interest rate	無風險利率	0.45%
Volatility	波幅	47.79%
Borrowing rate	貸款利率	9.37%
Dividend yield	股息率	0%
Probability of the Option being exercised	行使期權的可能性	100%

26 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities (to be recovered/settled after more than one year) is as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Deferred tax assets	遞延稅項資產	87,944	76,162
Deferred tax liabilities	遞延稅項負債	(7,474)	(7,342)
		80,470	68,820

25 可換股債券 (續)

可換股債券負債部分經獨立合資格估值師艾華迪評估諮詢有限公司估值，其持有獲認可的相關專業資格及具備近期就可換股債券進行估值的相關經驗。

可換股債券負債部分的估值乃採用據二項式期權定價模式釐定。於期權估值時，外部估值師就期權各情境分配概率，並計算可股負債部分的概率加權公平值。於額外利息部分的估值時，該金額乃根據估計已收股息（按假設已兌換基準）及可換股債券於餘下未行使期的年度票面利率的差額的現值而定。

對可換股債券負債部分進行估值所用的最重大的輸入值如下：

26 遞延所得稅

遞延稅項資產及遞延稅項負債（在一年後回收／結算）分析如下：

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

26 DEFERRED INCOME TAX (Continued)

The gross movement on the deferred tax accounts is as follows:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
At beginning of the year	於年初	68,820	68,393
Acquisition of a subsidiary (Note 30)	收購子公司 (附註30)	-	(9,844)
Credited to income statement	計入收益表	11,819	12,219
Exchange differences	匯兌差額	(169)	(1,948)
At end of the year	於年終	80,470	68,820

The movements in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred tax assets

		Depreciation allowances	Provision for unrealised profit in stocks 存貨中 未變現溢利 的準備	Tax losses	Other provisions	Other temporary differences	Total
		折舊 準備 HK\$'000 港幣仟元	未變現溢利 的準備 HK\$'000 港幣仟元	稅項虧損 HK\$'000 港幣仟元	其他撥備 HK\$'000 港幣仟元	其他 暫時性差額 HK\$'000 港幣仟元	總額 HK\$'000 港幣仟元
At 1 April 2015	於2015年4月1日	9,491	24,734	10,956	20,534	10,945	76,660
Credited/(charged) to income statement	計入/(扣除自)收益表	159	(6,443)	15,122	(685)	(111)	8,042
Exchange differences	匯兌差額	(59)	(654)	-	(501)	(781)	(1,995)
At 31 March 2016	於2016年3月31日	9,591	17,637	26,078	19,348	10,053	82,707
At 1 April 2016	於2016年4月1日	9,591	17,637	26,078	19,348	10,053	82,707
Credited/(charged) to income statement	計入/(扣除自)收益表	117	(2,079)	11,664	360	1,299	11,361
Exchange differences	匯兌差額	10	(332)	-	(30)	85	(267)
At 31 March 2017	於2017年3月31日	9,718	15,226	37,742	19,678	11,437	93,801

26 遞延所得稅 (續)

遞延稅項賬目的變動如下：

年內遞延稅項資產及負債的變動 (不考慮於相同稅務司法權區內餘額抵銷) 如下：

遞延稅項資產

26 DEFERRED INCOME TAX (Continued)

Deferred tax liabilities

		Depreciation allowances	Other temporary differences	Identified intangible assets	Total
		折舊準備	其他暫時性差額	已識別無形資產	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣仟元	港幣仟元	港幣仟元	港幣仟元
At 1 April 2015	於2015年4月1日	7,325	942	–	8,267
Acquisition of a subsidiary (Note 30)	收購子公司(附註30)	–	–	9,844	9,844
Charged/(credited) to income statement	扣除自/(計入)收益表	581	–	(4,758)	(4,177)
Exchange differences	匯兌差額	(47)	–	–	(47)
At 31 March 2016	於2016年3月31日	7,859	942	5,086	13,887
At 1 April 2016	於2016年4月1日	7,859	942	5,086	13,887
Charged/(credited) to income statement	扣除自/(計入)收益表	214	–	(672)	(458)
Exchange differences	匯兌差額	(98)	–	–	(98)
At 31 March 2017	於2017年3月31日	7,975	942	4,414	13,331

Out of the total unrecognised tax losses of HK\$785,169,000 (2016: HK\$629,457,000) carried forward, an amount of HK\$291,464,000 (2016: HK\$256,131,000) can be carried forward indefinitely. The remaining HK\$493,705,000 (2016: HK\$373,326,000) will expire in the following years:

所結轉以抵銷未來應課稅之未確認稅項虧損總額為港幣785,169,000元(2016年:港幣629,457,000元),其中港幣291,464,000元(2016年:港幣256,131,000元)可無限期結轉,其餘港幣493,705,000元(2016年:港幣373,326,000元)將在下列期限屆滿:

		2017	2016
		HK\$'000	HK\$'000
		港幣仟元	港幣仟元
In the first year	第1年	61,506	18,063
In the second year	第2年	80,355	62,555
In the third year	第3年	70,654	81,349
In the fourth year	第4年	45,343	71,240
In the fifth to tenth years inclusive	第5年至第10年(包括首尾兩年)	235,847	140,119
		493,705	373,326

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

27 NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

27 綜合現金流量表附註

Reconciliation of loss before income tax to cash generated from operations:

除所得稅前虧損與營運活動所得現金兩者的對賬：

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Loss before income tax	除所得稅前虧損	(175,024)	(185,713)
Depreciation	折舊	94,643	108,274
Amortisation of intangible assets	攤銷無形資產	2,311	2,346
Amortisation of prepayment of lease premium	攤銷預付租賃地價	5,795	5,900
Loss/(gain) on disposal of property, plant and equipment	出售物業、機器及設備的虧損／(收益)	3,758	(265)
Provision of stocks	存貨準備	23,369	34,230
Impairment of debtors	應收款項減值	813	80
Write back of bad debt provision	撥回壞賬準備	(63)	(55)
Impairment of property, plant and equipment	物業、機器及設備減值	9,461	7,021
Impairment of intangible assets	無形資產減值	3,736	26,431
Provision for onerous contracts	有法律義務合約的撥備	23,895	17,560
Expenses on convertible bonds	發行可換股債券費用	9,302	5,604
Interest income	利息收入	(2,827)	(1,946)
Finance costs	財務成本	59,755	90,778
Dividend income	股息收入	(1,938)	(3,506)
Release of convertible bonds reserve upon redemption	贖回後撥回可換股債券儲備	(77,090)	-
Gain on remeasuring to fair value of the existing interest in an associate upon acquisition of control (Note 6)	於收購現有聯營公司控制權之重新測量公平值收益(附註6)	-	(4,222)
Bargain purchase of a subsidiary	議價購買子公司收益	-	(9,863)
Operating (loss)/profit before working capital changes	除營運資金轉變前的經營(虧損)／溢利	(20,104)	92,654
Decrease in stocks	存貨減少	123,986	204,838
Decrease in debtors, deposits and prepayments	應收賬款、按金及預付款項減少	12,663	14,312
Increase/(decrease) in creditors and accruals	應付賬款及應計費用增加／(減少)	6,330	(41,873)
Cash generated from operations	營運活動所得現金	122,875	269,931

28 COMMITMENTS

- (a) Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Property, plant and equipment 物業、機器及設備	-	6,275

- (b) Commitments under operating leases (where the Group is the lessee)

The Group had future aggregate minimum lease payments under non-cancellable operating leases as follow:

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Buildings 樓宇		
Not later than one year 1年內	524,186	581,130
Later than one year but not later than five years 1年後但5年內	347,852	453,802
Later than five years 5年以上	4,624	4,935
	876,662	1,039,867

The leases have varying terms, escalation clauses and renewal rights. The operating lease rentals of certain stores are based on the higher of a minimum guaranteed rental or a sales level based rental. The minimum guaranteed rental has been used to arrive at the above commitments.

28 承擔

- (a) 本集團已簽約但未作出撥備的資本性支出如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Property, plant and equipment 物業、機器及設備	-	6,275

- (b) 營業租賃下的承擔(本集團作為承租人)

本集團在不可撤銷營業租賃下的未來最低租金付款總額如下：

	2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Buildings 樓宇		
Not later than one year 1年內	524,186	581,130
Later than one year but not later than five years 1年後但5年內	347,852	453,802
Later than five years 5年以上	4,624	4,935
	876,662	1,039,867

該等租賃有不同租期、調整租金條款及續租權利。若干店舖的營運租賃租金乃按最低保證租金或銷售額租金(以較高者為準)計算。上述承擔乃按最低保證租金計算。

28 COMMITMENTS (Continued)

(c) Operating leases arrangements (where the Group is the lessor)

The Group had future aggregate minimum lease receivables under non-cancellable operating leases as follow:

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Properties	物業		
Not later than one year	1年內	1,091	869
Later than one year but not later than five years	1年後但5年內	1,093	1,202
		2,184	2,071

29 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

Yee Hing Company Limited, directly and indirectly through its subsidiary including Active Lights Company Limited, held 855,200 shares of the Company as at 31 March 2017. 55% of the total issued ordinary shares of Yee Hing Company Limited is held by Klayze Holdings Limited, which is the trustee of a discretionary trust (the "Trust"). Mr Joseph C.C. Wong and Mr. Sakorn Kanjanapas are the beneficiaries of the Trust and were therefore deemed to be interested in 855,200 shares of the Company through the Trust's interest in Yee Hing Company Limited.

28 承擔(續)

(c) 營業租賃安排(本集團作為出租人)

本集團在不可撤銷營業租賃下的未來最低應收租金總額如下：

29 有關連人士交易

有關連人士指可直接或間接控制另一方，或在作出財務及營運決策時對另一方行使重大影響力之人士。共同受他人控制或受他人重大影響力之人士亦視為有關連人士。

於2017年3月31日，義興有限公司直接或間接通過其附屬公司Active Lights Company Limited持有本公司855,200股股份。Klayze Holdings Limited以作為一項酌情信託(「信託」)之受託人身份持有義興有限公司全部已發行普通股之55%權益。黃創增先生及黃創江先生為信託之受益人，故被視為通過信託於義興有限公司之權益而擁有本公司855,200股股份權益。

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29 RELATED PARTY TRANSACTIONS (Continued)

Save as disclosed in Notes 18, 23 and 33, the following is a summary of the significant related party transactions carried out in the normal course of the Group's business:

(i) Provision of services to a related company

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Building management fee income from a related company	向一家有關連公司收取物業管理收入	<u>2,340</u>	<u>2,340</u>

A wholly-owned subsidiary of the Group entered into a renewal agreement with Mengiwa Property Investment Limited ("MPIL"), a wholly-owned subsidiary of Yee Hing, for the provision of the following services for the period from 1 April 2016 to 31 March 2019:

- (a) contract administration with respect to contracts entered into between MPIL and third parties from time to time;
- (b) property agency liaison and tenancy management;
- (c) management of the property manager of Stelux House; and
- (d) other miscellaneous administrative services.

The fee for the provision of the above services was agreed at HK\$195,000 per calendar month during the duration of the agreement.

29 有關連人士交易 (續)

除附註18、23及33所披露者外，下列為本集團與有關連人士之間所進行的重大交易概要，該等交易乃於本集團日常業務中進行：

(i) 向一家有關連公司提供服務

本集團全資附屬公司與義興全資附屬公司明華物業投資有限公司(「明華」)就於2016年4月1日至2019年3月31日期間提供以下服務訂立協議：

- (a) 明華與第三方不時訂立的合約下之合約行政；
- (b) 物業代理洽商及租賃管理；
- (c) 管理寶光商業中心物業管理公司；及
- (d) 其他行政服務。

於服務協議年內，提供上述服務的有關費用為每個曆月港幣195,000元。

29 RELATED PARTY TRANSACTIONS (Continued)

(ii) Purchases of goods and services from related companies

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Purchase of goods from related companies (note a)	向有關連公司購買貨品(附註a)	-	913
Rental expense to related companies (note b)	向有關聯公司支付租金支出(附註b)	17,521	16,725
		17,521	17,638

Notes:

- (a) During the year ended 31 March 2016, certain subsidiaries of the Group purchased optical products from International Optical Manufacturing Company Limited and its subsidiary ("IOM Group"), indirectly owned subsidiaries of Yee Hing, in accordance with the terms of written agreements for the Group's retail and trading operations.
- (b) During the year, certain subsidiaries of the Group have entered into tenancy agreements with the following related parties for office premises, warehouses, showroom and car-parking spaces:

		Rental expense for the year 年度租金支出	
		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
MPIL	明華	14,721	14,750
Other related parties	其他有關連人士	2,800	1,975
		17,521	16,725

(iii) Year-end balances arising from service income, purchases of goods and rental expenses are disclosed in Note 18(c) and Note 23(a).

29 有關連人士交易(續)

(ii) 向有關連公司購買貨品及服務

附註：

- (a) 於2016年3月31日止年度內，本集團若干附屬公司向義興之間接附屬公司國際眼鏡製造廠有限公司及其附屬公司(「IOM集團」)就本集團零售及買賣業務訂立之書面協議之條款購買光學產品。
- (b) 年內，本集團若干附屬公司與下列有關連人士訂立租賃協議，以租用辦公物業、倉庫、陳列室及停車位：

(iii) 服務收入、購買貨品及租金支出產生的年終結餘於附註18(c)及附註23(a)內披露。

29 RELATED PARTY TRANSACTIONS (Continued)

(iv) Key management compensation

		2017 HK\$'000 港幣仟元	2016 HK\$'000 港幣仟元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	14,406	15,862
Other long-term benefits	其他長期福利	123	147
		14,529	16,009

30 BUSINESS COMBINATION

On 16 April 2015, the Group acquired an additional 48% equity interest in CATENA SA, a Swiss watch movement manufacturer, for a cash consideration of EUR1,660,000 and entered into a shareholders' agreement with the 12% equity interest holder of CATENA SA for a right to purchase the 12% equity interest. Together with the previously owned 40% equity interest and the Group's underlying right, the Group is considered as controlling all equity interest in CATENA SA.

29 有關連人士交易 (續)

(iv) 主要管理層報酬

30 企業合併

於2015年4月16日，本集團收購了一間瑞士手錶機芯製造廠家CATENA SA額外48%的權益，代價為現金1,660,000歐元。在此同時與CATENA SA的12%權益持有人達成股東協議，以購買12%的股權認購權。此與先前擁有的40%權益和本集團的看漲認購權之潛在權益一起，本集團被認為已控制CATENA SA的所有權益。

30 BUSINESS COMBINATION (Continued)

The following table summarises the consideration paid for CATENA SA and the fair value of assets acquired and liabilities assumed at the acquisition date:

		HK\$'000 港幣仟元
Consideration:	代價：	
– Cash	– 現金	14,386
– Deferred consideration payable in respect of the purchase right	– 遞延應付認購權代價	11,083
Total consideration	代價總額	<u>25,469</u>
Recognised amounts of identifiable assets and liabilities assumed	所收購可識別資產及所承擔負債 的確認金額	
Property, plant and equipment	物業、機器及設備	3,532
Intangible assets	無形資產	70,816
Stocks	存貨	25,849
Debtors and prepayments	應收賬款及預付款項	2,206
Cash and cash equivalents	現金及現金等值物	22,257
Creditors and accruals	應付賬款及應計費用	(10,957)
Deferred tax liabilities	遞延稅項負債	(9,844)
Total identifiable net assets	可識別淨資產總值	103,859
Less: Fair value of equity interest in CATENA SA held before the business combination	減：與CATENA SA業務合併前 之權益公平值	(68,527)
Bargain purchase	議價購買	35,332 (9,863)
		<u>25,469</u>
Additional purchase consideration settled in cash	以現金支付的額外購買代價	(14,386)
Cash and cash equivalents acquired	所收購現金及現金等值物	22,257
Cash inflow on acquisition	收購時現金流入	<u>7,871</u>

Acquisition-related costs of HK\$770,000 had been charged to administrative expenses in the consolidated income statement for the year ended 31 March 2016.

30 企業合併 (續)

下表概述於收購日期就CATENA SA 所支付的代價、所收購資產的公平值及所承擔負債：

收購相關成本港幣770,000元已於截至2016年3月31日止年度之綜合收益表之行政支出內扣除。

30 BUSINESS COMBINATION (Continued)

The Group recognised a gain of HK\$4,222,000 as a result of remeasuring its 40% equity interest in CATENA SA held before the business combination at fair value. The gain was included in other gains, net in the consolidated income statement for the year ended 31 March 2016.

A gain on bargain purchase of HK\$9,863,000 had been recognised to other gains, net in the consolidated income statement for the year ended 31 March 2016.

The identified intangible assets represent technical know-how for watch movement with useful life of 30 years. The fair value of the intangible assets as at the date of acquisition was determined based on cash flow projections using multi-period excess earning method with a discount rate of 12%.

The right to acquire 12% equity interest in CATENA SA is exercisable at the price equal to the proportional net assets value of CATENA SA set out in the latest audited financial statements available on the date of exercise the purchase right. The purchase right is exercisable until 31 December 2035. The fair value of the deferred consideration payable in respect of the purchase right is determined based on the discounted cash flow method.

CATENA SA contributed a revenue of approximately HK\$606,000 and a loss of approximately HK\$44,812,000 to the Group for the year ended 31 March 2016.

Had CATENA SA been consolidated from 1 April 2015, the consolidated income statement for the year ended 31 March 2016 would show revenue of approximately HK\$3,401,716,000 and a loss of approximately HK\$189,779,000.

31 POST BALANCE SHEET DATE EVENT

Prior to the date of this report, the Group obtained a one-off waiver from a bank from strict compliance with certain covenant requirements; and the Group has further agreed revisions to certain covenant requirements of bank borrowing amounting to HK\$660,830,000 with the same bank.

30 企業合併 (續)

本集團認可一項港幣4,222,000元收益作為重新計量與CATENA SA業務合併前之40%權益公平值的結果。此收益已包含於截至2016年3月31日止年度內之綜合收益表之其他收益，淨額內。

一項議價購買收益港幣9,863,000元已確認於截至2016年3月31日止年度內之綜合收益表之其他收益，淨額內。

可識別無形資產代表按30年使用年期攤銷的機芯專業技術。於購買日的無形資產公平值按12%折扣率以多期超額收益方法預測現金流確認。

收購CATENA SA的12%股權的權利是可行使的，行使價格相等於行使權利時按CATENA SA最近期的已審計財務報表的資產淨值計算。直至2035年12月31日，該認購權是可以行使的，遞延應付認購權代價的公平值是按現金流量折現法來計算。

截至2016年3月31日止年度，CATENA SA為本集團帶來收入約港幣606,000元及虧損約港幣44,812,000元。

倘若CATENA SA自2015年4月1日起綜合入賬，截至2016年3月31日止年度之綜合收益表顯示收入約港幣3,401,716,000元及虧損約港幣189,779,000元。

31 結算日後事項

在此報告日期前，本集團已從一間銀行獲得一次性豁免關於借貸合約的部份合約要求；本集團亦同意同一銀行的有關借貸金額港幣660,830,000元相關借貸合約要求的修訂。

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財務報表附註

32 BALANCE SHEET AND RESERVES MOVEMENT OF THE COMPANY

32 公司資產負債及儲備變動表

Balance sheet of the Company

公司資產負債表

		As at 31 March	
		於3月31日	
		2017	2016
		HK\$'000	HK\$'000
		港幣仟元	港幣仟元
	Note		
	附註		
ASSETS	資產		
Non-current assets	非流動資產		
Investment in subsidiaries	附屬公司投資	34	–
Debtors, deposits and prepayments	應收賬款、按金及預付款項		9,304
			9,304
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	b	707,642
Debtors, deposits and prepayments	應收賬款、按金及預付款項		153
Bank balances and cash	銀行結餘及現金		38
			707,833
			717,137
Total assets	資產總額		
EQUITY	股權		
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人應佔股本及儲備		
Share capital	股本		104,647
Reserves	儲備	a	158,635
Total equity	權益總額		263,282

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

32 BALANCE SHEET AND RESERVES MOVEMENT OF THE COMPANY (Continued)

32 公司資產負債及儲備變動表 (續)

Balance sheet of the Company (Continued)

公司資產負債表 (續)

		As at 31 March 於3月31日	
		2017	2016
		HK\$'000	HK\$'000
		港幣仟元	港幣仟元
	Note 附註		
LIABILITIES			
Non-current liabilities			
Convertible bonds	25	–	336,475
		–	336,475
Current liabilities			
Creditors and accruals		5	1,930
Amount due to a subsidiary	b	5,500	5,501
Borrowings		77,778	–
Convertible bonds	25	–	109,949
		83,283	117,380
Total liabilities		83,283	453,855
Total equity and liabilities		303,264	717,137

The balance sheet of the Company was approved by the Board of Directors on 22 June 2017 and was signed on its behalf.

董事會在2017年6月22日批准並簽署了本公司資產負債表。

Joseph C.C. Wong
黃創增
Chairman and
Chief Executive Officer
主席及行政總裁

Wallace Kwan Chi Kin
關志堅
Executive Director and
Chief Financial Officer
行政董事及
首席財務總裁

NOTES TO THE FINANCIAL STATEMENTS
財務報表附註

32 BALANCE SHEET AND RESERVES MOVEMENT OF THE COMPANY (Continued)

Notes:

(a) Reserves movement of the Company

		Share premium	Convertible bonds reserve	Retained earnings	Total
		股本溢價	可換股債券儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣仟元	港幣仟元	港幣仟元	港幣仟元
At 1 April 2015	於2015年4月1日	1,977	77,090	61,309	140,376
Profit for the year	年內溢利	–	–	28,724	28,724
Dividends paid	已付股息	–	–	(10,465)	(10,465)
At 31 March 2016	於2016年3月31日	<u>1,977</u>	<u>77,090</u>	<u>79,568</u>	<u>158,635</u>
At 1 April 2016	於2016年4月1日	1,977	77,090	79,568	158,635
Profit for the year	年內溢利	–	–	33,789	33,789
Release of convertible bonds reserve upon redemption	贖回後撥回可換股債券儲備	–	(77,090)	–	(77,090)
At 31 March 2017	於2017年3月31日	<u>1,977</u>	<u>–</u>	<u>113,357</u>	<u>115,334</u>

(b) Amounts due from/to subsidiaries

The amounts due from/to subsidiaries are unsecured, interest-free and repayable on demand. The carrying amounts of these balances approximate their fair values.

32 公司資產負債及儲備變動表 (續)

附註：

(a) 公司儲備變動

(b) 應收及應付附屬公司款項

應收及應付附屬公司的款項為無抵押，免息及應要求償還。其餘額的眼面價值接近其公平值。

33 BENEFITS AND INTERESTS OF DIRECTORS

(A) Directors' emoluments

The remuneration of every director is set out below:

For the year ended 31 March 2017:

33 董事福利及權益

(A) 董事酬金

本公司各董事酬金如下：

截至2017年3月31日：

Name	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking: 本公司或其附屬公司已付董事或董事應收薪酬：					Emoluments paid or receivable in respect of director's other services in connection with the management of the Company or its subsidiary undertaking: 本公司或其附屬公司已支付或公司就董事的其他管理服務的酬金		Total
	Fees	Basic salaries, allowances, and benefits in kind	Contributions to retirement benefit schemes	Discretionary bonus ⁱ	Remunerations receivable in respect of office as director	已支付或就該接受為董事應收酬金	其他管理服務的酬金	
姓名	袍金 HK\$'000 港幣千元	基金薪金、津貼及實物利益 HK\$'000 港幣千元	退休金 供款計劃 HK\$'000 港幣千元	酌情花紅 ⁱ HK\$'000 港幣千元	董事應收酬金 HK\$'000 港幣千元	其他管理服務的酬金 HK\$'000 港幣千元	總額 HK\$'000 港幣千元	
Joseph C. C. Wong (ii) 黃創增 (ii)	100	2,936	105	7,356	-	-	10,497	
Kwan Chi Kin, Wallace 關志堅	80	1,506	18	1,943	-	-	3,547	
Sakorn Kanjanapas (v) 黃創江 (v)	80	-	-	-	-	-	80	
Mary Ma (iv) 馬雪征 (iv)	-	-	-	-	-	-	-	
Alex Wong (iv) 黃宇鏗 (iv)	-	-	-	-	-	-	-	
Kwong Yi Hang, Agnes 鄺易行	135	-	-	-	-	-	135	
Wu Chun Sang, Nelson 胡春生	135	-	-	-	-	-	135	
Wu Chi Man, Lawrence 胡志文	135	-	-	-	-	-	135	
	665	4,442	123	9,299	-	-	14,529	

33 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

33 董事福利及權益 (續)

(A) Directors' emoluments (Continued)

(A) 董事酬金 (續)

For the year ended 31 March 2016:

截至2016年3月31日：

Name	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking: 本公司或其附屬公司已付董事或董事應收薪酬：					Emoluments paid or receivable in respect of director's other services in connection with the management of the Company or its subsidiary undertaking: 本公司或其附屬公司就董事的其他管理服務的酬金		Total
	Fees	Basic salaries, allowances, and benefits in kind	Contributions to retirement benefit schemes	Discretionary bonus ⁱ	Remunerations paid or receivable in respect of office as director	Other management services	Other services	
姓名	袍金 HK\$'000 港幣仟元	基金薪金、津貼及實物利益 HK\$'000 港幣仟元	退休金 供款計劃 HK\$'000 港幣仟元	酌情花紅 ⁱ HK\$'000 港幣仟元	已支付或就該接受為董事應收酬金 HK\$'000 港幣仟元	其他管理 服務的酬金 HK\$'000 港幣仟元	其他管理 服務的酬金 HK\$'000 港幣仟元	總額 HK\$'000 港幣仟元
Joseph C. C. Wong (ii) 黃創增(ii)	100	2,938	105	7,341	-	-	10,484	
Kwan Chi Kin, Wallace 關志堅	80	1,506	18	1,576	-	-	3,180	
Lau Tak Bui, Vincent (iii) 劉德杯(iii)	20	798	24	5,192	-	-	6,034	
Sakorn Kanjanapas (v) 黃創江(v)	80	-	-	-	-	-	80	
Mary Ma (iv) 馬雪征(iv)	-	-	-	-	-	-	-	
Alex Wong (iv) 黃宇錚(iv)	-	-	-	-	-	-	-	
Kwong Yi Hang, Agnes 鄺易行	135	-	-	-	-	-	135	
Wu Chun Sang, Nelson 胡春生	135	-	-	-	-	-	135	
Wu Chi Man, Lawrence 胡志文	135	-	-	-	-	-	135	
	685	5,242	147	14,109	-	-	20,183	

ⁱ Discretionary bonus represents the amount paid during the year.

ⁱⁱ Mr. Joseph C. C. Wong is also the chief executive of the Group.

ⁱⁱⁱ Mr. Lau Tak Bui, Vincent has resigned on 1 July 2015.

^{iv} Ms. Mary Ma and Mr. Alex Wong have resigned on 15 September 2016.

^v Mr. Sakorn Kanjanapas has passed away on 8 April 2017.

ⁱ 酌情花紅指年內已付的金額。

ⁱⁱ 黃創增先生亦是本集團行政總裁。

ⁱⁱⁱ 劉德杯先生已於2015年7月1日因退休辭任執行董事。

^{iv} 馬雪征女士及黃宇錚先生已於2016年9月15日辭任。

^v 黃創江先生於2017年4月8日辭世。

33 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(A) Directors' emoluments (Continued)

During the years ended 31 March 2017 and 2016, none of the directors waived their emoluments, except Ms. Mary Ma and Mr. Alex Wong waived emoluments of HK\$80,000 each.

(B) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the year (2016: nil).

(C) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2017, the Company did not pay consideration to any third parties for making available directors' services (2016: nil).

(D) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 March 2017, there are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and controlled entities with such directors (2016: nil).

(E) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at anytime during the year.

33 董事福利及權益 (續)

(A) 董事酬金 (續)

截至2016年3月31日及2017年3月31日止年度，概無任何董事放棄酬金，除馬雪征女士和黃宇錚先生各放棄袍金港幣80,000元外。

(B) 董事退休福利及離職福利

年內，概無董事已收取或將收取任何退休福利及離職福利(2016年：無)。

(C) 就獲取董事服務向第三方支付之代價

截至2017年3月31日止年度，本公司並無就獲取董事服務而向任何第三方支付代價(2016年：無)。

(D) 有關以董事、該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

截至2017年3月31日止年度，概無以董事、或該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易安排(2016年：無)。

(E) 董事在交易，協議或合同的重大利益

本年度內或年結時，本公司並無簽訂任何涉及本集團之業務而本公司之董事直接或間接在其中擁有重大利益之重要交易、協議或合同。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

34 PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 March:

34 主要附屬公司

截至3月31日，主要附屬公司如下：

	Place of incorporation/ operation 註冊成立/經營地	Principal activities 主要業務	Particulars of share capital issued 已發行股本		Percentage of equity attributable to the Group 集團所佔權益的百分比	
			Number 股數	Value 每股面值	2017	2016
Investment 投資						
Stelux Holdings International Group (BVI) Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1	US\$1 1美元	100 ^a	100 ^a
Stelux Holdings Limited 寶光實業(集團)有限公司	Hong Kong 香港	Investment holding 投資控股	1,000	HK\$1 港幣1元	100	100
Stelux Investments and Properties (BVI) Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1	US\$1 1美元	100	100
Thong Sia (BVI) Company Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1	US\$1 1美元	100	100
Property 物業						
City Chain Properties Limited 時間廊物業有限公司	Hong Kong 香港	Property investment 物業投資	2	HK\$1 港幣1元	100	100
Fulani Investment Limited	Hong Kong 香港	Property investment 物業投資	2	HK\$1 港幣1元	100	100
Optical 88 Properties Limited 眼鏡88物業有限公司	Hong Kong 香港	Property investment 物業投資	2	HK\$1 港幣1元	100	100
Oswald Property Management Company Limited	Hong Kong 香港	Property investment 物業投資	2	HK\$100 港幣100元	100	100
Stelux Properties Agency Limited 寶光地產代理有限公司	Hong Kong 香港	Property agency and management 物業代理及管理	2	HK\$1 港幣1元	100	100
Stelux Properties Limited 寶光地產有限公司	Hong Kong 香港	Property management 物業管理	500	HK\$100 港幣100元	100	100

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34 PRINCIPAL SUBSIDIARIES (Continued)

34 主要附屬公司 (續)

	Place of incorporation/ operation 註冊成立/經營地	Principal activities 主要業務	Particulars of share capital issued 已發行股本		Percentage of equity attributable to the Group 集團所佔權益的百分比	
			Number 股數	Value 每股面值	2017	2016
Retailing and trading 零售及貿易						
City Chain Company Limited 時間廊鐘錶有限公司	Hong Kong 香港	Watch retailing 鐘錶零售	250,000	HK\$100 港幣100元	100	100
City Chain (M) Sdn Bhd	Malaysia 馬來西亞	Watch retailing 鐘錶零售	3,333,333	RM1 1令吉	100	100
City Chain (Macau) Company Limited 時間廊鐘錶(澳門)有限公司	Macau 澳門	Watch retailing 鐘錶零售	2	MOP5,000 澳門葡幣 5,000元	100	100
City Chain Stores (S) Pte Limited	Singapore 新加坡	Watch retailing 鐘錶零售	1,800,000	S\$1 新加坡幣1元	100	100
City Chain (Thailand) Company Limited	Thailand 泰國	Watch retailing 鐘錶零售	200,000 210,000 ^b	Baht100 100泰銖 Baht100 100泰銖	100	100
Optical 88 Limited 眼鏡88有限公司	Hong Kong 香港	Optical products 光學產品	33,379,940	HK\$1 港幣1元	100	100
Optical 88 Eyecare (M) Sdn Bhd	Malaysia 馬來西亞	Optical products 光學產品	1,428,572	RM1 1令吉	100	100
Optical 88 (Macau) Limited 眼鏡88(澳門)有限公司	Macau 澳門	Optical products 光學產品	2	MOP5,000 澳門葡幣 5,000元	100	100
Optical 88 (S) Pte Limited	Singapore 新加坡	Optical products 光學產品	500,000	S\$1 新加坡幣1元	100	100
Optical 88 (Thailand) Company Limited	Thailand 泰國	Optical products 光學產品	245,000 255,000 ^b	Baht10 10泰銖 Baht10 10泰銖	100	100
EGG Optical Boutique Limited 一隻隻眼鏡有限公司	Hong Kong 香港	Optical products 光學產品	10,000,000	HK\$1 港幣1元	100	100
Pronto Watch S.A.	Switzerland 瑞士	Watch distribution 鐘錶分銷	100	SFr1,000 1,000瑞士 法郎	100	100

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財務報表附註

34 PRINCIPAL SUBSIDIARIES (Continued)

34 主要附屬公司 (續)

	Place of incorporation/ operation 註冊成立/經營地	Principal activities 主要業務	Particulars of share capital issued 已發行股本		Percentage of equity attributable to the Group 集團所佔權益的百分比	
			Number 股數	Value 每股面值	2017	2016
Retailing and trading (Continued) 零售及貿易 (續)						
Solvil et Titus S.A.	Switzerland 瑞士	Watch distribution 鐘錶分銷	300	SFr1,000 1,000 瑞士 法郎	100	100
Stelux International Licensing Limited	Bahamas 巴哈馬	Trademark holding and licensing 商標持有及特許經營	2	US\$1 1 美元	100	100
Stelux Watch Limited 寶光鐘錶有限公司	Hong Kong 香港	Watch supply chain management 鐘錶供應鏈管理	1,000,000	HK\$1 港幣 1 元	100	100
Thong Sia Watch Company Limited 通城鐘錶有限公司	Hong Kong 香港	Watch distribution 鐘錶分銷	80,000	HK\$10 港幣 10 元	100	100
Thong Tai Watch Company Limited 通泰鐘錶有限公司	Hong Kong 香港	Watch distribution 鐘錶分銷	2,000	HK\$1,000 港幣 1,000 元	100	100
Thong Sia Company (Singapore) Pte Limited	Singapore 新加坡	Watch distribution 鐘錶分銷	2,000,000	S\$1 新加坡幣 1 元	100	100
Thong Sia Sdn Bhd	Malaysia 馬來西亞	Watch distribution 鐘錶分銷	1,000,000	RM1 1 令吉	97.6	97.6
Thong Tai (Taiwan) Company Limited 通泰(台灣)有限公司	Hong Kong/Taiwan 香港/台灣	Watch distribution 鐘錶分銷	1,000	HK\$10 港幣 10 元	100	100
Thong Sia (Thailand) Limited	Thailand 泰國	Watch retailing and distribution 鐘錶零售及分銷	20,000	Baht100 100 泰銖	100	100
Thong Sia Optics (Hong Kong) Company Limited 通城光學(香港)有限公司	Hong Kong 香港	Optical distribution 眼鏡分銷	5,000	HK\$1,000 港幣 1,000 元	100	100
Universal Geneve S.A.	Switzerland 瑞士	Watch supply chain management and distribution 鐘錶供應鏈管理及分銷	5,000	SFr1,000 1,000 瑞士 法郎	100	100
Catena S.A.	Switzerland 瑞士	Manufacture of watch movements 手錶機芯製造商	1,016,667	SFr1 1 瑞士 法郎	100 ^c	100 ^c

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財務報表附註

34 PRINCIPAL SUBSIDIARIES (Continued)

34 主要附屬公司 (續)

	Place of incorporation/ operation 註冊成立/經營地	Principal activities 主要業務	Paid-up capital 繳足資本	Percentage of equity attributable to the Group 集團所佔權益的百分比	
				2017	2016
Retailing and trading (Continued)					
零售及貿易 (續)					
Stelux Thong Sia (Guangdong) Trading Limited 寶光通城(廣東)商貿有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Watch retailing, trading and related services 鐘錶零售、貿易及 相關服務	HK\$181,400,000 港幣181,400,000元	100	100
Stelux Thong Sia (Beijing) Trading Limited 寶光通城(北京)商貿有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Watch retailing, trading and related services 鐘錶零售、貿易及 相關服務	US\$20,500,000 20,500,000美元	100	100
Stelux Thong Sia (Shanghai) Trading Limited 寶光通城(上海)商貿有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Watch retailing, trading and related services 鐘錶零售、貿易及 相關服務	US\$16,000,000 16,000,000美元	100	100
Baoqing (Chongqing) Trading Limited 寶慶(重慶)商貿有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Watch retailing, trading and related services 鐘錶零售、貿易及 相關服務	HK\$40,000,000 港幣40,000,000元	100	100
Baoshi (Guangdong) Company Limited 寶視(廣東)視光眼鏡有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Retailing, trading and related optical services 眼鏡產品零售、貿易及 相關服務	HK\$224,890,000 港幣224,890,000元	100	100

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

34 PRINCIPAL SUBSIDIARIES (Continued)

34 主要附屬公司 (續)

	Place of incorporation/ operation 註冊成立/經營地	Principal activities 主要業務	Paid-up capital 繳足資本	Percentage of equity attributable to the Group 集團所佔權益的百分比	
				2017	2016
Retailing and trading (Continued) 零售及貿易 (續)					
Baoshi (Beijing) Company Limited 寶光寶視(北京)眼鏡有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Retailing, trading and related optical services 眼鏡產品零售、貿易及 相關服務	HK\$38,000,000 港幣 38,000,000 元	100	100
Baoshi (Shanghai) Company Limited 寶視(上海)眼鏡有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Retailing, trading and related optical services 眼鏡產品零售、貿易及 相關服務	RMB29,038,081 人民幣 29,038,081 元	100	100
Shibao (Chongqing) Trading Limited 視寶(重慶)商貿有限公司	People's Republic of China/ Mainland China (foreign- invested commercial enterprise) 中國/中國大陸(外商投資商 業企業)	Retailing, trading and related optical services 眼鏡產品零售、貿易及 相關服務	HK\$18,000,000 港幣 18,000,000 元	100	100
a	Directly held subsidiary		a	直接擁有的附屬公司	
b	Non-redeemable preference shares		b	不可贖回優先股	
c	100% equity interest included 88% of equity interest and a right to purchase 12% of equity interest		c	100% 權益包括 88% 股權及以買入認購權 購買 12% 股權	

ESG STRATEGY AND REPORTING

This Report is prepared in accordance with the “Corporate Governance Code and Corporate Governance Report” and “Environmental, Social and Governance Reporting Guide” of Appendices 14 and 27 respectively of the Hong Kong Listing Rules and covers reporting on environmental, social and corporate governance issues of the Group’s retail and wholesale watch and optical businesses in Greater China (Mainland China, Hong Kong and Macau), Singapore, Malaysia and Thailand (unless otherwise stated) for the financial year ended 31 March 2017, as these businesses represent a significant part of the Group’s operations.

The Board acknowledges that it has overall responsibility for the Group’s ESG strategy and reporting. The Board is further responsible for evaluating and determining ESG related risks and ensuring that effective ESG risk management and internal controls are implemented. Management has provided confirmation to the Board on the effectiveness of these systems.

Stelux has a long business history in the watch and optical sectors. We own CITY CHAIN and OPTICAL 88, both leading retailers and Hong Kong SuperBrands, which together with our Swiss watch brand, SOLVIL et TITUS are well known in Asia.

Stelux’ ethos is to engage and work with our stakeholders in a responsible, fair and honest way. We strive to

- provide high quality products and services of best value to our customers;
- grow, respect and reward our employees as they develop together with us;
- serve and contribute within our communities; and
- create and safeguard shareholders’ value in a sustainable manner.

環境、社會及管治策略及匯報

本報告乃根據香港上市規則附錄十四《企業管治守則》及《企業管治報告》及附錄二十七《環境、社會及管治報告指引》而編制，內容覆蓋本集團於大中華（中國大陸、香港及澳門）、新加坡、馬來西亞及泰國（除另有指明）於截至2017年3月31日止財政年度鐘錶及眼鏡的零售及批發業務的環境、社會及管治事宜。前述內容之覆蓋乃由於有關業務為本集團的主要業務。

董事會知悉其對本集團的環境、社會及管治策略及匯報承擔全部責任，並負責評估及釐定有關環境、社會及管治之風險，並確保實施有效之環境、社會及管治風險管理及內部監控系統。管理層已向董事會確認該等系統之有效性。

寶光在鐘錶及眼鏡領域擁有悠久的業務歷史。本集團旗下擁有「時間廊」及「眼鏡88」，兩間居領導地位的零售商亦榮獲「香港超級品牌」的殊榮，連同集團的瑞士鐘錶品牌 SOLVIL et TITUS，都是亞洲著名的品牌。

寶光的使命是以盡責、公平及誠實的方式處事並與權益人合作。本集團致力

- 為顧客提供優質的產品和服務；
- 讓與公司一同發展的員工得到成長、受到尊重、獲得應得的獎勵；
- 為社會服務、貢獻；及
- 持續為股東創造價值、保證股東長期權益。

Our management approach and the corresponding strategies adopted for ESG issues are founded on the above principles. Appropriate systems, SOPs and internal controls are built upon these core foundations to achieve the Group's business objectives.

Our employees work within a culture where respect for others is encouraged, rewards are fair and the workplace is safe and conducive, allowing for an optimal environment to engage with and deliver to our stakeholders and others in general. The Group's vendors and suppliers are a key part of the success equation as we work with them to source and deliver high quality products to our customers. Procedures are in place to ensure that we partner vendors and suppliers who understand our values and expectations. Our customers are pivotal and without their support and custom, delivery of quality products and services cannot be achieved. Finally, our shareholders look for sustainable profits delivered within the parameters of good corporate governance, environmental awareness and community engagement.

These stakeholders each interacting with the other work to ensure the Group's objectives are achieved and hence, its success and sustainability.

A. Environmental

Aspect A1: Emissions

General Disclosure

Information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste

KPI A1.1 to KPI A1.6 are not applicable. The nature of the Group's products, namely watches and optical products, are such that emissions discharged during the production process are not material. Moreover, the Group buys complete watches and optical products from third party brands and also outsources the production of its house brand products to third party manufacturers. Emissions discharged from the services the Group provides are also not material.

本集團根據以上的原則制訂有關環境、社會及管治事宜的管理方針及相關策略，並基於此等核心基礎建立合適系統、標準作業程序及內部監控措施，以達致本集團的業務目標。

本集團推廣互相尊重的企業文化、提供公平的獎勵制度及安全且便利的工作空間，同時為權益人及其他相關人士提供理想的合作環境。本集團一直致力與廠商及供應商合作從而採購優質的產品提供予顧客，彼等乃本集團成功的重要元素。本集團亦已制訂若干程序，以確保與本集團合作的廠商及供應商充分了解本集團的價值及期望。本集團的客戶亦十分重要，若缺乏客戶支持和惠顧，本集團便無法達成提供優質產品和服務的願景。最後，本集團股東期望可在達致良好企業管治、環境關注及社區參與的同時為本集團持續創造利潤。

權益人互相合作，確保本集團能夠達致目標，從而促使本集團的業務成功及其可持續性。

A. 環境

層面 A1：排放物

一般披露

有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的政策；及遵守對發行人有重大影響的相關法律及規例的資料

關鍵績效指標 A1.1 至關鍵績效指標 A1.6 並不適用。本集團產品（即鐘錶及眼鏡）在生產過程中的污染排放並不嚴重。另外，本集團向第三方品牌購買鐘錶及眼鏡的製成品，並將自家品牌產品的製作工序外判予第三方製造商。本集團服務所引致的污染排放亦不嚴重。

There are no relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that the Group has to comply with.

Notwithstanding the above, the Group has policies in place to reduce its carbon footprint. Pre-approval is required for all staff air travel and staff are encouraged to use video conferencing or other meeting tools, like Skype, FaceTime or WeChat to conduct meetings to reduce travelling. Our offices in different regions are linked by video conferencing facilities.

GHG Emissions Breakdown for FY16/17

Sources 來源	Emissions (thousand tonnes CO ₂ e) 排放量 (千噸二氧化碳)	Percentage 百分比
Business Travel 商旅	0.059	0.55%
Electricity* 電力*	10.232	95.91%
Mobile Combustion 流動燃燒源頭	0.173	1.63%
Paper Usage 紙張	0.204	1.91%

Note

附註

* Electricity Emissions Breakdown

* 電力排放表

Sources 來源	Emissions (thousand tonnes CO ₂ e) 排放量 (千噸二氧化碳)	Percentage 百分比
CLP Power (Hong Kong) Limited 中華電力有限公司	2.156	21.07%
The Hong Kong Electric Co., Ltd 香港電燈有限公司	0.635	6.21%
Others 其他	7.441	72.72%

Aspect A2: Use of Resources

層面 A2：資源使用

General Disclosure

一般披露

Policies on the efficient use of resources, including energy, water and other raw materials

有效使用資源 (包括能源、水及其他原材料) 的政策

The Group's policies on the efficient use of resources, including energy, water and other raw materials are based on 3R's – reduce, reuse or recycle whenever feasible or practical.

本集團的有效使用資源 (包括能源、水及其他原材料) 的政策乃基於在可行情況下的環保 3R 原則而定，分別為減量 (Reduce)、再利用 (Reuse) 及循環使用 (Recycle)。

概無本集團須遵守的有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的相關法律及法規對本集團造成重大影響。

儘管如此，本集團已實行有助減少碳排放的政策。所有員工的商務航空旅程須獲預先批准，而本集團亦鼓勵員工使用視像會議或透過其他會議方式 (例如：Skype、FaceTime 或 WeChat) 進行會議，從而減少外遊。本集團不同地區的辦公室亦可通過視像會議設備聯繫。

16/17 財政年度的溫室氣體排放表