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怡邦行控股有限公司

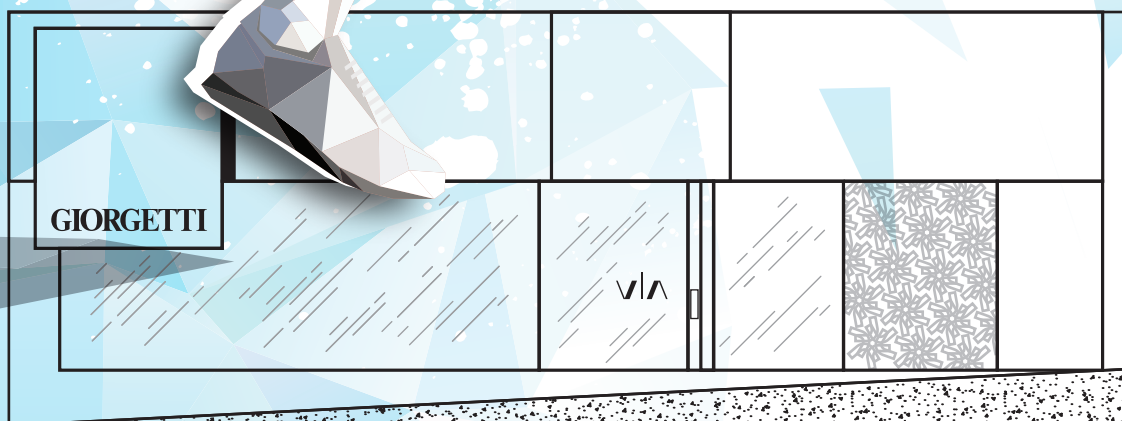
stock code 股份代號: 00599

2018

ANNUAL REPORT 年報



千里之行 始於足下
Go the Extra Mile



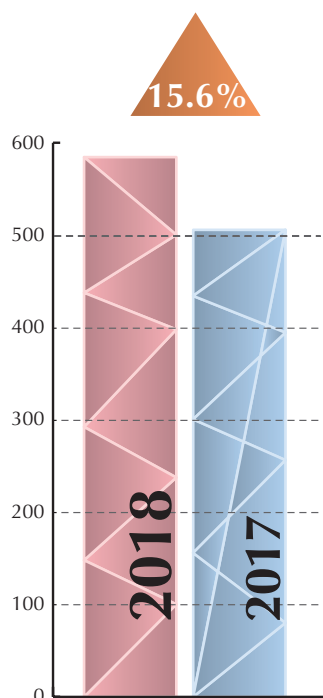
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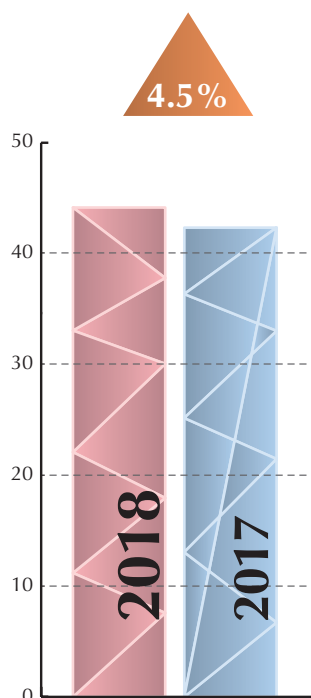
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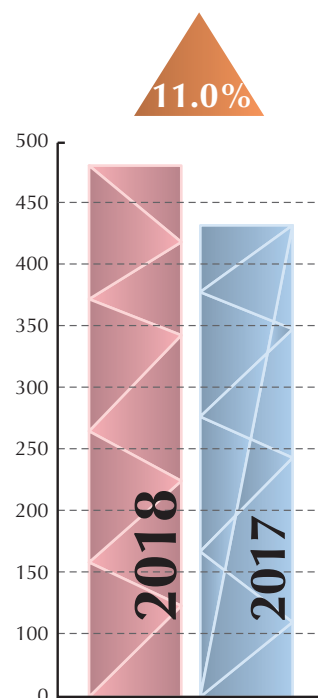
Annual result for the year ended 31 March 2018 截至二零一八年三月三十一日止年度业绩



Revenue (HK\$'M)
营业额(百万港元)



Profit attributable to shareholders (HK\$'M)
股东应占溢利(百万港元)



Net asset value (HK\$'M)
资产净值(百万港元)

Annual results for the year ended 31 March 2018

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

截至二零一八年三月三十一日止年度业绩

- 收益
- 除所得税前溢利
- 于二零一八年三月三十一日股东资金
- 每股基本溢利

HK\$584.7 million	584.7百万港元
HK\$53.6 million	53.6百万港元
HK\$479.2 million	479.2百万港元
HK7.36 cents	7.36港仙

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

收益(千港元)
经营溢利(千港元)
除所得税前溢利(千港元)
股东应占溢利(千港元)
每股基本溢利(港仙)
已宣派及支付每股中期股息(港仙)
建议每股末期股息(港仙)
资产净值(千港元)

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

千里之行 始於足下
Go the Extra Mile

Chairman's Statement 主席报告书

Dear Shareholders,

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

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

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

各位股东：

本人欣然提呈截至二零一八年三月三十一日止年度之年报。

环球经济正处于强劲增长，惟对国际政治及贸易争议处观望态度。更重要的是，近期美国与中华人民共和国(中国)之间的贸易战将为香港经济带来不确定性及风险，而双方目前无迹象会作出让步、解决纷争。毫无疑问，于国内设厂生产的香港公司会受到影响；而由于香港乃全球第五大货柜港口，供应链管理、转口及转运行业将面临巨大损失；由于中国经济不可避免地会放缓，预计人民币兑美元汇率将于今年年底下跌，因此香港的旅游业将受到牵连。另外，市场预期美国加息。香港经济增长于今年余下时间能否维持，成为一大疑问。

中国的「十三五规划」中引入的泛珠江三角区域(泛珠三角)合作政策，旨在将泛珠三角从世界工厂转变为粤港澳创新中心。该政策的目的是整合及促进广东省九个城市、香港与澳门之间的合作，鼓励和促进香港市民在该地区创业。香港政府对参与该政策带来的机遇持乐观态度。这将成为香港未来十年的增长动力。然而，由于美国对中国的贸易战主要针对高科技产业，因此会影响将珠三角转型为高科技创新地区(以三藩市湾区为蓝本)倡议的实施。政治及经济不稳定时，投资于任何业务均属高风险。



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

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

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

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

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

TSE Sun Fat, Henry
Chairman
27 June 2018

美国利率正在上升。香港经济与中国关系密切，加上港币与美元的联系汇率，导致本地经济（尤其住宅市场）容易受到外来因素影响。在香港，政府统计资料显示，二零一八年第一季的本地生产总值实质增长为4.7%，营商气氛整体乐观（并未考虑中美贸易战的影响）。预期贸易战将减低本地生产总值增长百分率。

凡此种种，下个财政年度将会充满挑战，我们根据市况（例如小型住宅渐成主流、设计独特的产品受市场欢迎）谨慎地施行商业策略。一手市场住宅供应虽间有波动，惟总体而言呈上升趋势。住屋作为必需品及投资工具，使解决房屋短缺为一复杂议题。利率上升及贸易战等外来因素或会引起相当大的市场反应。（注：二零一八年六月底公布的房屋措施反映政府增加房屋供应的决心，惟效果有待证实）二手市场则受一手市场发展所带动。

我们已调整产品组合，应对这些趋势。我们善用过去40年在业内的经验以及与地产发展商、建筑师及设计师的合作关系，扩大项目销售的表现，并加强在零售方面的业绩。

我们将一如既往，留意市场波动，并以审慎态度营运及拓展业务。流动比率及速动比率分别为2.7（二零一七年：2.8）及1.6（二零一七年：1.7）。我们将继续密切观察市场走势，并相应发挥及调整自身的策略。

管理层藉此感谢各位股东的支持与信任以及集团全体员工的忠诚与努力。各位的贡献对本集团过往及日后的发展均属不可或缺。

谢新法
主席
二零一八年六月二十七日

Management Discussion and Analysis 管理层讨论与分析

BUSINESS REVIEW

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

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

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

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

业务审视

本公司的主要业务为投资控股。其附属公司主要于香港及中华人民共和国(「中国」)从事进口、批发、零售及安装建筑五金、卫浴、厨房设备及家俬。

本集团的业务审视及分析本集团年内表现的财务关键表现指标，已载于管理层讨论与分析。此外，本集团环境政策及表现的讨论、有关雇员、客户、供应商及对本集团成功有重要关系的说明，则载于二零一八年年报环境、社会及管治报告内。

本公司遵守香港联合交易所有限公司证券上市规则(「上市规则」)附录十四载列之守则条文之详情载于二零一八年年报企业管治报告内。除本年报所披露者外，截至二零一八年三月三十一日止年度，本公司遵守上市规则、证券及期货条例(「证券及期货条例」)以及开曼群岛公司法的规定。

于本年度，香港的已落成住宅单位数目仍然维持高水平，而市场继续以中小型单位为主。市场对住屋设备的需求有所增加，惟倾向于价格具竞争力的产品。



REVENUE REVIEW

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

Revenue by business segment

收益回顾

截至二零一八年三月三十一日止年度，本集团总营业额为584.7百万港元，较去年增加15.6%。

按业务分部划分之收益

	Revenue from external customers 对外客户收益			As a percentage of sales (%) 占销售额百分比 (%)	
	31 March 三月三十一日	2017 二零一七年	Change 变动 (%)	31 March 三月三十一日	2017 二零一七年
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元		2018 二零一八年	2017 二零一七年
Architectural builders' hardware, bathroom collections and others	434,565	359,071	21.0	74.3	71.0
Kitchen collection and furniture	150,155	146,910	2.2	25.7	29.0
	584,720	505,981	15.6	100.0	100.0

Profitability by business segment

按业务分部划分之盈利能力

	Reportable segment gross profit 可汇报之分部毛利			Gross profit margin (%) 毛利率 (%)	
	2018 二零一八年	2017 二零一七年	Change 变动 (%)	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元		二零一八年	二零一七年
Architectural builders' hardware, bathroom collections and others	171,200	133,169	28.6	39.4	37.1
Kitchen collection and furniture	68,101	78,270	(13.0)	45.4	53.3
	239,301	211,439	13.2	40.9	41.8

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

建筑五金、卫浴设备及其他分部之收益较去年增加21.0%至434.6百万港元(二零一七年: 359.1百万港元)。年内，一手住宅市场多兴建小型单位。适合袖珍家居而售价较廉的产品需求持续上升。年内，我们为利奥坊•凯岸、柏蔚山、澧瀚、Malibu及嘉熙等项目供应产品。

Management Discussion and Analysis 管理层讨论与分析

REVENUE REVIEW (CONT'D)

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

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

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

FINANCIAL REVIEW

Liquidity and Financial Resources

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

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

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

收益回顾(续)

厨房设备及家俬分部之收益较去年轻微增加2.2%至150.2百万港元(二零一七年: 146.9百万港元)。年内,我们为汇玺等项目供应产品。

本集团整体毛利为239.3百万港元(二零一七年: 211.4百万港元),较去年增加13.2%。整体毛利率与去年相较保持平稳。

本集团经营溢利为54.4百万港元(二零一七年: 50.8百万港元),较去年增加7.1%。经营溢利增加主要因为营业额增加,且部份被分销成本及行政开支增加所抵消。行政开支及分销成本金额增加11.6%至186.0百万港元(二零一七年: 166.8百万港元),主要由于年内坏账拨备拨回减少4.3百万港元、员工薪酬增加7.6百万港元及租金开支增加7.4百万港元。我们在保持业务增长之余,亦致力监控成本及维持资源有效运用。

财务回顾

流动资金及财务资源

本集团继续采取审慎财务管理政策拓展在香港及中国之业务。流动比率及速动比率分别为2.7(二零一七年: 2.8)及1.6(二零一七年: 1.7)。于二零一八年三月三十一日之现金及现金等价物约为62.4百万港元(二零一七年: 79.7百万港元),并已用于购买即将交付的存货。

存货增至168.5百万港元(二零一七年: 146.1百万港元),主要由于年末所下批量项目订单增加,该等项目订单将于下个财政年度交付予客户。销售增加,带动应收账款、应收保留款及其他应收款增加至189.9百万港元(二零一七年: 147.0百万港元);而应付账款及其他应付款则增加至51.3百万港元(二零一七年: 43.0百万港元),乃由于年末购买存货。

于二零一八年三月三十一日,本集团呈净现金状况。资产负债比率并不适用(二零一七年: 相同)。本集团于二零一八年三月三十一日之有息借款增加至41.4百万港元(二零一七年: 38.1百万港元),乃由于年末所下的订单导致应付票据增加。

FINANCIAL REVIEW (CONT'D)

Treasury Policy

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

Contingent Liabilities

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

FUTURE PROSPECTS

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

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

财务回顾(续)

财务政策

借款、现金及现金等价物主要以港元(「港元」)及欧元计值。管理层将不时监察本集团面对之外汇风险。

或然负债

我们致力有效管理现金流量及资本承担，确保具备充足资金应付现时及未来的现金需求。我们在依期履行付款责任上并无任何困难。所抵押资产包括已按揭之物业及若干银行存款。于二零一八年三月三十一日，本集团已向客户发出约20.7百万港元之履约保证(二零一七年：23.0百万港元)作为合约担保，其中受限制现金3.0百万港元(二零一七年：3.0百万港元)持有作履约保证之担保。于二零一八年三月三十一日，除零售店舖及货仓的租赁承担及项目之履约保证外，本集团并无其他重大财务承担及或然负债。

未来展望

来年，预期香港将会继续受全球政治及经济各种变数影响。香港作为一个细小而高度开放的经济体，面对美国与其盟友之间的和谈及安全协商、美国分别与其盟友及中国之间就多边贸易条约的争议，本地经济所承受的影响为不可估量的。贸易战将影响全球供应链及农业，推高通胀。近日全球金融市场波动，则反映此对营商气氛和全球投资动力的影响。

中国经济的稳定措施导致内地访港旅客数目增长放缓，为香港零售及旅游业带来困扰，影响本地营商环境及消费情绪。在香港，虽然营商气氛大致维持审慎乐观，惟地缘政治紧张局势及主要经济体的货币政策变动等外部因素均可能影响经济增长。由于港元与美元挂钩，市场预期美国进一步加息将影响来年本港利率，继而影响楼价。



Management Discussion and Analysis 管理层讨论与分析

FUTURE PROSPECTS (CONT'D)

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

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

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

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

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

未来展望(续)

香港政府自二零一七年七月一日换届以来，积极争取土地供应作住宅及商业用途，土地用途政策已踏入关键阶段；而目前住屋需求殷切，住宅价格很可能继续上涨（此乃由于私人住宅市场的土地供应相对少）。兴建小型单位及批量购买家居装设的趋势持续，致使建筑五金及卫浴设备市场仍维持相当的竞争。我们注意到利率上升的预期及全球经济前景因贸易战而未明朗将对私人住宅市场构成潜在影响。我们将努力不懈，致力为客户提供优质产品和服务。

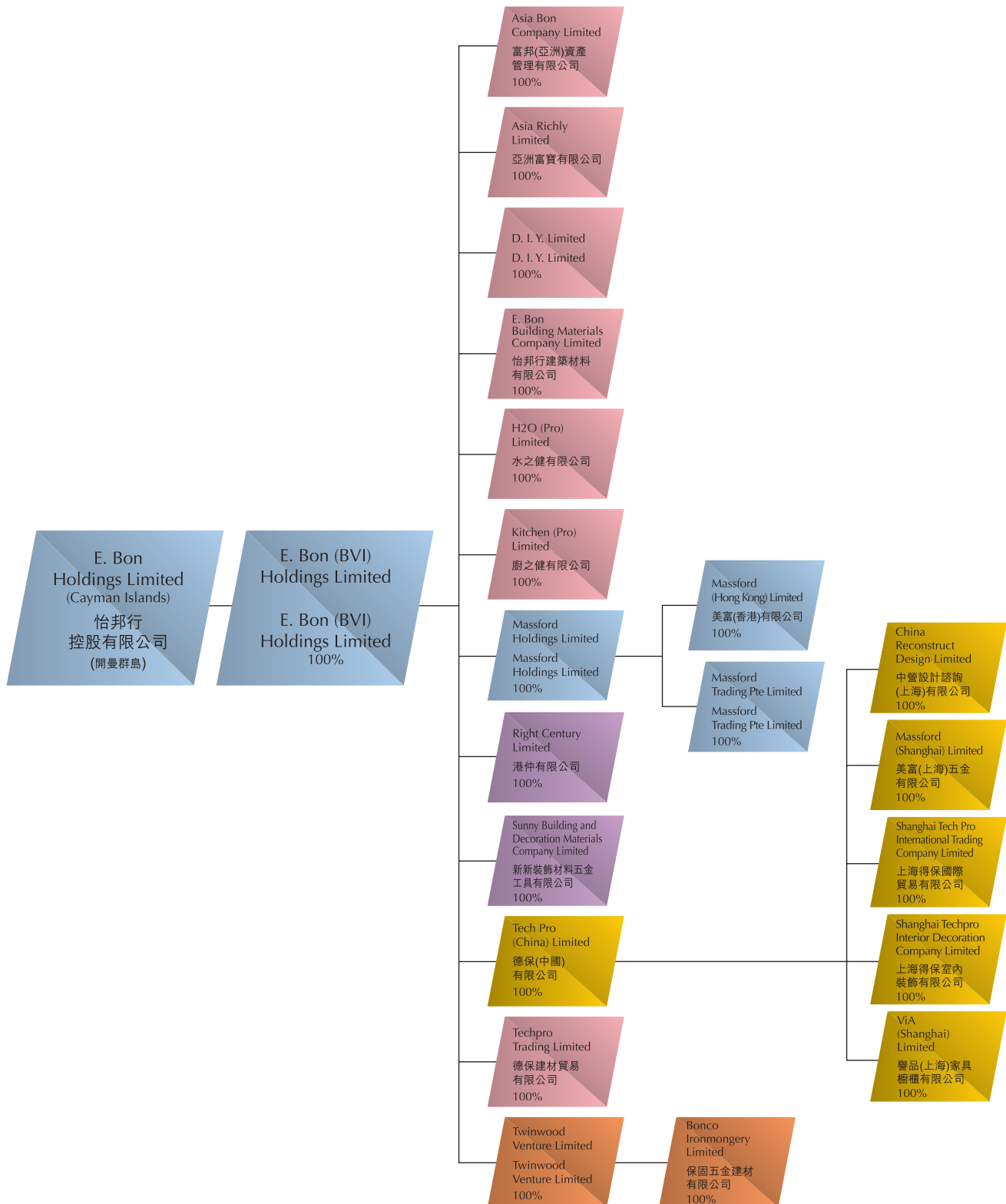
虽然全球经济前景未明，惟住宅室内设计日益受到重视，我们将扩大厨房设备及家私市场的业务。小型住宅单位符合置业者的预算，将继续主导一手住宅市场。我们将不时审慎监察和检讨此趋势，发掘市场新机遇及销售渠道。

集团的零售店铺租金预料维持稳定。我们将不断提升营运效率及善用店铺空间。

在加强优势之余，我们仍对外在因素保持警惕，以维持竞争力。楼市走势取决于全球、中国及本地之经济表现。此外，香港政府的财政和金融政策以及就楼价高企的进一步降温措施可能会对香港房地产市场造成不利影响。我们将继续监察市场走势，并不时调整本身之发展策略。

根据二零一六年十一月二日的公告，本公司正考虑拟将本集团之厨柜及家私业务在香港联合交易所有限公司主板分拆作独立上市。该公告之详情，可在联交所及本公司网站阅览。于本报告日期，本公司仍在考虑拟将有关业务分拆作独立上市事宜。

Group Structure 集团架构



Corporate Information 公司资料

REGISTERED OFFICE

注册办事处

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

总办事处及主要营业地点

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

香港
铜锣湾
礼顿道33号
第一商业大厦
16–18楼

AUDIT COMMITTEE

审核委员会

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

梁光建太平绅士(主席)
黄华先生
温思聪先生

REMUNERATION COMMITTEE

薪酬委员会

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

黄华先生(主席)
梁光建太平绅士
刘绍新先生

NOMINATION COMMITTEE

提名委员会

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

黄华先生(主席)
温思聪先生
谢新法先生

COMPANY SECRETARY

公司秘书

Mr. Yu Chi Wah, CPA

俞志烨先生, CPA

AUDITOR

核数师

PricewaterhouseCoopers
22nd Floor Prince's Building
Central
Hong Kong

罗兵咸永道会计师事务所
香港
中环
太子大厦22楼

AUTHORISED REPRESENTATIVES

授权代表

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

谢汉杰先生
俞志烨先生, CPA

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

开曼群岛股份过户登记总处

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



HONG KONG BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE

香港股份过户登记分处

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

卓佳雅柏勤有限公司
香港
皇后大道东183号
合和中心22楼

LEGAL ADVISERS ON HONG KONG LAW

香港法律之法律顾问

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

彭温蔡律师行
香港
干诺道中34–37号
华懋大厦7楼701–703室

PRINCIPAL BANKERS

主要往来银行

- Fubon Bank (Hong Kong) Limited
富邦银行(香港)有限公司
- The Hongkong and Shanghai Banking Corporation Limited
香港上海汇丰银行有限公司
- Nanyang Commercial Bank Limited
南洋商业银行有限公司
- Standard Chartered Bank (Hong Kong) Limited
渣打银行(香港)有限公司
- Wing Lung Bank Limited
永隆银行有限公司





Directors' Report 董事会报告

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

PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

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

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

RESULTS, APPROPRIATIONS AND RESERVES

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

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

DIVIDEND

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

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

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

董事会欣然提呈截至二零一八年三月三十一日止年度之董事会报告及经审核综合财务报表。

主要业务及经营分析

本公司之主要业务为投资控股。本公司主要附属公司之详情载于第140至141页。

本集团本年度按经营分部划分之表现分析详列于综合财务报表附注8。

业绩、股息分派及储备

本集团本年度之业绩载于第88至89页之综合全面收益表。

本集团及本公司本年度之储备变动载于综合财务报表附注27及33(a)。

股息

董事会已就截至二零一七年九月三十日止六个月宣派及派付中期股息每股1港仙(截至二零一六年九月三十日止六个月:中期股息每股1.5港仙),合共6,006,000港元(截至二零一六年九月三十日止六个月:9,009,000港元)。

董事会议决于二零一八年九月十九日举行之应届股东周年大会(「股东周年大会」)上,建议派发截至二零一八年三月三十一日止年度之末期股息(「末期股息」)每股2.5港仙(截至二零一七年三月三十一日止年度:2.5港仙),合共15,015,000港元(截至二零一七年三月三十一日止年度:15,015,000港元)。

倘获股东于股东周年大会上正式批准,末期股息将派付予于二零一八年十月二日营业时间结束时名列本公司分别在开曼群岛或香港存置之主要股东名册或股东登记分册(统称「股东名册」)之股东。末期股息将于二零一八年十月十六日支付。

CLOSURE OF REGISTER OF MEMBERS

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

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

DISTRIBUTABLE RESERVES

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

SHARE CAPITAL

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

暂停办理股份过户登记

本公司将于下列期间暂停办理股份过户登记手续：

- (a) 为确定符合资格出席股东周年大会并于会上投票之股东名单，本公司将由二零一八年九月十二日至二零一八年九月十九日（包括首尾两天）期间暂停办理股份过户登记手续。凡拟出席股东周年大会并于会上投票者，必须于二零一八年九月十一日下午四时三十分前，将所有过户文件连同有关股票，一并送达本公司之香港股份过户登记分处卓佳雅柏勤有限公司办理登记手续，地址为香港皇后大道东183号合和中心22楼。
- (b) 为确定符合资格收取末期股息之股东名单，本公司将由二零一八年九月二十八日至二零一八年十月二日（包括首尾两天）期间暂停办理股份过户登记手续。为符合资格获派末期股息，必须于二零一八年九月二十七日下午四时三十分前，将所有过户文件连同有关股票，一并送达卓佳雅柏勤有限公司办理登记手续，地址为香港皇后大道东183号合和中心22楼。

购买、出售或赎回上市证券

本公司并无于本年度内赎回其任何股份。本公司或其任何附属公司于本年度内概无购买或出售任何本公司上市证券。

可派发储备

于二零一八年三月三十一日，本公司根据开曼群岛公司法计算之可派发储备为65,189,000港元（二零一七年：85,127,000港元）。根据开曼群岛公司法（二零一八年修订版）第34条，股份溢价可派发予股东，惟除非本公司于一般业务过程中能偿还到期之债项，否则不能派发本公司之股份溢价予股东。

股本

本公司之股本详情载于综合财务报表附注26。

Directors' Report 董事会报告

PRE-EMPTIVE RIGHTS

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

PROPERTY, PLANT AND EQUIPMENT

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

PROPERTIES HELD FOR INVESTMENT PURPOSES

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

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

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

DONATIONS

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

DIRECTORS

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

Executive Directors

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

Independent Non-executive Directors

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

优先购买权

章程细则并无有关本公司须按比例向现有股东提呈发售新股份之优先购买权之条文，而开曼群岛法例亦无订明对此等权利之限制。

物业、厂房及设备

本集团本年度之物业、厂房及设备之变动详情载于综合财务报表附注16。

持作投资用途的物业

于二零一八年三月三十一日，本公司间接持有一所作投资用途的写字楼物业的全部权益。该物业位于香港铜锣湾礼顿道33号第一商业大厦19楼。该物业现根据长期租赁契约持有。持作投资用途的物业详情，载于综合财务报表附注17。

银行贷款、透支及其他借款

于二零一八年三月三十一日之银行贷款、透支及其他借款详情，载于综合财务报表附注24。

捐款

本集团于年内作出之慈善及其他捐款金额为108,000港元。

董事

本年度内及截至本报告日期之董事如下：

执行董事

谢新法先生
谢新伟先生
谢新宝先生
谢汉杰先生
刘绍新先生

独立非执行董事

梁光建太平绅士
黄华先生
温思聪先生





BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

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

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

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

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

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

董事及高级管理人员之履历

执行董事

谢新法先生，六十一岁，本集团创办成员兼本公司主席。彼为本公司旗下七家附属公司之董事。谢先生于建筑材料贸易方面拥有逾三十年经验。彼负责企划本集团整体策略及整体管理工作。

谢新伟先生，六十七岁，本集团创办成员，于二零一二年六月二十一日获委任为本公司执行董事兼副主席。彼早年在业界建立声誉，并于建立品牌、新产品开发及改善集团管理架构方面拥有丰富经验。谢先生为本公司董事总经理谢新宝先生之堂兄，以及本公司副董事总经理谢汉杰先生之父亲。

谢新宝先生，五十九岁，本公司董事总经理，于一九七九年加入本集团。彼为本公司旗下二十三家附属公司之董事。谢先生于建筑材料贸易方面拥有逾三十年经验，负责本集团零售业务。谢先生亦协助本集团之策略性计划及管理。彼为董事会主席谢新法先生之胞弟。

刘绍新先生，五十岁，于一九九四年加入本集团。刘先生于二零零一年十二月十日获委任为本公司执行董事。彼为本公司旗下一家附属公司之董事。彼负责项目销售。刘先生在一九九二年毕业于香港浸会大学（前称浸会学院），取得理学士学位。

谢汉杰先生，三十八岁，本公司副董事总经理，于二零零四年加入本集团。彼于二零零八年九月八日获委任为本公司执行董事，并为本公司旗下十八家附属公司之董事。谢先生毕业于多伦多大学，取得商学士学位。彼负责公司内部资讯科技发展、开拓家私业务及本集团经销产品之市场推广。谢先生为本公司董事总经理谢新宝先生之堂侄。





Directors' Report 董事會報告

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

Independent Non-executive Directors

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

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

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

董事及高级管理人员之履历(续)

独立非执行董事

梁光建太平绅士，七十一岁，于二零零零年一月二十八日获委任为独立非执行董事。梁先生持有澳门东亚大学(现称为「澳门大学」)工商管理硕士学位，并为香港会计师公会、英格兰及威尔斯特许会计师公会、特许公认会计师公会及香港华人会计师公会之资深会员，亦为香港税务学会会员。梁先生同时担任香港联合交易所有限公司GEM上市之胜利证券(控股)有限公司独立非执行董事。

黄华先生，六十九岁，于二零零一年六月十九日获委任为独立非执行董事。彼于一九七二年毕业于香港中文大学，并取得经济学系社会科学荣誉学士。彼曾获香港小轮(控股)有限公司(前称香港油麻地小轮有限公司)委任为董事及总经理直至一九八九年年底。近年，彼致力经营制衣及资讯科技业务。

温思聪先生，四十三岁，于二零零四年九月二十七日获委任为独立非执行董事。温先生持有香港中文大学颁发之工商管理硕士学位、英国纽卡斯尔大学之教育(辅导)硕士学位以及清华大学之法学第二学士学位，并获香港理工大学会计学士学位。彼为香港会计师公会会员、特许公认会计师公会资深会员及香港董事学会资深会员。温先生为于香港联合交易所有限公司上市之珩湾科技有限公司之独立非执行董事。自二零零七年三月一日起，彼亦为一所企业咨询及培训公司威来利有限公司担任董事，并在多间大学及专业公会教授课程。



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

Senior management

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

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

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

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

DIRECTORS' SERVICE CONTRACTS

Each of the Directors, including Independent Non-executive Directors, has entered into a letter of appointment, which constitutes a service contract, with the Company for a term of 12 months. They are subject to re-election by shareholders at annual general meetings and at least once every three years on a rotation basis in accordance with the Articles of Association of the Company. No Director has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

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

董事及高级管理人员之履历(续)

高级管理人员

欧励全先生，六十一岁，于一九八二年加入本集团。欧先生于建筑材料业拥有逾三十年经验，负责项目相关销售及市场推广工作。

郑价全先生，四十四岁，于一九九一年加入本集团。郑先生为项目销售总经理。彼于建筑材料业拥有逾二十年经验，负责项目销售。

卢焯恒先生，四十一岁，于二零零四年加入本集团。卢先生为本集团厨柜项目部门之营运总监。彼于厨房设备业务拥有逾十五年经验。彼毕业于香港公开大学，取得中国人文学科文学士学位。

卢伟民先生，六十四岁，于一九七九年加入本集团，为本公司旗下七家附属公司之董事。卢先生为技术董事，负责监督就卫浴设备提供之技术支援。彼于销售建筑材料方面拥有逾三十年经验。

董事之服务合约

各董事(包括独立非执行董事)已与本公司订立构成服务合约之委任函，为期十二个月。根据本公司组织章程细则，彼等须最少每三年于股东周年大会轮值退任并接受股东重选。概无董事与本公司订有不可由本公司于一年内不作赔偿(法定赔偿除外)而终止之服务合约。

根据本公司组织章程细则第87条，谢新法先生、谢新伟先生及梁光建太平绅士将于应届股东周年大会退任，惟彼等均符合资格并愿意膺选连任。梁光建太平绅士、黄华先生及温思聪先生为独立非执行董事，均有固定任期为期一年。





Directors' Report 董事会报告

DIRECTORS' INDEPENDENCE

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

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

DIRECTORS' INTEREST IN COMPETING BUSINESS

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

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles of Association, every Director shall be entitled to be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts. An insurance cover was maintained during the year to protect Directors against potential costs and liabilities arising from claims brought against the Group.

EQUITY-LINKED AGREEMENTS

Share Option Scheme

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

Apart from the above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company subsisted during or at the end of the year.

董事之独立性

本公司已接获各独立非执行董事根据上市规则第3.13条发出之独立性确认书。

董事会认为全体独立非执行董事在个性及判断上均属独立，符合上市规则第3.13条载列之指引。

董事于竞争业务之权益

于本年度内，董事概无于任何与本公司业务直接或间接构成或可能构成竞争之业务（本公司业务除外）中拥有权益而须根据上市规则予以披露。

获准许弥偿条文

根据本公司的组织章程细则，各董事均可就彼等或彼等任何一人、彼等或彼等任何一人的承继人、遗嘱执行人或遗产管理人因执行彼等各自职务或受托的职责或据称职责或因就此而作出、赞同作出或没有作出的任何行动而将会或可能承担或蒙受的所有诉讼、费用、收费、损失、损害及开支获得以本公司的资产及溢利作出的弥偿保证及免受损害。年内，本公司已为董事安排责任保险，以就本集团被索偿所产生之潜在成本及责任向董事作出保障。

股权挂钩协议

购股权计划

本公司根据二零一零年九月九日举行的股东特别大会通过的普通决议案采纳购股权计划（「购股权计划」）。购股权计划已于二零一五年九月八日届满。截至二零一八年三月三十一日止年度，本公司并无设有任何购股权计划。于二零一七年三月三十一日及二零一八年三月三十一日，本公司概无尚未行使之购股权。

除上文所述，本公司于本年度并无订立且于本年度结束时并无存在任何股权挂钩协议，将会或可能致使本公司发行股份，或要求本公司订立任何将会或可能致使本公司发行股份的协议。



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

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

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

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

董事于对本公司业务属重大之交易、安排及合约之重大权益

除「持续关连交易」一节所披露外，本公司董事及董事之关连方概无在本公司附属公司或控股公司作为订约一方及对本集团业务属重大而于本年度内或本年度结束时持续有效之任何其他交易、安排及合约中直接或间接拥有重大权益。

董事来自购入股份或债券权利之利益

根据于二零一零年九月九日采纳之本公司购股权计划(根据当时上市规则就购股权计划之规定制定)之条款，本公司董事会可酌情邀请本集团任何全职雇员、非执行或执行董事或股东以及本公司或其任何附属公司之顾问认购本公司每股面值0.10港元之普通股。该计划项下可能授出之购股权所涉及股份最高数目不得超过本公司已发行股本10%。自购股权计划获采纳以来，董事及本公司主要股东或彼等之联系人士已获授3,330,000份购股权，而全部购股权其后已失效。购股权计划已于二零一五年九月八日届满。于二零一七年三月三十一日及二零一八年三月三十一日，本公司概无尚未行使购股权。

除上述者外，于本年度内任何时间，本公司、其附属公司或其他相联法团概无作出任何安排，致使本公司董事及最高行政人员(包括彼等之配偶及未满十八岁之子女)获得本公司或其指定业务或其他相联法团的股份或相关股份或债券的任何权益或淡仓。



Directors' Report 董事会报告

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

As at 31 March 2018, the interests and short positions of each Director and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules were as follows:

董事及最高行政人员于本公司或任何其他相联法团之股份及相关股份及债券之权益及／或淡仓

于二零一八年三月三十一日，本公司各董事及最高行政人员及彼等之联系人士于本公司及其相联法团（定义见香港法例第571章证券及期货条例（「证券及期货条例」）第XV部）之股份、相关股份及债券中拥有已根据证券及期货条例第XV部第7及8分部知会本公司及香港联合交易所有限公司（「联交所」）之权益及淡仓，或已记入本公司根据证券及期货条例第352条所存置登记册之权益及淡仓，或已根据上市规则附录十所载上市发行人董事进行证券交易之标准守则（「标准守则」）另行知会本公司及联交所之权益及淡仓如下：

(i) Directors' interests in shares and underlying shares

(i) 董事于股份及相关股份之权益

Director	董事	Personal interest	Corporate interest	Equity derivatives (share options)	Total	Percentage of share capital issued
		个人权益	公司权益	权益衍生工具 (购股权)	总计	占已发行股本之百分比
Mr. TSE Sun Fat, Henry (Note 1)	谢新法先生(附注1)	—	37,197,294	—	37,197,294	6.19%
Mr. TSE Sun Wai, Albert (Note 2)	谢新伟先生(附注2)	—	108,302,488	—	108,302,488	18.03%
Mr. TSE Sun Po, Tony (Note 3)	谢新宝先生(附注3)	—	43,659,542	—	43,659,542	7.27%
Mr. TSE Hon Kit, Kevin (Note 2)	谢汉杰先生(附注2)	—	108,302,488	—	108,302,488	18.03%
Mr. LAU Shiu Sun	刘绍新先生	—	—	—	—	—
Mr. LEUNG Kwong Kin, J.P.	梁光建太平绅士	—	—	—	—	—
Mr. WONG Wah, Dominic	黄华先生	—	—	—	—	—
Mr. WAN Sze Chung	温思聪先生	—	—	—	—	—

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

附注1：该等本公司股份权益由Fast Way Management Limited持有。谢新法先生及其配偶为受益人。

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

附注2：该等本公司股份权益由Universal Star Group Limited持有。谢新伟先生、谢汉杰先生及彼等之家族成员为受益人。

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

附注3：该等本公司股份权益由New Happy Times Limited持有。谢新宝先生及其家族成员为受益人。



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

(ii) Negotiator Consultants Limited ("NCL")

Director	董事	Personal interest 个人权益	Number of ordinary shares held 持有普通股数目			Total 总计
			Family interest 家族权益	Corporate interest 公司权益	Other interest 其他权益	
Mr. TSE Sun Fat, Henry (Note 4)	谢新法先生(附注4)	—	1	—	1	1
Mr. TSE Sun Wai, Albert (Note 4)	谢新伟先生(附注4)	—	1	—	1	1
Mr. TSE Sun Po, Tony (Note 4)	谢新宝先生(附注4)	—	1	—	1	1
Mr. TSE Hon Kit, Kevin (Note 4)	谢汉杰先生(附注4)	—	1	—	1	1

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

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

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

董事及最高行政人员于本公司或任何其他相联法团之股份及相关股份及债券之权益及／或淡仓(续)

(ii) Negotiator Consultants Limited (「NCL」)

Director	董事	Personal interest 个人权益	Number of ordinary shares held 持有普通股数目			Total 总计
			Family interest 家族权益	Corporate interest 公司权益	Other interest 其他权益	
Mr. TSE Sun Fat, Henry (Note 4)	谢新法先生(附注4)	—	1	—	1	1
Mr. TSE Sun Wai, Albert (Note 4)	谢新伟先生(附注4)	—	1	—	1	1
Mr. TSE Sun Po, Tony (Note 4)	谢新宝先生(附注4)	—	1	—	1	1
Mr. TSE Hon Kit, Kevin (Note 4)	谢汉杰先生(附注4)	—	1	—	1	1

附注4：该等股份由Bache Hill Group Limited持有。

除上文所披露外，于二零一八年三月三十一日，概无董事及最高行政人员或彼等之联系人士于本公司或其任何相联法团(定义见证券及期货条例第XV部)之任何股份、相关股份及债券中，拥有根据证券及期货条例第XV部第7及8分部须知会本公司及联交所之权益或淡仓(包括彼等根据证券及期货条例有关条文被当作或被视为拥有之权益或淡仓)，或根据证券及期货条例第352条须记入该条所规定存置登记册之权益或淡仓，或根据上市规则须知会本公司及联交所之权益或淡仓。

董事及主要行政人员(包括彼等之配偶及未满十八岁的子女)概无于年内任何时间曾经拥有任何本公司、其指定业务或其他相联法团股份之权益、或已获授予或行使任何权利以认购上述公司之股份而需根据证券及期货条例及香港公司条例(第622章)披露。





Directors' Report 董事会报告

SUBSTANTIAL SHAREHOLDERS

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

Long position in shares of the Company

Name of shareholder	股东名称	Number of ordinary shares held 持有普通股数目	Percentage of share capital issued 占已发行股本之百分比
Happy Voice Limited	Happy Voice Limited	73,581,206	12.25%

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

CONTINUING CONNECTED TRANSACTIONS

Negotiator Consultants Limited

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

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

主要股东

于二零一八年三月三十一日，以下人士（并非董事或本公司最高行政人员）于本公司股份及相关股份中拥有根据证券及期货条例第336条须存置之登记册所记录权益或淡仓：

于本公司股份之好仓

Number of ordinary shares held 持有普通股数目	Percentage of share capital issued 占已发行股本之百分比
73,581,206	12.25%

除上文所披露外，于二零一八年三月三十一日，本公司并不知悉有任何主要股东（本公司董事除外）于本公司股份及相关股份中拥有根据证券及期货条例第336条须存置之登记册所记录权益或淡仓。

持续关连交易

Negotiator Consultants Limited

综合财务报表附注32所披露截至二零一八年三月三十一日止年度向Negotiator Consultants Limited（「NCL」）支付租金开支约2,820,000港元之关连人士交易构成一项持续关连方交易。NCL为由谢新法先生、谢新伟先生、谢新宝先生及谢汉杰先生拥有实益权益之公司旗下附属公司。租金开支按照日期为二零一五年三月三十一日之持续关连交易公布所载之定价政策及指引厘定。

独立非执行董事经审阅上述持续关连交易后确认，该等持续关连交易乃(i)于本集团日常及一般业务过程中订立；(ii)按一般商业条款或不逊于本集团向或获独立第三方提供之条款订立；及(iii)根据有关的交易协议进行，而其条款公平合理并符合本公司股东整体利益。

CONTINUING CONNECTED TRANSACTIONS (CONT'D)

Negotiator Consultants Limited (cont'd)

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

PRINCIPAL RISKS AND UNCERTAINTIES

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

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

持续关联交易(续)

Negotiator Consultants Limited (续)

本公司核数师获委聘根据香港会计师公会颁布之香港鉴证准则第3000号(修订本)「历史财务资料审核或审阅以外之鉴证工作」及参照实务说明第740号「关于香港上市规则所述持续关连交易之核数师函件」就本集团之持续关连交易发表报告。核数师已根据联交所证券上市规则第14A.56条就本集团所披露上述持续关连交易出具载有其发现及结论之无保留意见函件。本公司已向联交所呈交核数师函件之副本。

主要风险及不确定因素

本集团深明外围因素可能会影响本集团经营所在地的环境。本集团业务由经验丰富之管理团队管理，彼等紧密参与日常业务营运，确保本集团可调整其业务，迅速应对经营环境的变化。有关本集团主要风险及不确定因素的讨论在本年报全文均有所提述，特别是「主席报告书」(第4至5页)、「管理层讨论及分析」(第6至10页)、「风险管理及内部控制系统」(第44至49页)、「环境、社会及管治报告」(第55至79页)及「财务风险管理」(第115至119页)。上述讨论构成本董事会报告的一部分。

遵守有关法律及法规

年内，除企业管治报告第29页所披露者外，就董事会及管理层所知，本集团已遵守香港联合交易所有限公司证券上市规则(「上市规则」)、证券及期货条例(「证券及期货条例」)及开曼群岛公司法项下的规定。



Directors' Report 董事会报告

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

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

REMUNERATION POLICY

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

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

Senior management emoluments

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

Emolument bands 薪酬组别		Number of individuals 人数
HK\$0–HK\$1,000,000	0港元至1,000,000港元	2
HK\$1,000,001–HK\$2,000,000	1,000,001港元至2,000,000港元	2
Total	总计	4

与雇员、客户及供应商的关系

本集团致力与其雇员、客户及供应商维持合作关系。有关详情载于第67至72页。

薪酬政策

于二零一八年三月三十一日，本集团员工人数为173名(二零一七年：164名)。总员工成本(包括董事薪酬)为79,203,000港元(二零一七年：71,645,000港元)。

本集团定期参考法定架构、市况、本集团及个别员工(包括董事)之表现，检讨其薪酬政策。薪酬委员会已根据其职权范围检讨本集团执行董事及高级管理人员之薪酬政策及薪酬组合。本年度董事薪酬详情载于第130页。

高级管理层薪酬

截至二零一八年三月三十一日止年度，支付予高级管理层之薪酬如下：



MAJOR SUPPLIERS AND CUSTOMERS

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

Purchases

The largest supplier
Five largest suppliers in aggregate

采购额

最大供应商
五大供应商总计

17%

58%

Sales

The largest customer
Five largest customers in aggregate

销售额

最大客户
五大客户总计

9%

25%

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

主要供应商及客户

于本年度内，本集团主要供应商及客户所占采购额及销售百分比如下：

董事、彼等之紧密联系人士或据董事所知拥有本公司已发行股本5%以上之任何股东，概无于上述主要供应商或客户中拥有权益。

ENVIRONMENTAL POLICY

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

环保政策

本集团致力保护天然资源，减少使用能源及浪费，将污染减至最低，以保护环境。有关详情载于第62至66页。

FIVE-YEAR FINANCIAL SUMMARY

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

五年财务摘要

本集团过去五年之业绩及资产及负债摘要载于第158页。

SUFFICIENCY OF PUBLIC FLOAT

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

充足之公众持股量

根据本公司所得公开资料及就本公司董事所知，于本报告日期，确认本公司已按照上市规则维持规定之公众持股量。

BUSINESS REVIEW

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

业务回顾

本集团根据香港公司条例(第622章)附表5规定所披露之本年度业务审视，已分别载于本年报第6至第10页之「管理层讨论与分析」及第55至第79页之「环境、社会及管治报告」内。该业务审视构成本董事会报告之一部分。

Directors' Report 董事会报告

AUDITOR

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

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

TSE Sun Fat, Henry
Chairman

Hong Kong, 27 June 2018

核数师

综合财务报表已由罗兵咸永道会计师事务所审核。罗兵咸永道会计师事务所将于本公司应届股东周年大会退任，惟符合资格并愿意接受续聘。

代表董事会签署本报告。

谢新法
主席

香港，二零一八年六月二十七日



Corporate Governance Report 企业管治报告

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

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

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

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

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

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

怡邦行控股有限公司(「本公司」)致力维持高水平企业管治标准，并持续检讨及加强企业管治措施。本公司相信，本公司已为其业务营运实施高透明度之问责及申报制度，能够作出适时及适当之披露，同时公平地反映及保障股东权利。

本公司由一个具效率及尽职尽责之董事会(「董事会」)领导，成员均为高资历及具备相关经验之人士，确保本公司及其附属公司(「本集团」)能够维持高水平企业管治及拥有完善内部监控及风险管理系统，以配合本集团发展策略及提升股东价值。

香港联合交易所有限公司所刊发的企业管治守则(「守则」)列明良好企业管治之原则，并从两个层次提供建议：

- (a) 守则条文 — 有关方面期望发行人予以遵守，如发行人选择偏离，则须提供经过深思熟虑得出之理由；及
- (b) 建议最佳常规 — 有关方面鼓励发行人予以遵守，但仅作指引用途。

本公司董事(「董事」)认为，董事会于截至二零一八年三月三十一日止年度内一直遵守守则内所有守则条文，惟以下偏离者除外：

根据守则条文C.2.5，本公司应设立内部审核职能。基于目前经营规模，本公司并无内部审核部门。董事会直接负责本集团之风险管理及内部监控系统以及检讨其成效。董事会将因应本集团发展的需要，每年至少一次，不断检视此安排。



Corporate Governance Report 企业管治报告

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

THE BOARD

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

Executive Directors

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

Independent Non-executive Directors

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

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

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

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

上市规则附录十所载上市发行人董事进行证券交易之标准守则(「标准守则」)列明董事于买卖所属上市公司证券时用以衡量其本身操守之规定标准。本公司已采纳标准守则,作为董事进行证券交易之操守准则。本公司已向董事作出个别查询,全体董事确认,彼等于本年度内一直遵守标准守则所载之规定准则。

董事会

董事会由五名执行董事及三名独立非执行董事组成。董事会成员名单如下:

执行董事

谢新法先生(主席)
谢新伟先生(副主席)
谢新宝先生(董事总经理)
谢汉杰先生(副董事总经理)
刘绍新先生

独立非执行董事

梁光建太平绅士
黄华先生
温思聪先生

有关独立非执行董事之委任条款,请参阅第19页之董事会报告。根据本公司组织章程细则,于各股东大会上,当时的三分之一董事(或倘人数并非三(3)的倍数,则最接近但不少于三分之一的人数)须轮值退任,惟每位董事须最少每三年轮值退任一次。本公司已向所有董事发出正式委任书,并各自订明其委任之主要条款及条件。各新任董事亦将获发出委任书。

全体董事详细履历载于第17至18页之「董事及高级管理人员之履历」。

董事会负责领导及监控本公司,且共同有责任指导及监督本公司事务,从而达到成功。董事会客观地作出决策以符合本公司最佳利益。



THE BOARD (CONT'D)

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

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

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

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

董事会(续)

董事会负责制订本公司策略方针、确立管理层目标、监察管理层表现、监督本公司之股东关系管理、确保推行审慎及有效之监管架构以评估及管理风险、为本公司订立价值观及标准、检讨及监察董事及高级管理层的培训及持续专业发展。

董事会将管理及行政职能授予管理层时，已同时就管理层之权力订出清晰指引，范围包括订明管理层应在何种情况下向董事会汇报，以及管理层在代表本公司作出任何决定或承诺前应取得董事会批准等。本公司已将保留予董事会及管理层的职能分别确定下来；且董事会将定期检讨该等安排，以确保该等安排符合本公司之需要。

本公司管理层及员工确保成功贯彻落实董事会所制订之策略、业务方针及政策。在执行过程中，彼等必须秉持与董事会、股东及其他持份者期望相符之商业原则及道德标准。

独立非执行董事协助确保董事会可有效率地作出独立判断。彼等亦在出现潜在利益冲突时发挥领导作用。彼等仔细检查本公司的表现是否达到既定的企业方针和目标，并监察汇报公司表现的事宜。彼等透过提供独立、富建设性及有根据的意见对本公司制定策略及政策作出正面贡献。独立非执行董事具备适当专业资格；当中个别人士具备会计或财务管理方面的专业知识。各独立非执行董事亦已向本公司提交年度确认书以重申其独立性。三名独立非执行董事乃每年以合约形式聘任，并须根据本公司组织章程细则及上市规则轮值退任。本公司认为全体独立非执行董事均符合载于上市规则第3.13条的独立指引。



Corporate Governance Report 企业管治报告

THE BOARD (CONT'D)

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

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

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

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

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

董事会(续)

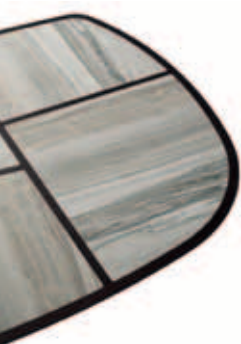
除年报所披露者外，董事会成员间并无特别关系，包括财务、业务、家属或其他重大／相关关系。

全体董事均付出足够的时间及精神以处理本集团之事务，并积极参与董事会会议，讨论本集团之整体策略、业务方向及政策。于本年度内，本公司曾举行四次董事会定期会议及七次非定期会议，以及一次股东大会。本公司根据上市规则及守则条文所载规定于会议前将董事会会议文件递交予董事审阅，使董事能够掌握所有有关资料作出知情决定，以便履行其职责及责任。

于本年度内，董事会会议及股东大会之出席情况载列于第49页。

董事会已订有安排，让全体董事均有机会将事项纳入董事会定期会议之议程内。董事会于董事会定期会议日期最少十四天前发出通知。董事会定期会议之议程及相关文件应全部及时送交全体董事，并最少在董事会拟定会议日期三天前送出。至于所有其他董事会会议，董事亦会于合理而切实可行情况下接获通知。

管理层向董事会及委员会提供充份、适时、准确、清晰、完备及可靠之资料，以使董事能就提呈事项作出知情决定，并能履行其作为董事之职责及责任。管理层已向董事会提供充分解释及资料，让董事可以就提呈以供批准之财务及其他资料作出有根据之评估。另外，董事会及各董事均可自行个别接触本公司高级管理人员。全体董事均有权查阅董事会之文件及有关材料。董事所提出的疑问获得迅速及全面的答覆。



THE BOARD (CONT'D)

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

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

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

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

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

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

董事会(续)

公司秘书(「公司秘书」)保存所有董事会会议及委员会会议之会议记录, 全体董事均可索阅。会议记录已充分及详细地记录董事会审议之事项及达致之决定。会议记录之初稿及定稿将于董事会会议后一段合理时间内送交全体董事, 以便彼等提出意见及作存档用途。

全体董事均可向公司秘书咨询意见及要求提供服务, 以确保董事会程序、适用法例、规则及条例获得遵守。此外, 所有董事在适当情况下, 可就履行本身职务寻求独立专业人士意见, 相关费用将由本公司支付。

倘有主要股东或董事在董事会拟审议之事项中存有董事会认为重大之利益冲突, 董事会将会就此目的而举行实际董事会会议处理有关事宜并由在交易中并无重大权益的董事投票。有关董事须就所有董事会决议案放弃投票, 且不可计入会议法定人数。

董事会应制定一套正式、审慎及具透明度之新董事委任程序。本公司将向新委任的董事发放简介资料, 以便彼等了解本公司的营运及业务以及于法规及普通法、上市规则、法例及其他监管规定以及本公司的业务及管治政策项下的责任。此外, 本公司设有一套有秩序之董事继任计划, 以确保高水平之企业管治。

本公司鼓励董事参与持续专业发展, 对知识及技能温故知新, 加强对本集团经营之业务及所在市场之了解。本公司持续通知董事有关上市规则及其他适用监管规定之最新发展以及有关本集团业务及经营之资料, 确保彼等遵守有关规定及提高彼等对良好企业管治常规之意识, 同时恰当地履行职责。所牵涉各种活动形式包括出席研讨会、阅读与本公司业务、董事职务及责任有关之资料。

董事于本年度接受的培训记录载列于第49页。

Corporate Governance Report 企业管治报告

CHAIRMAN AND MANAGING DIRECTOR

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

Responsibilities of the Chairman of the Board are as follows:

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

主席及董事总经理

董事会主席及董事总经理(就本报告而言,「董事总经理」等同于上市规则附录十四所载「行政总裁」)为两个明确划分之角色,并分别由不同人士担当。董事会主席谢新法先生负责管理董事会运作;而董事总经理谢新宝先生则负责本公司之业务营运。董事会主席与董事总经理之职责分工已清晰界定并设有书面职权范围。

董事会主席之职责包括:

- (a) 领导董事会;
- (b) 确保全体董事获适当知会董事会会议拟商议之事项;
- (c) 确保全体董事适时收到足够、准确、清晰、完整及可靠之资料;
- (d) 确保董事会有效地运作、履行职责,并适时讨论所有重要及适用事项;
- (e) 确保公司秘书代表主席本人落实及批准董事会会议议程,并考虑其他董事提呈纳入议程之任何事项;
- (f) 确保采取合适步骤以有效方式与股东联系,并确保股东之意见可传达到整个董事会;
- (g) 确保本公司设立良好企业管治常规及程序;
- (h) 鼓励全体董事全力投入董事会事务及给予同等机会在董事会会议中发表意见,确保董事会以本公司最佳利益行事,鼓励持不同意见的董事发表意见,并提供充足时间作讨论,确保董事会决策能够公正反映董事会共识;



CHAIRMAN AND MANAGING DIRECTOR (CONT'D)

主席及董事总经理(续)

- | | |
|---|--|
| (i) Holding meetings with Non-executive Directors annually without the presence of Executive Directors; and | (i) 每年在并无执行董事列席之情况下与非执行董事会晤；及 |
| (j) Promoting a culture of openness and debate by facilitating the effective contribution of all Directors, in particular Non-executive Directors, and building constructive relations between Executive and Non-executive Directors. | (j) 提倡公开及积极讨论文化，促进全体董事（特别是非执行董事）对董事会作出有效贡献，并确保执行董事与非执行董事之间维持具建设性之关系。 |

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

董事总理由董事会委任，职责包括：

- | | |
|--|---|
| (a) Providing leadership for the management; | (a) 领导管理层； |
| (b) Implementing and reporting to the Board on the Company's strategies; | (b) 执行并向董事会汇报本公司之策略； |
| (c) Overseeing the implementation by the Company of the objectives set by the Board; | (c) 监督本公司实施董事会订立之目标； |
| (d) Providing all such information to the Board as is necessary to enable the Board to monitor the performance of management; | (d) 为董事会提供监察管理层表现所需一切资料； |
| (e) Leading the management of the Company's relationships with its stakeholders; | (e) 领导管理层处理本公司与持份者之关系； |
| (f) Putting in place programmes for management development and succession; | (f) 落实管理层培育及继任计划； |
| (g) Working with the Head of Finance, establishing and maintaining proper internal controls and systems as well as disclosure controls and procedures; and | (g) 与财务部主管制订及维持适当之内部监控措施及制度，以及披露监控及程序；及 |
| (h) Discharging such duties and authorities as may be delegated in writing to him by the Board. | (h) 按照董事会之书面授权履行职责及行使权力。 |





Corporate Governance Report 企业管治报告

BOARD COMMITTEES

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

Remuneration Committee

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

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

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

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

董事委员会

董事会已成立三个委员会，即薪酬委员会、审核委员会及提名委员会，负责监察本公司个别事务。本公司所有董事委员会均订有明确书面职权范围。

薪酬委员会

薪酬委员会于二零零五年九月二十九日成立，由两名独立非执行董事及一名执行董事组成。黄华先生为薪酬委员会主席。

薪酬委员会已订明职权范围，并于本公司网站刊载。

薪酬委员会之角色及职能如下：

- (a) 就本公司全体董事及高级管理人员之薪酬政策及架构，及就制订薪酬政策设立正规而具透明度之程序，向董事会提出建议；
- (b) 因应董事会所订企业方针及目标而检讨及批准管理层之薪酬建议；
- (c) 就个别执行董事及高级管理人员之薪酬待遇向董事会提出建议。薪酬待遇应包括实物利益、退休金权利及赔偿金额（包括因丧失或终止职务或委任而应付之任何赔偿）；
- (d) 就非执行董事之薪酬向董事会提出建议；
- (e) 考虑同类公司支付之薪酬、所付出时间、职责以及本集团内其他职位之雇用条件；
- (f) 检讨及批准向执行董事及高级管理人员就任何丧失或终止职务或委任而须支付之赔偿，以确保该等赔偿与合约条款一致；若未能与合约条款一致，则赔偿须属公平合理，不致过多；

BOARD COMMITTEES (CONT'D)

Remuneration Committee (cont'd)

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

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

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

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

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

董事委员会(续)

薪酬委员会(续)

- (g) 检讨及批准因董事行为失当而解雇或罢免有关董事所涉及之赔偿安排，以确保该等安排与合约条款一致若未能与合约条款一致，则有关赔偿须属合理适当；
- (h) 确保任何董事或其任何联系人士不得参与厘定本身薪酬；
- (i) 就执行董事之薪酬建议咨询主席及／或行政总裁，委员会亦可咨询专业意见(如有需要)；及
- (j) 考虑其他由董事会拟定之课题。

薪酬委员会于每次会议后皆向董事会汇报讨论结果及建议，并获提供充足资源以履行其职责及获董事会授权咨询独立法律意见或其他专业意见。

于本年度内，薪酬委员会曾举行一次会议以检讨本公司执行董事及高级管理人员之薪酬待遇。委员会亦审阅及厘定执行董事之薪酬政策、评估彼等之表现及审批董事服务合约之条款。概无董事参与厘定本身薪酬。会议讨论结果及建议已呈交董事会审议。

委员会成员于本年度内举行的会议出席情况载列于第49页。

本集团之薪酬政策载于第26页。



Corporate Governance Report 企业管治报告

BOARD COMMITTEES (CONT'D)

Audit Committee

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

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

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

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

董事委员会(续)

审核委员会

审核委员会于二零零零年三月二十二日成立，目前由三名独立非执行董事组成。梁光建太平绅士为审核委员会主席。

审核委员会已订明职权范围，并于本公司网站刊载。

审核委员会之角色及职能如下：

- (a) 主要负责就外聘核数师之委任、重新委任及罢免向董事会提供建议、批准外聘核数师之薪酬及聘用条款，及处理任何有关该核数师辞任或罢免该核数师之问题；
- (b) 按适用标准检讨及监察外聘核数师是否独立客观及核数程序是否有效。审核委员会应于核数工作开始前先与核数师讨论核数性质及范畴及有关申报责任；
- (c) 就外聘核数师提供非核数服务制订及执行政策。就此而言，「外聘核数师」包括与负责核数师事务所处于同一控制权、所有权或管理权下之任何机构，或一个合理知悉所有有关资料之第三方在合理情况下会断定属于该核数师事务所本土或国际业务一部分之任何机构。审核委员会须就任何须采取行动或改善之事项向董事会报告并提出建议；
- (d) 担任本公司与外聘核数师间之主要代表，负责监察两者之间的关系；
- (e) 监察本公司之财务报表以及年报及账目、半年度报告及(若拟刊发)季度报告之完整性，并审阅报表及报告所载有关财务申报之重大判断；
- (f) 与核数师讨论在中期及全年审核中出现之问题及存疑之处，以及核数师希望讨论之其他事宜(如有需要，可在管理层避席之情况下进行)；



BOARD COMMITTEES (CONT'D)

Audit Committee (cont'd)

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

董事委员会(续)

审核委员会(续)

- (g) 检讨本公司的风险管理及内部监控系统，涵盖所有监控，包括财务、营运及合规监控；
- (h) 与管理层讨论风险管理与内部监控系统，确保管理层已履行职责建立有效内部监控系统。讨论内容应包括本公司在会计、内部审计及财务汇报职能方面之资源、员工资历及经验、培训课程及有关预算是否足够；
- (i) 应董事会委派或主动，就有关风险管理及内部监控事宜之重要调查结果及管理层对调查结果之回应进行研究，并检讨将载入年报内之有关风险管理及内部监控之说明；
- (j) 如设有内部审计职能，须确保内部及外聘核数师之工作得到协调，检讨及批准年度内部审计计划，亦须确保内部审计职能在本公司内部有足够资源运作，并且享有适当地位，以及检讨及监察其成效；
- (k) 检讨本集团之财务及会计政策及常规；
- (l) 检查外聘核数师之管理意见书、核数师就会计记录、财务账目或监控系统向管理层提出之任何重大疑问及管理层作出之回应；
- (m) 于提呈董事会审批前先行审阅年报所载有关本公司内部监控制度之陈述；
- (n) 确保董事会及时回应于外聘核数师之管理意见书中提出之事宜；
- (o) 就上市规则附录十四守则条文C.3所载之事宜向董事会汇报；及



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BOARD COMMITTEES (CONT'D)

Audit Committee (cont'd)

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

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

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

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

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

董事委员会(续)

审核委员会(续)

- (p) 检讨本公司雇员可暗中就财务汇报、内部监控或其他方面可能发生之不正当行为提出关注之安排。委员会应确保有适当安排，让本公司对此等事宜作出公平独立调查及采取适当行动。

此外，审核委员会须负责以下企业管治职能：

- (a) 制订及检讨本公司之企业管治政策及常规，并向董事会提出建议；
- (b) 检讨及监察本公司在遵守法律及监管规定方面之政策及常规；
- (c) 制订、检讨及监察雇员及董事之操守准则及合规手册(如有)；及
- (d) 检讨本公司遵守企业管治报告所载守则及披露之情况。

于本年度内，审核委员会已审阅本公司截至二零一七年九月三十日止六个月之中期业绩，并与管理层讨论风险管理及内部监控系统成效，以及审阅年度审核费用预算。此外，审核委员会已于二零一八年六月二十七日审议截至二零一八年三月三十一日止年度之全年业绩，并提呈董事会以供批准。

此外，于本年度，审核委员会已检讨本公司之企业管治政策(包括内幕消息政策(「内幕消息政策」))及常规，检视及监察本公司之操守手册、检视本公司关于遵守法律及监管规定之政策及常规(包括守则)，以及上市规则附录十四所载关于企业管治报告的强制披露规定。

BOARD COMMITTEES (CONT'D)

Audit Committee (cont'd)

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

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

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

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

Auditor's Remuneration

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

		HK\$'000 千港元
PricewaterhouseCoopers	罗兵咸永道会计师事务所	
— Audit services	— 审核服务	2,368
— Non-audit services	— 非审核服务	120
Total	总计	2,488

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

董事委员会(续)

审核委员会(续)

全体审核委员会成员皆积极参与审核委员会会议。于本年度内，审核委员会曾举行两次会议，相关完整会议记录由公司秘书保存。会议记录之初稿及定稿应于会议结束后一段合理时间内送交全体委员会成员，以供彼等提出意见及作存档用途。讨论结果及建议已呈交董事会审议，相关建议获董事会接纳。审核委员会获提供充足资源以履行其职责及获董事会授权咨询独立法律意见或其他专业意见。

委员会成员于本年度内举行的会议出席情况载列于第49页。

全体董事知悉彼等有责任编制财务报表。于二零一八年三月三十一日，概无董事知悉任何或会严重影响本公司持续经营业务能力之重大不明朗事件或情况。因此，董事以持续经营基准编制本公司财务报表。

有关外聘核数师对财务报表之责任，载于「独立核数师报告」(第80至87页)。

核数师酬金

截至二零一八年三月三十一日止年度，本公司产生以下核数师酬金：

截至二零一八年三月三十一日止年度，向罗兵咸永道会计师事务所支付之费用为2,488,000港元，主要涉及审核服务；而非审核服务之费用为120,000港元，占总费用之4.8%。核数师所提供之非审核服务为税务合规服务。

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BOARD COMMITTEES (CONT'D)

Nomination Committee

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

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

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

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

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

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

董事委员会(续)

提名委员会

提名委员会于二零一二年三月二十七日成立，由两名独立非执行董事及一名执行董事组成。黄华先生为提名委员会主席。

提名委员会已订明职权范围，并于本公司网站刊载。

提名委员会之角色及职能如下：

- (a) 最少每年检讨董事会之架构、人数及组成(包括技能、知识及经验方面)，并就任何拟对董事会作出之变动提出建议，以配合本公司之企业策略；
- (b) 物色具备合适资格可担任董事会成员之人士并挑选人士出任董事或就此向董事会提出建议；
- (c) 评核独立非执行董事之独立性；及
- (d) 就董事委任或重新委任以及董事(尤其是主席及行政总裁)之继任计划向董事会提出建议。

提名委员会于每次会议后向董事会汇报讨论结果及建议，并获提供充足资源以履行职务及获董事会授权咨询独立法律或其他专业意见。

于本年度内，提名委员会曾举行一次会议，以检讨本公司董事会及高级管理人员。委员会已检讨董事会之架构、人数及组成；检讨董事会多元化政策；检讨董事所付出时间及贡献；评核独立非执行董事之独立性；于二零一八年股东周年大会就董事委任及重新委任提出建议，并讨论本公司董事会及高级管理人员之继任计划。此外，委员会已检讨提名政策(包括挑选及推荐董事候选人之步骤、程序及标准)。讨论结果及建议已呈交董事会审议。

BOARD COMMITTEES (CONT'D)

Nomination Committee (cont'd)

Board Diversity Policy

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

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

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

BUSINESS MODEL

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

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

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

BUSINESS STRATEGY

The Group endeavours to generate return to shareholders through:

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

董事委员会(续)

提名委员会(续)

董事会多元化政策

董事会已采纳其自身之董事会多元化政策(「董事会多元化政策」)。董事会多元化政策旨在透过考虑多项因素,包括但不限于性别、年龄、文化及教育背景或专业经验,务求达致董事会多元化。本公司之提名委员会将适时检讨董事会多元化政策,并就该政策之任何建议修订向董事会提供建议。

董事会作出委任时会以客观条件为依归,并会充分顾及董事会多元化之裨益。

委员会成员于本年度内举行的会议出席情况载列于第49页。

业务模式

本公司为于香港联合交易所有限公司上市之公司,主要业务为投资控股。

本公司的附属公司主要于香港及中华人民共和国(「中国」)从事进口、批发、零售及安装建筑五金、卫浴、厨房设备及家俬。

本公司及其附属公司(统称「本集团」)致力成为优质建筑五金、卫浴、厨房设备及家俬供应商。我们因应客户之生活方式供应产品及优质服务,切合客户所需,务求提升本集团之品牌价值。本集团成立四十年来,在业界建立声誉,并取得主要承建商、物业发展商及经销商之信赖。本集团亦经营零售店铺及陈列室,以展示产品。

业务策略

本集团力求透过下列策略为股东带来回报:

- (a) 利用我们在产品及服务方面的核心竞争力创造盈利;
- (b) 与员工、客户及供应商维持合作关系;及
- (c) 时刻实行审慎严格的财务管理政策。

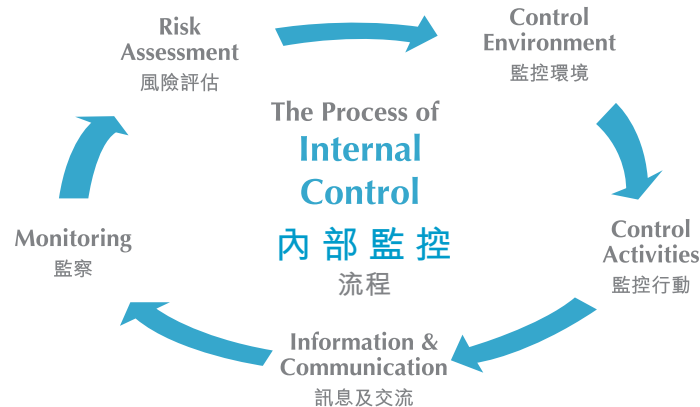
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RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

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

The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Process of risk management and internal control systems



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

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

风险管理及内部监控系统

董事会负责评估及厘定本公司达成策略目标时所愿意接受的风险性质及程度，并确保本公司设立及维持合适而有效的风险管理及内部监控系统，保障股东的投资及本集团的资产。董事会亦负责风险管理及内部监控系统，并检讨有效性。

该系统旨在管理而非消除未能达成业务目标的风险，而且只能就不会有重大的失实陈述或损失作出合理而非绝对的保证。

风险管理及内部监控系统的过程

内部监控涵盖一套本集团实施的规则、政策及程序，以合理保证：

- (a) 集团的财务报告稳妥可靠，
- (b) 集团的营运有效而具效益，及
- (c) 集团的业务活动遵从适用法律及法规。本集团董事会、管理层及其他人员负责内部监控系统的运作。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

风险管理及内部监控系统(续)

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

本集团内部监控架构的主要组成部分如下：

<p>Control Environment</p> <p>Establishing a foundation for monitoring internal control begins with an effective tone at the top of the organisation. The reason of this is so important that management's attitude regarding monitoring will determine the selection of evaluators and the approach to monitoring. The tone set by the management will influence the way staff members conduct monitoring activities. In turn, the Board will influence and guide how management applies and conducts monitoring.</p>	<p>监控环境</p> <p>就成立内部监控的监察基础而言，组织架构之基调至为重要，乃由于管理层对于监察的态度将决定评估人选及监察的方式。管理层之基调会影响团队成员进行监察活动的方式。相应地，董事会又会影响及指导管理层执行及落实监察。</p>
<p>Control Activities</p> <p>The internal control of the Group includes the following areas:</p> <ul style="list-style-type: none"> • Integrity and ethics • Commitment to competence • Board of Directors and audit committee participation • Management philosophy and operating style • Organisational structure • Assignment of authority and responsibility • Human resource policies and practices 	<p>监控行动</p> <p>本集团的内部监控包括以下范畴：</p> <ul style="list-style-type: none"> • 品格及道德操守 • 知人善任 • 董事会及审核委员会的参与 • 管理方针及经营作风 • 组织架构 • 分派权限和责任 • 人力资源政策及常规



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RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

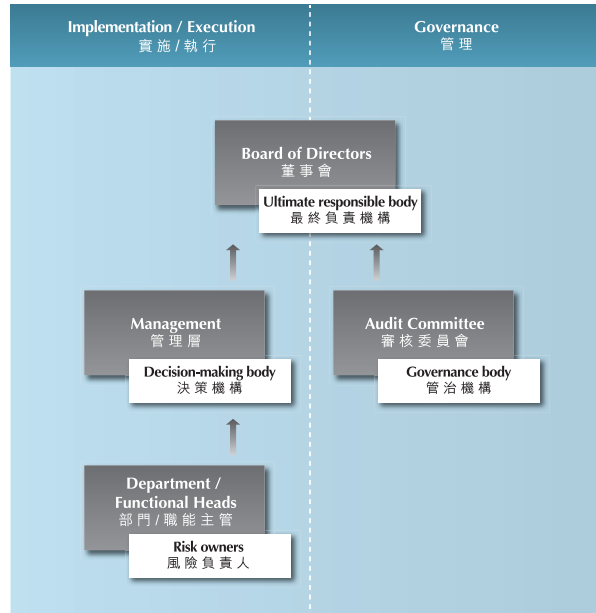
风险管理及内部监控系统(续)

Information and Communication

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

讯息及交流

本集团的风险管理架构如下所示：



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

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

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

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

董事会全权负责确保本公司为本集团建立及维持稳健及有效的风险管理及内部监控系统。

审核委员会代表董事会监督本公司风险管理及内部监控系统的设计、实施及监控管理，包括财务监控、营运监控及合规监控。

管理层乃风险管理监控系统的决策机构；其成员来自本集团不同的职能部门，以全面涵盖本集团的风险管理。

部门及职能主管负责管理日常营运中的风险。彼等按照明确界定的程序、职责及权限运作。彼等识别及评估与彼等营运相关的风险，并向管理层报告作审阅。

Monitoring

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

监察

本集团透过持续评估及独立评估，监察内部监控。该等评估确认其他内部监控组成部分是否一直按所设计及拟定的方式运作。此外，该等评估协助识别内部监控是否有任何不足之处，本集团会就此与负责修正的有关人员沟通。较为严重的缺失会向管理高层汇报，并在适当时候呈报予董事会。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

风险管理及内部监控系统(续)

Risk Assessment

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

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

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

风险评估

商业风险或会随著时间改变。内部监控系统必须能够厘定所实施的监控对于解决新风险而言属相关及有效。监察程序必须能够根据多变的风险，在设计监控时切合修订需要。有效的内部监控系统必须能够将风险控制于可接受的水平，确保业务按持续基准有效及顺利进行。因此，持续地投入资讯及沟通有助监察有关变动及反应。

本集团利用先进的资讯科技系统去记录、维持及制成准确、完整而及时的资料。董事会及管理团队藉此能够：

- (a) 评估最新收集、储存及汇报数据的模式(例如记录商品销售、更新客户地址、编制产品分类销售报告)所涉及风险；
- (b) 设计特定监控程序以有助于新设计适用风险的监控；及
- (c) 确保会计人员熟习资讯科技的功能和风险，及认识资讯科技系统带来当执行业务事件时能够防范、侦测和修正错误和失当事宜的机会。



Corporate Governance Report 企业管治报告

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

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

Handling and Dissemination of Inside Information

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

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

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

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

风险管理及内部监控系统(续)

风险评估识别及分析与本集团目标相关的风险。此为确定有何风险需要控制及管理该等风险所需控制措施的基础。风险管理部门主管与董事及管理团队定期开会，综览及讨论有关合适营运方式。董事及管理团队继而将会下达决定及指派各部门执行。通过日常沟通及所收集的资讯，董事及管理層将可监察日常营运及可能出现的风险，从而可防范或尽可能降低该等风险。此亦可确保营运符合法例、规则及法规，并同时达成每个部门的使命和目标。管理層确认，本公司风险管理及内部监控系统的设计、实施及监测行之有效。

处理及发布内幕消息

本公司深明其于证券及期货条例及上市规则项下的披露责任。本公司密切根据证券及期货事务监察委员会发布的「内幕消息披露指引」处理其事务。本公司已在其员工手册内订明严格禁止在未经授权的情况下使用机密资料(包括内幕消息)，以确保适当处理及发布内幕消息。

截至二零一八年三月三十一日止年度风险管理及内部监控系统的检讨

董事会透过审核委员会监督管理层对本公司风险管理及内部监控系统的设计、实施及监察，包括财务监控、运作监控及合规监控。

本集团进行的监控活动包括多项政策及程序，当中包括检讨实际表现、审阅表现报告、检查交易的资料处理、进行现场监控、分析不同表现指标、划定及区分不同人员间的职责。该等监控活动可协助本集团确保部门/分部之间采取适当的内部监控。

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS (CONT'D)

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

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

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

BOARD AND COMMITTEE ATTENDANCE AND TRAINING RECORDS

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

Director	董事	Board 董事会	Remuneration Committee 薪酬委员会	Audit Committee 审核委员会	Nomination Committee 提名委员会	Annual General Meeting 股东周年大会	Types of Training 培训类别
Executive Directors							
Mr. TSE Sun Fat, Henry	谢新法先生	11/11			1/1	1/1	A,B
Mr. TSE Sun Wai, Albert	谢新伟先生	11/11				1/1	A,B
Mr. TSE Sun Po, Tony	谢新宝先生	11/11				1/1	B
Mr. TSE Hon Kit, Kevin	谢汉杰先生	11/11				1/1	B
Mr. LAU Shiu Sun	刘绍新先生	8/11	2/2			1/1	A,B
Independent Non-executive Directors							
Mr. LEUNG Kwong Kin, J.P.	梁光建 太平绅士	5/5	2/2	2/2		1/1	A,B
Mr. WONG Wah, Dominic	黄华先生	5/5	2/2	2/2	1/1	1/1	A,B
Mr. WAN Sze Chung	温思聪先生	5/5		2/2	1/1	1/1	A,B

Notes:

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

风险管理及内部监控系统(续)

截至二零一八年三月三十一日止年度风险管理及内部监控系统的检讨(续)

于本年度内，董事会藉审核委员会进行年度审阅，以考虑及讨论(包括但不限于)本集团于会计及财务报告职能方面之资源、员工资历及经验、培训课程及预算是否充足。于本年度内，本公司并无内部审核部门；有关详情载于第29页。根据该审阅，董事会认为自上次年度审查以来风险的性质及程度以及本公司对其业务和外部环境变化做出反应的能力并无重大变动。截至二零一八年三月三十一日止年度，据董事会所悉，并无任何重大事宜对本集团的风险管理及内部监控系统的有效性及其充足性构成不利影响。

由于内部财务监控、半年度财务汇报和及时更新上市规则规定的变动，董事会认为本集团对财务汇报及上市规则合规的处理行之有效。

董事会及委员会出席情况及培训记录

截至二零一八年三月三十一日止年度董事于股东周年大会、董事会及委员会会议出席情况及培训记录如下：

Director	董事	Board 董事会	Remuneration Committee 薪酬委员会	Audit Committee 审核委员会	Nomination Committee 提名委员会	Annual General Meeting 股东周年大会	Types of Training 培训类别
Executive Directors							
Mr. TSE Sun Fat, Henry	谢新法先生	11/11			1/1	1/1	A,B
Mr. TSE Sun Wai, Albert	谢新伟先生	11/11				1/1	A,B
Mr. TSE Sun Po, Tony	谢新宝先生	11/11				1/1	B
Mr. TSE Hon Kit, Kevin	谢汉杰先生	11/11				1/1	B
Mr. LAU Shiu Sun	刘绍新先生	8/11	2/2			1/1	A,B
Independent Non-executive Directors							
Mr. LEUNG Kwong Kin, J.P.	梁光建 太平绅士	5/5	2/2	2/2		1/1	A,B
Mr. WONG Wah, Dominic	黄华先生	5/5	2/2	2/2	1/1	1/1	A,B
Mr. WAN Sze Chung	温思聪先生	5/5		2/2	1/1	1/1	A,B

附注：

- A: 参加研讨会、会议及／或讨论会
B: 阅读报章、期刊及／或最新资讯

Corporate Governance Report 企业管治报告

COMPANY SECRETARY

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

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

COMMUNICATION WITH SHAREHOLDERS

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

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

公司秘书

本公司公司秘书的遴选、委任及解雇均由董事会批准。

俞志辉先生获全职聘用为公司秘书兼首席财务总监。于本年度内，彼根据上市规则第3.29条接受不少于15个小时之相关专业培训。公司秘书向董事会主席报告，负责协调向董事提供资料，并促进董事入职及专业发展。于本年度内，会议议程及相关董事会文件最少在董事会或委员会会议举行日期三天前提供。此外，所有董事均可接触公司秘书以确保董事会政策、董事会程序、所有适用法例、规则及规定获得遵守。

与股东沟通

本公司奉行坦诚沟通及公平披露资料之政策。披露资料是提升企业管治标准之主要方法。股东可凭所披露的资料评估本公司表现，并向本公司提出反馈意见。本报告及本公司网站www.ebon.com.hk内提供有关本集团及其业务之资料及财务状况。

所有已登记之股东会以邮递方式收取股东周年大会及股东特别大会（统称「股东大会」）通告或相关通知书。股东大会通告载有会议议程、提呈之决议案及代表委任表格。所有股份登记于股东名册内之股东均有权出席股东大会。未能出席股东大会之股东可填妥通告随附之代表委任表格并交回本公司股份过户登记处，以委任彼等之受委代表或大会主席担任彼等之代表。根据上市规则第13.39(4)条，股东大会上所有议决事项均须以按股数投票方式表决。有关要求以按股数投票方式表决之程序已载于连同召开股东大会通告一并寄发致股东之函函，并由大会主席于股东大会读出，以确保股东熟悉以投票方式进行表决的详细程序。此外，本公司须于股东大会就每项实际独立之事宜提出独立决议案，以供股东批准。

COMMUNICATION WITH SHAREHOLDERS (CONT'D)

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

Shareholders' Communication Policy

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

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

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

与股东沟通(续)

本公司视股东周年大会为本公司之年度盛事。股东周年大会提供重要机会，让各股东与董事会交换具建设性之意见。全体董事应该出席股东周年大会。董事会主席除参与股东周年大会外，并会安排各董事委员会主席参与股东周年大会及于会上回答提问。本公司核数师亦须出席股东周年大会，以解答有关审核工作、编制核数师报告及其内容、会计政策、核数师独立性之提问。

股东通讯政策

董事会采用最有效反映本公司现行常规之股东通讯政策，以便与股东沟通。此政策所载条文旨在确保本公司股东（在适当情况下包括投资人士）可适时取得完备、相同、公正及容易理解之本公司资料，使股东能够在知情情况下行使权力，并使彼等及投资人士与本公司加强沟通。就本政策而言，对投资人士之提述拟包括本公司潜在投资者以及专责报告及分析本公司表现之分析师。

股东及其他利益相关人士可随时以邮递方式，向董事会提交书面查询及关注议题，信函可寄至本公司总办事处，注明由公司秘书启，邮址为：

公司秘书
香港
铜锣湾礼顿道33号
第一商业大厦
16–18楼

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COMMUNICATION WITH SHAREHOLDERS (CONT'D)

Shareholders' Communication Policy (cont'd)

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

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

Shareholders' Enquiries

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

与股东沟通(续)

股东通讯政策(续)

本公司已设立多个渠道持续与股东及投资人士保持沟通，并会定期检讨本政策以确保成效：

- (a) 本公司向股东及投资人士传达资讯之主要渠道为：本公司之财务报告(中期及年度报告)；股东周年大会及其他可能召开之股东大会；并将所有呈交予香港联合交易所有限公司(「联交所」)之披露资料，以及公司通讯及其他登载在本公司网站的公司刊物。
- (b) 本公司时刻确保有效及适时向股东及投资人士传达资讯。如对本政策有任何疑问，应向公司秘书提出。

股东查询

- (a) 股东如对名下持股有任何问题，应向本公司股份过户登记处提出。
- (b) 股东及投资人士可在任何合理时间要求索取本公司之公开资料。
- (c) 本公司须向股东及投资人士提供指定之本公司联络人、电邮地址及查询热线，以便彼等提出任何有关本公司之查询。



SHAREHOLDERS' RIGHTS

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

股东权利

1. 本公司只有一类股份。本公司之组织章程细则载有股东权利。
2. 股东有权收取本公司发出之公司通讯。
3. 在卓佳雅柏勤有限公司(「卓佳」)持有股份之股东如拟收取本公司之公司通讯，可不时透过卓佳通知本公司。
4. 股东适时获提供有关将在股东大会决议事宜之全面背景资料，并获通知有关规管股东大会之规则(包括投票程序)之详细资料。
5. 在组织章程细则及联交所不时订明规则之规限下，股东有权参与股东大会并在会上投票。不拟出席股东大会之股东可委任受委代表代其出席。代表委任表格连同会议通告一并寄发予本公司股东。
6. 股东有权在股东大会提问。
7. 于递呈要求当日持有附带权利于本公司股东大会投票之本公司缴足股本不少于十分之一之股东可透过公司秘书要求董事会召开股东特别大会。
8. 根据上市规则第13.39(4)条，股东于股东周年大会所作任何表决必须以按股数投票方式进行。股东大会主席会在会议开始时说明以按股数投票方式表决之详细程序。投票时，亲身出席或委派受委代表出席之每名股东，每持有一股股份则可投一票。倘股东为公司并由正式授权代表代为出席，则该股东将被视作亲身出席。亲身出席或委派受委代表出席并可投超过一票之股东毋须行使其全部投票权或以相同方式行使其全部投票权。以按股数投票方式表决之结果将被视为会议上之一项决议案。投票结果将于股东大会完结后登载于本公司网站 www.ebon.com.hk 及 联交所披露易网站 www.hkexnews.hk。



Corporate Governance Report 企业管治报告

SHAREHOLDERS' RIGHTS (CONT'D)

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

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

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

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

Procedures for shareholders to put forward proposals at shareholders' meetings

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

CONSTITUTIONAL DOCUMENTS

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

股东权利(续)

9. 本公司鼓励股东参与主要企业管治事宜之决策。于股东大会前，股东会有充足时间考虑获提名之董事会成员候选人。
10. 本公司确保每票均得到恰当计算及记录。投票结果由独立监票员核实，并于股东大会完结后适时于本公司及联交所披露易网站公布及登载。
11. 根据上市规则，在交易拥有重大权益之股东须在有关股东大会就相关决议案放弃投票。

股东提名他人选参选董事之程序

股东大会为董事及管理层与股东之间就本公司业务交流意见之重要机会及理想场合。

倘有股东欲推荐将退任董事以外之人士在股东周年大会参选董事，该股东须于股东周年大会通告寄发翌日起计七天内(或董事不时厘订及公布之其他期间)，向本公司总办事处之公司秘书送交书面提名通知。

股东于股东大会提呈建议之程序

本公司之组织章程细则或开曼群岛公司法并无股东于股东大会提呈新决议案的条文。有意提呈新决议案的股东可要求本公司召开股东大会。

章程文件

本公司之组织章程大纲及细则(包括中英文版本)于本公司网站 www.ebon.com.hk 及联交所披露易网站 www.hkexnews.hk 可供查阅。截至二零一八年三月三十一日止年度，本公司之组织章程大纲及细则并无重大变动。

Environmental, Social and Governance Report 环境、社会及管治报告

OVERVIEW

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

SCOPE OF THIS REPORT

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

The Group’s operations in Hong Kong:

概览

本环境、社会及管治报告(「环境、社会及管治报告」)是依照香港联合交易所有限公司证券上市规则(「上市规则」)附录二十七所载的环境、社会及管治报告指引规定撰写。本报告提供本集团截至二零一八年三月三十一日止财政年度的环境及社会表现的年度概述。有关企业管治，请参阅第29至54页。

本报告的范围

本报告旨在公正呈列本集团于环境及社会(雇佣及劳工常规、营运惯例及社区参与)层面的表现，范围涵盖本集团于香港的业务。本集团将在数据收集系统更加完善时扩大披露范围。

本集团于香港的业务：



Environmental, Social and Governance Report 环境、社会及管治报告

CONTENT OF THIS REPORT

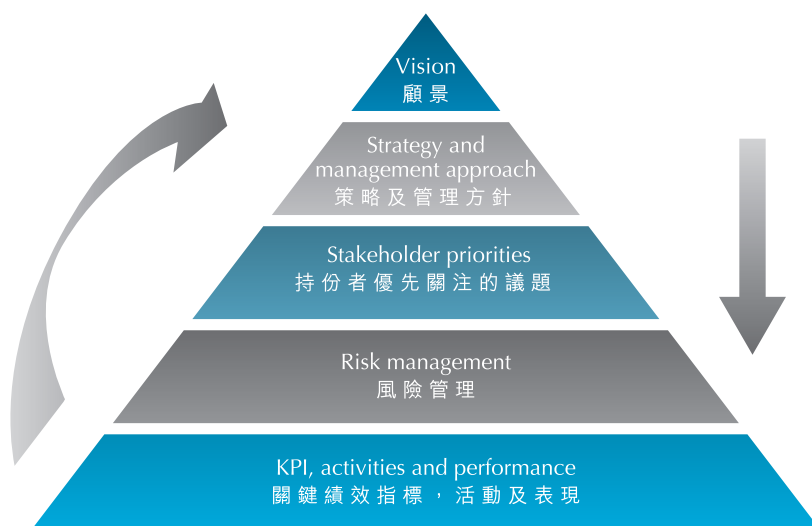
The content of this Report is defined through a systematic process including:

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

本报告的内容

本报告内容是按照一套有系统的程序而厘定，包括：

- 计划 — 识别持份者及彼等的利益
- 参与 — 与持份者互动
- 决定 — 利用持份者所提供之资料厘定报告内容
- 评估 — 厘定持份者参与流程是否有效



ASSURANCE

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

保证

本报告已获香港品质保证局独立验证，验证范围及基准载于本报告核实声明一节。

REPORTING RESPONSIBILITY

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

报告责任

董事会已将环境及社会表现委托予环境、社会及管治工作组，成员包括本集团一名董事。环境、社会及管治工作组向董事会报告，而董事会全权负责本集团的可持续发展表现及环境、社会及管治报告。本集团致力改善环境及社会层面的表现，并已采取措施监督及实施政策来管理本集团的可持续发展。关键绩效指标用作识别及监察用途，以便董事会评估及推行改进计划。本报告已于二零一八年六月二十七日获董事会批准。

SUSTAINABILITY POLICY

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

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

可持续发展政策

「可持续发展」的概念已根植于怡邦行业务营运中，与其持份者在经济、环境及社会层面上创造可持续价值。本集团已制定一项专门的可持续发展政策，指导其在业务增长、环境保护、雇佣及劳工常规、营运实践及社区参与方面的营运达至最佳实践。可持续发展政策使本集团致力：

- 在可持续发展事宜上遵守所有适用法律及监管规定；
- 在营运中实施良好的可持续发展常规；
- 实施有关业务增长、环境保护、工作场所质素、营运实践及社区参与的政策；
- 鼓励员工积极应对可持续发展事宜；
- 向其价值链提倡可持续发展意识；
- 让本集团持份者参与可持续发展流程；及
- 监控及改善可持续发展表现。

Environmental, Social and Governance Report 环境、社会及管治报告

SUSTAINABILITY STRATEGY

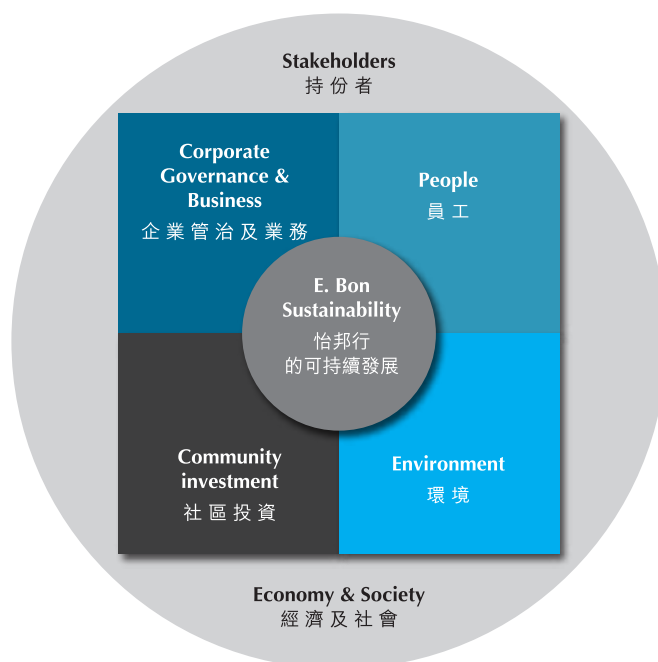
When we execute business strategies, our sustainability vision and policy enable us to take account of our responsibility to the environment and society in general. It steers us towards a balance of stakeholders' interests in the environment that we operate.

Our ESG matrix:

可持续发展策略

在执行业务策略时，本集团的可持续发展愿景及政策促使我们考虑对环境及社会整体的责任，并引领我们在我们的营运环境中实现持份者之间的利益平衡。

以下为本集团的环境、社会及管治矩阵图：



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

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

虽然本集团的愿景始终如一，但持份者所关注的议题会有所改变，因此须定期审阅，并改进集团的策略及风险管理程序，以确保满足持份者不断变化的需要。

附注：除另有说明外，本环境、社会及管治报告仅涵盖本集团于香港的业务。我们于香港的业务为业务核心，于截至二零一八年三月三十一日止财政年度为本集团营业额贡献超过90%。



STAKEHOLDER ENGAGEMENT

Plan — Identify stakeholders and their interests

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

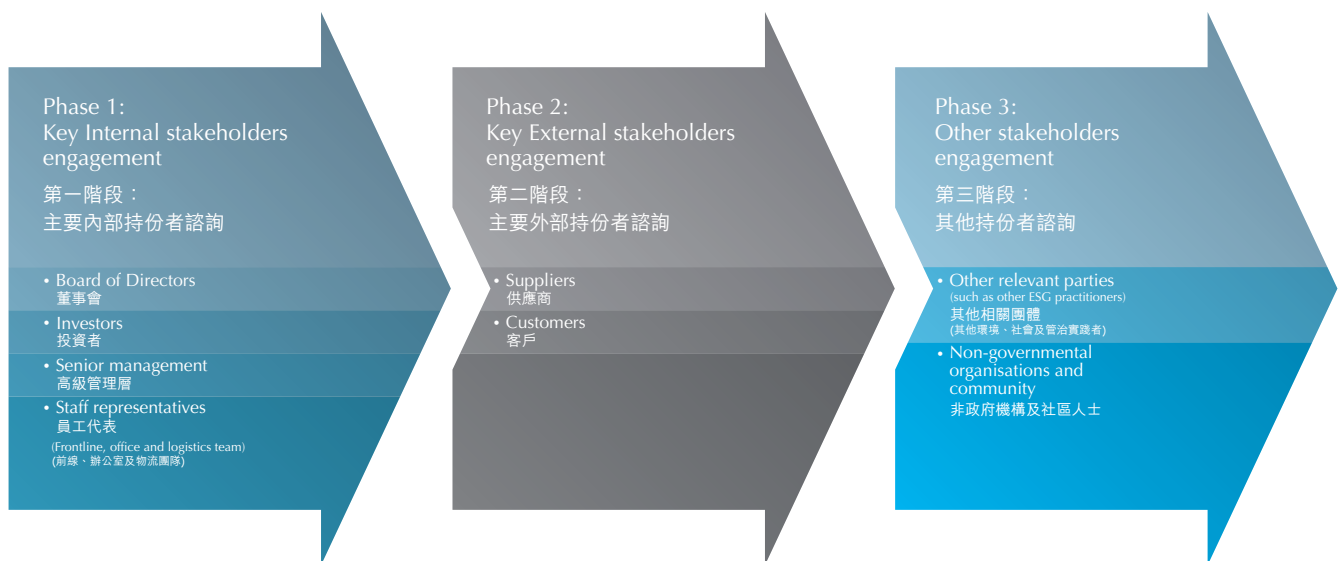
The stakeholder engagement process is spread over 3 key phases:

持份者参与

计划 — 识别持份者及彼等的利益

环境、社会及管治工作组参考目前业务状况检讨持份者抽样的合适性，以确保所考虑的持份者与本集团相关。工作组的调查结果将递交至管理层供有需要时进行讨论及行动。

持份者参与流程包括三个主要阶段：



Environmental, Social and Governance Report 环境、社会及管治报告

STAKEHOLDER ENGAGEMENT (CONT'D)

Engage — Interact with stakeholders

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

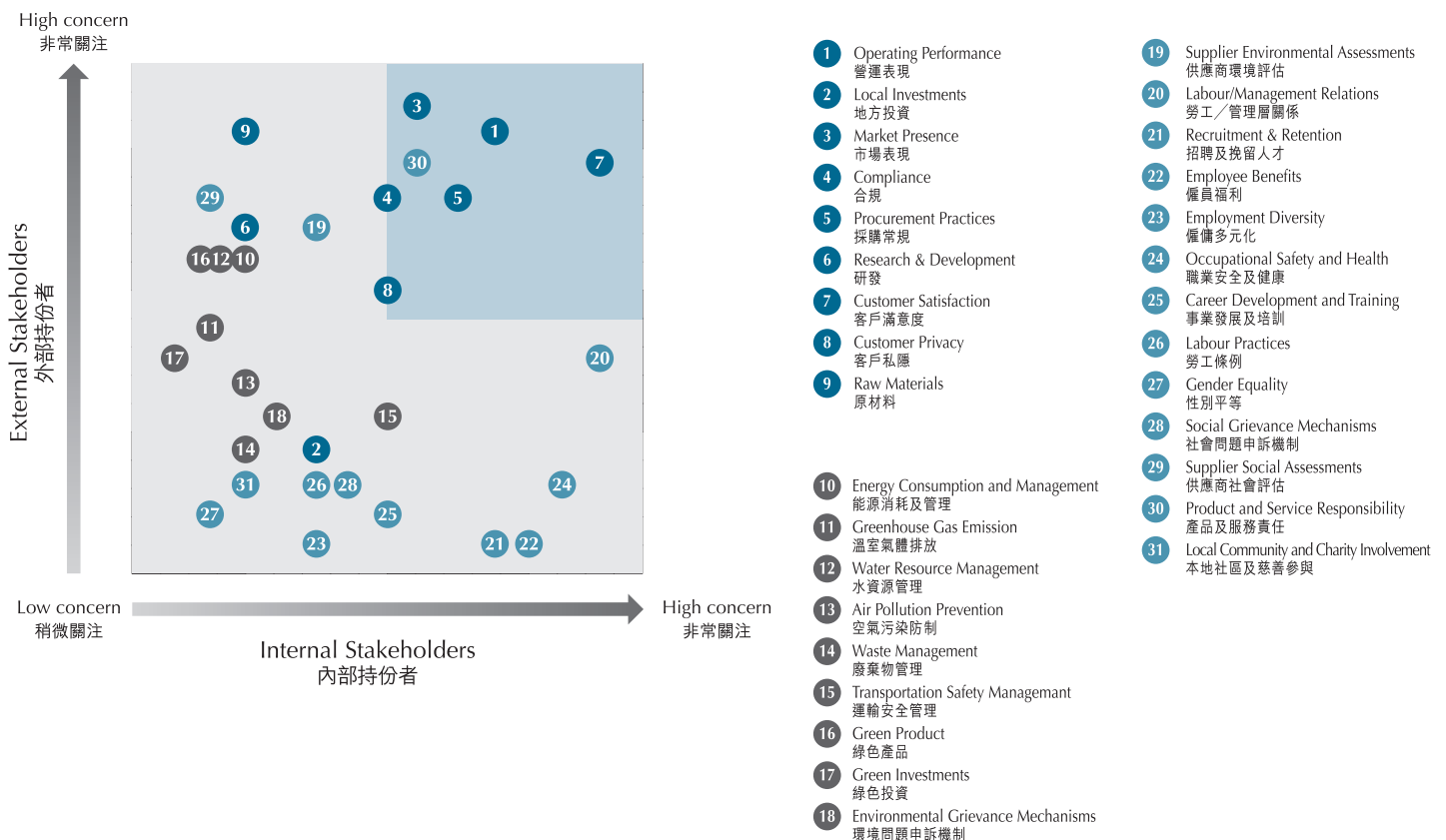
The following matrix outlines the perspectives of key internal and key external stakeholders of the Group based on the materiality assessments conducted over the past two years.

持份者参与(续)

参与 — 与持份者互动

为确定我们的可呈报重大范畴，我们持续进行持份者参与活动。我们实施重要性评估，透过问卷调查来确定对本集团内部及外部持份者而言重要的事宜。重大议题包括直接或间接影响本集团创造、保持或侵蚀其自身、其持份者及社会的经济、环境及社会价值能力的事宜。该流程让我们将不同群体的持份者归类至一个参与矩阵图：(1)参与；(2)交流及(3)知会持份者。

根据过往两年实施的重要性评估，下列矩阵图概括了本集团主要内部及主要外部持份者的观点：



STAKEHOLDER ENGAGEMENT (CONT'D)

Engage — Interact with stakeholders (cont'd)

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

Make decisions — Use stakeholder input to determine report content

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

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

Evaluate — Determine the effectiveness of stakeholder engagement processes

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

持份者参与(续)

参与 — 与持份者互动(续)

本集团确定了与其业务营运相关的三十一个重大议题。透过重要性评估，持份者确定当中有五个议题有重大影响，即客户满意度、市场表现、营运表现、采购常规、产品及服务责任。本集团管理层已讨论及验证评估结果，并决定优先处理关于「人」的工作，此乃由于在此范畴上本集团受到相对较高的可持续发展影响。

决定 — 利用持份者所提供之资料厘定报告内容

于本年度，本集团已确定来年持份者的优先事项：

- 持续改善政策
 - 在环境、社会及管治主题范围的政策上，检视我们有关客户服务及供应商管理的现行政策
 - 完成数据收集，以便进行比较
- 增加披露范围
 - 在重大的事宜上，增加关键绩效指标的披露

评估 — 厘定持份者参与流程是否有效

管理层负责审阅持份者参与流程，以确保涵盖足够的参与者及议题。环境、社会及管治报告的反馈意见亦会纳入评估流程。

Environmental, Social and Governance Report 环境、社会及管治报告

SUSTAINABILITY MEASUREMENT AND MONITORING

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

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

ENVIRONMENT

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

A1 Emissions

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

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

可持续发展的计量及监控

本集团采用上市规则附录二十七作为可持续性计量框架。于本年度，本集团已提升数据收集方法并记录上市规则附录二十七所列的若干关键绩效指标。关键绩效指标乃由环境、社会及管治工作组定期计量及记录。本集团已定下目标，至二零二零年全面披露证券上市规则所要求的事项。在适当情况下，本集团将提供较最低披露要求更丰富的资料。

可持续发展绩效数据已获分析。关键绩效指标及分析已呈报予管理层以供讨论及制定改善计划。改善目标乃根据截至二零一七年三月三十一日止年度录得的表现（「基线」）而订立。

环境

本集团致力将污染程度减至最低，透过保育天然资源、减少使用能源及制造废物为保护环境出一分力。我们首先以负责任之态度进行商业活动，并在经营业务时考虑对环境的影响以应对环境问题。我们积极向员工灌输环保意识，鼓励员工在可能及切实可行的情况下贯彻环保原则。我们致力为可持续未来及全球环境和谐尽一分力。

A1 排放物

我们的温室气体排放主要来自电力消耗，本地运输占温室气体排放总量的比例不足5%。提高能源效率的措施概述于第64页。

交付至相同区域的货物集中付运，以尽量缩短运送路线，从而减少汽油的使用及空气污染物的排放。此外，我们鼓励员工使用公共交通工具，至于在工作地点远离公共交通设施之情况，则安排多人同乘一部汽车。向水排污乃透过公共污水收集系统进行。本集团概无向水源及／或土地的排污。于本年度，本集团并无受到有关废气排放的起诉。

ENVIRONMENT (CONT'D)

A1 Emissions (cont'd)

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

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

环境(续)

A1 排放物(续)

本集团重视电子垃圾等有害废弃物。我们已执行计划减少电子垃圾数量，详情载于本报告第66页。有害废弃物已依照有关规例妥善处理。于本年度，本集团并无受到有关有害废弃物处理的起诉。

无害废弃物以「重用」及「循环再造」的可能性原则来分类。纸张等材料则由回收商回收。于本年度，本集团并无受到有关无害废弃物处理的起诉。

		2018 二零一八年	2017 ¹ 二零一七年
Total air emissions (Scope 1) (tonnes)	废气排放总量(范围1)(吨)	0.006	0.006 ²
NOx (tonnes)	氮氧化物(吨)	0.006	0.006 ²
SOx (tonnes)	硫氧化物(吨)	0.000	0.000 ²
Particulate matter (tonnes)	悬浮粒子(吨)	0.000	0.000 ²
Total GHG emissions (Scope 1 and 2) (CO ₂ e tonnes)	温室气体排放总量(范围1及2)(二氧化碳当量吨)	1,453.582	800.566
Direct emissions (Scope 1) (CO ₂ e tonnes)	直接排放(范围1)(二氧化碳当量吨)	0.018	13.039
Indirect emissions (Scope 2) (CO ₂ e tonnes)	间接排放(范围2)(二氧化碳当量吨)	1,453.564	789.644
Indirect emissions (Scope 2) per floor area (CO ₂ e tonnes/m ²)	单位楼面面积的间接排放(范围2) (二氧化碳当量吨/平方米)	0.147	0.084
Indirect emissions (Scope 2) per employee (CO ₂ e tonnes/employee)	每名雇员的间接排放(范围2) (二氧化碳当量吨/雇员)	10.236	5.849
Total emissions (Scope 1 and 2) per floor area (CO ₂ e tonnes/m ²)	单位楼面面积的排放总量(范围1及2) (二氧化碳当量吨/平方米)	0.147	0.086
Total emissions (Scope 1 and 2) per employee (CO ₂ e tonnes/employee)	每名雇员的排放总量(范围1及2) (二氧化碳当量吨/雇员)	10.236	5.946
Total hazardous waste produced (tonnes) ³	有害废弃物产生总量(吨) ³		
Total non-hazardous waste produced (tonnes)	无害废弃物产生总量(吨)	8.345	10.538
Total non-hazardous waste produced per floor area (tonnes/m ²)	单位楼面面积所产生无害废弃物总量(吨/平方米)	0.001	0.001
Total non-hazardous waste produced per employee (tonnes/employee)	每名雇员所产生无害废弃物总量(吨/雇员)	0.059	0.078
Total non-hazardous waste recycled (tonnes)	无害废弃物回收总量(吨)	0.680	N/A 不适用

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

² The annual data is obtained by projection.

³ Disposal of hazardous waste is negligible.

N/A = not applicable

¹ 数据报告于二零一七年年报内。若干数字于数据综合后于本环境、社会及管治报告中重列。

² 年度数据乃透过预测得出。

³ 有害废弃物处置微不足道。

N/A = 不适用

Environmental, Social and Governance Report 环境、社会及管治报告

ENVIRONMENT (CONT'D)

A2 Use of Resources

Electricity

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

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

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

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

环境(续)

A2资源使用

电力

自二零一六年一月起，我们已逐步淘汰旧式空调，转而使用节能空调。室内温度维持于23°C至25°C。

此外，店铺中的旧式石英灯亦已逐步更换为LED聚光灯。LED聚光灯消耗较少能源，有助于降低室内温度（可少开空调），并且维持相若的亮度。我们正计划逐步用消耗更少能源的T5荧光灯取代T8荧光灯。

我们的店铺灯箱于午夜至早上自动关闭，以减少能源消耗。

本集团已设定目标：从基线到二零二零年，每位雇员能源消耗总量减少10%。



ENVIRONMENT (CONT'D)

A2 Use of Resources (cont'd)

Water

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

环境(续)

A2资源使用(续)

水

集团用水乃用作卫生用途。水龙头旁边显眼的位置贴有「珍惜每点滴」标签，鼓励员工尽量减少用水。我们计划将旧式水龙头换成感应式水龙头，并于可行的情况下添置流量调节器控制水流量。作为家居产品供应商，我们向市场供应各类环保产品（环保感应器、流量调节器、智能环保设计）。

		2018 二零一八年	2017 ⁴ 二零一七年 ⁴
Total energy consumption (MWh)	能源总耗量(兆瓦时)	1,095.583	1,072.726 ⁵
Total direct energy consumption (MWh)	直接能源总耗量(兆瓦时)	61.860 ⁶	42.999 ⁷
Total direct energy consumption per floor area (MWh/m ²)	单位楼面面积的直接能源总耗量(兆瓦时/平方米)	0.006	0.005 ⁷
Total direct energy consumption per employee (MWh/employee)	每名雇员的直接能源总耗量(兆瓦时/雇员)	0.436	0.319 ⁷
Total indirect energy consumption (MWh)	间接能源总耗量(兆瓦时)	1,033.723	1,029.726
Total indirect energy consumption per floor area (MWh/m ²)	单位楼面面积的间接能源总耗量(兆瓦时/平方米)	0.104	0.110
Total indirect energy consumption per employee (MWh/employee)	每名雇员的间接能源总耗量(兆瓦时/雇员)	7.280	7.628
Water consumption (m ³)	总耗水量(立方米)	1,150.139	1,085.720
Water consumption per floor area (m ³ /m ²)	单位楼面面积的总耗水量(立方米/平方米)	0.116	0.116
Water consumption per employee (m ³ /employee)	每名雇员的总耗水量(立方米/雇员)	8.100	8.042
Total packaging material (tonnes)	包装材料总量(吨)	4.352	9.293
Total packaging material per floor area (tonnes/m ²)	单位楼面面积的包装材料总量(吨/平方米)	0.000	N/A 不适用
Total packaging material per employee (tonnes/employee)	每名雇员的包装材料总量(吨/雇员)	0.031	N/A 不适用

⁴ Data was reported in the 2017 Annual Report.

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

⁶ Figure calculated with reference to IOR Australia.

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

⁴ 数据报告于二零一七年年报内。

⁵ 若干计算基于半年数据估计。

⁶ 数字根据 IOR Australia 计算。

⁷ 此计算基于半年数据估计。

N/A = not applicable

N/A = 不适用

Environmental, Social and Governance Report 环境、社会及管治报告

ENVIRONMENT (CONT'D)

A3 The Environment and Natural Resources

Electricity: Reduction

Details of electricity reduction is set out on page 64.

Paper: Reduction

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

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

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

Electronic devices: Re-use

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

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

环境(续)

A3 环境及天然资源

减少用电

有关减少用电详情载于第64页。

减少用纸

所有办公室用纸及几乎所有集团刊物用纸均为森林管理委员会认证或再生纸，惟尚未悉数派发的旧有刊物(如产品目录)除外。本集团不仅采用森林管理委员会认证纸，亦鼓励使用无纸化通讯。如需打印，我们鼓励环保的打印方式(例如双面打印、缩小字体和页边)。对于内部参考文件，我们上传至内联网或传阅，而非为每位成员都打印一份副本。此外，纸张收集盒放置于打印机旁边，收集单面打印的纸张，以便重用。

我们的包装盒与货品的尺寸相符，从而尽量减少用纸及为所包装的货物提供最佳保护。我们纸箱的材料达到相关安全标准。此外，我们鼓励使用同一纸箱多次。

** 森林管理委员会为独立非政府非牟利机构，成立目的为推动全球森林在环境上适当、在社会上有益和在经济上可行的管理。

重用电子设备

科技进步缩短电子设备的使用寿命。若干设备于软件升级后，变得过时或与日常运作不协调。我们知悉有关处置电子垃圾的潜在环境及健康危害，因此采纳了以下措施：

- 过时：捐赠予非政府组织，例如香港明爱电脑再生计划

		2018 二零一八年	2017 ⁸ 二零一七年 ⁸
Total paper consumption (tonnes)	纸消耗总量(吨)	43.923	17.000
Office paper (tonnes)	办公室用纸(吨)	5.921	3.000
Paper for printing publications (tonnes)	打印刊物用纸(吨)	38.002	14.000

⁸ Data was reported in the 2017 Annual Report.

⁸ 数据报告于二零一七年年报内。

SOCIAL

Employment and Labour Practices

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

B1 Employment

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

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

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

社会

雇佣及劳工常规

本集团相信集团之成就、长远增长及发展，有赖员工之质素、表现及承担。我们致力为员工提供平等机会、知人善任，让员工发挥所长及完善他们的事业。此外，我们时刻谨记对所有员工一视同仁。我们亦致力提供健康及安全的工作环境，并提倡工作与生活平衡。

B1 雇佣

于二零一八年三月三十一日，本集团的香港员工人数为142名。

我们的雇佣政策符合法定规定，包括但不限于强制性公积金、法定最低工资、雇员赔偿保险及有薪年假。我们提供具竞争力之薪酬待遇以吸纳、留聘及鼓励能干人才。本集团致力在各项范畴为全体雇员提倡平等机会，当中包括招聘、薪酬及福利、培训、晋升及调职。本集团乃根据雇员之能力、表现和贡献作出评估，而不论其性别、年龄、残障、家庭状况、种族、宗教信仰或性取向。

本集团提供医疗补助及交通津贴等雇员福利，以及子女奖学金，照顾员工之家庭生活。本集团已参与香港政府的性别主流网络「性别课题联络人」。

Environmental, Social and Governance Report 环境、社会及管治报告

SOCIAL (CONT'D)

Employment and Labour Practices (cont'd)

B1 Employment (cont'd)

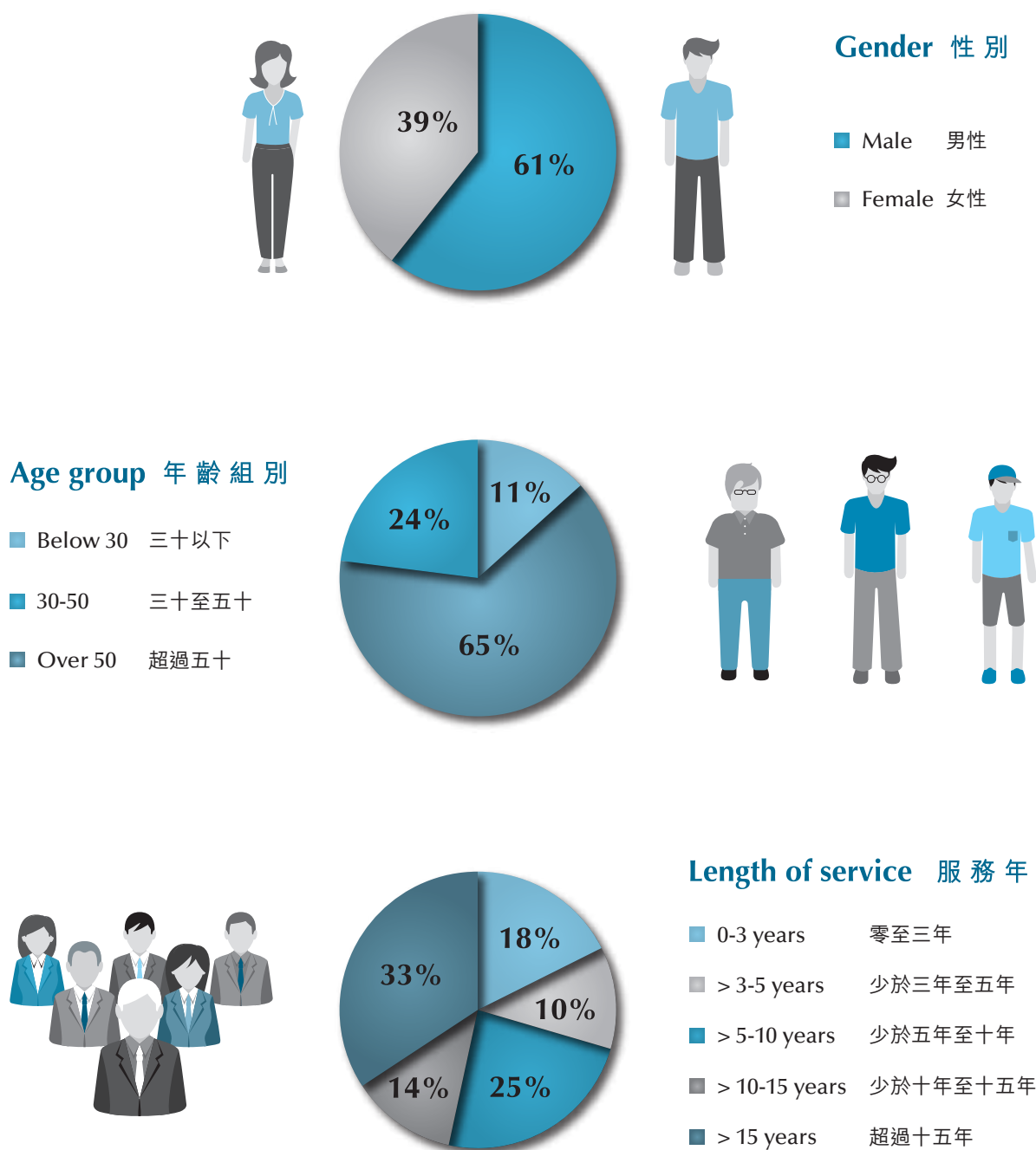
All of our staff members work on full time basis. Our workforce is comprised of:

社会(续)

雇佣及劳工常规(续)

B1 雇佣(续)

本集团员工均为全职员工，其组成如下：



SOCIAL (CONT'D)

Employment and Labour Practices (cont'd)

B2 Health and Safety

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

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

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

B3 Development and Training

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

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

B4 Labour Standards

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

社会(续)

雇佣及劳工常规(续)

B2 健康与安全

我们的工作场所保持乾淨整洁，及给予员工足够的工作空间。此外，我们已开展多个计划以提高员工的工作健康与安全意识：

- 职业安全简报
 - 为新入职员工(尤其是货仓或前往建筑地盘的员工)提供指引
 - 员工如感到不安全或未经适当培训可停止作业
- 员工手册(详述雇员福利待遇、休假、工作时间、反馈机制)

所有员工于进入建筑地盘之前已参加安全培训。于进入建筑地盘时，彼等须佩戴安全帽及听取地盘安全主任的简要提醒。

B3 发展及培训

本集团为员工营造开放、互动及互相鼓励的工作环境。管理层与雇员共同检讨其培训及事业发展方案。以下为部分培训及发展方案：

- 销售及产品培训
 - 海外培训：参观外国工厂
 - 内部培训：各级销售代表均参与
- 管理层培训
 - 让董事及高级管理人员紧贴最新的监管规例、企业管治实务、宏观经济及消费市场趋势
- 货仓操作培训
- 后勤办公室操作培训

B4 劳工准则

我们遵守所有营运地点当地的雇佣法规，并无涉及任何强制劳工或童工问题。

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SOCIAL (CONT'D)

Operating Practices

B5 Supply Chain Management

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

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

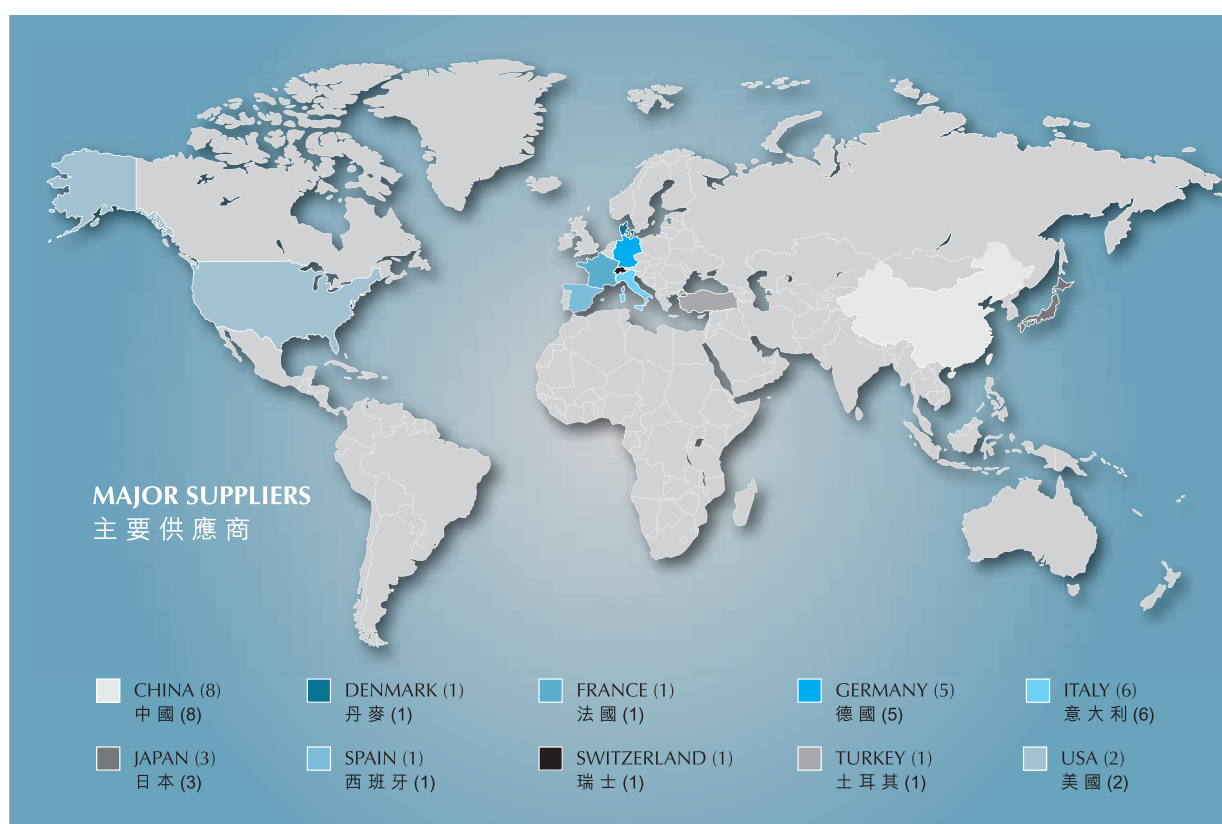
社会(续)

营运惯例

B5 供应链管理

我们客户包括承建商、物业发展商及经销商。我们深明客户各有不同的需要，并提供一系列产品以满足客户的需求。

就购买金额而言，按地域划分的主要供应商数目如下：



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

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

我们重视供应商的营运政策(包括但不限于雇佣措施、产品责任及反贪污政策)。我们定期到工厂实地视察，以检查彼等的生产能力、技术能力、质量控制系统、生产设备、检测能力以及人员素质。

在香港，环保意识日益提高，我们要求产品具备环保特质，如节水功能及采用已获森林管理委员会认证的材料。我们将继续努力为客户提供环保产品。

SOCIAL (CONT'D)

Operating Practices (cont'd)

B5 Supply Chain Management (cont'd)

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

B6 Product Responsibility

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

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

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

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

社会(续)

营运惯例(续)

B5 供应链管理(续)

于挑选安装分包商时，我们考虑多项因素，例如价格、过往表现、项目规模、技术能力、环保记录、工作场所健康与安全标准。我们为分包商提供培训，帮助彼等熟悉我们产品的特性及安装工艺。我们进行考评以评估分包商的表现。

B6 产品责任

本集团致力成为提供优质建筑五金、卫浴、厨房设备及家俬供应商。我们因应客户之生活方式供应产品，切合客户所需，务求提升本集团之品牌价值。我们着重提供优质产品及服务满足客户需要，让客户领略我们贯彻「诚恳」及「质素」之宗旨；透过为集团建立品牌价值及信誉取信于客户，令本集团与客户建立坚固关系，为日后发展作好准备。

产品安全是我们的首要考虑因素。本集团的产品主要产自欧洲，当地对产品测试规定及要求十分严格。尽管如此，我们采取不少措施确保产品安全，例如取得生产商的保证及证书、根据客户的要求进行测试。

除了产品安全，我们亦重视客户的表现评价及意见，而当中客户意见指出须改善的地方。我们已建立不同的沟通渠道，包括企业网站及社交媒体平台，以促进及加强与我们客户的沟通。我们讨论客户的意见并于适当时作出改进。本集团的标签及广告材料均经审阅，以确保遵守相关的市场传讯惯例。

我们遵守最新的个人资料(私隐)条例，确保所收集的客户资料仅作指定用途。我们定期向员工(尤其是前线员工)重申要以谨慎方式处理私隐事宜。本集团已逐步将私隐声明列印于企业刊物中。

Environmental, Social and Governance Report 环境、社会及管治报告

SOCIAL (CONT'D)

Operating Practices (cont'd)

B7 Anti-corruption

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

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

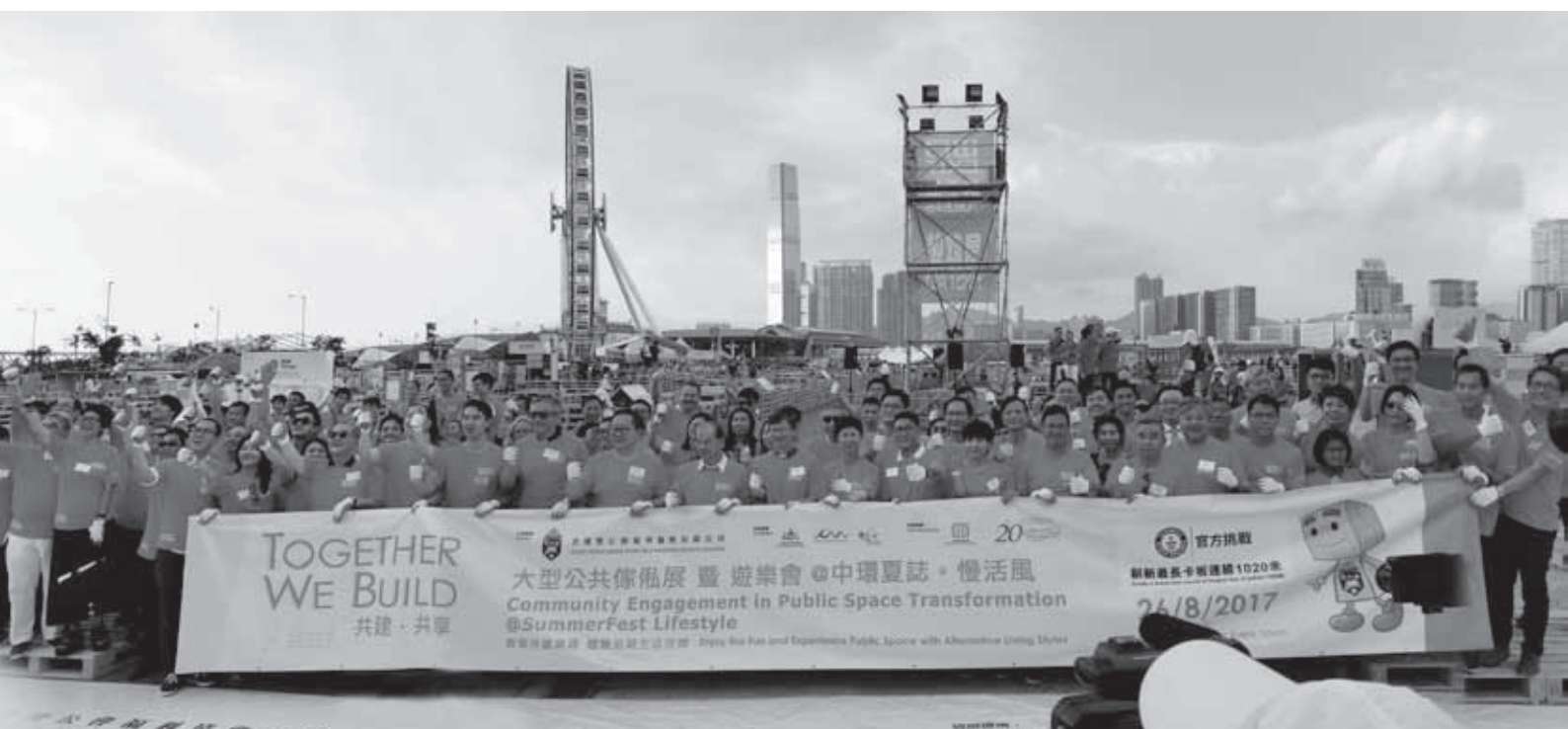
社会(续)

营运惯例(续)

B7反贪污

本集团致力以最高的诚信标准经营业务。我们采纳符合香港交易所对企业管治预期及廉政公署的反贪污政策的操守准则。我们的员工手册已向全体员工概述该操守准则，包括防止贿赂。于本年度，本集团并无受到任何有关贪污的法律案件。

分包工程乃根据本集团的标准程序作出。当收到潜在分包商的报价，我们根据多项因素对每位分包商进行评估，例如价格、过往表现、项目规模、技术能力、环保记录、工作场所健康与安全标准。分包委聘的决定乃经本集团管理层审阅并认可。



SOCIAL (CONT'D)

Community

B8 Community Investments

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



社会(续)

社区

B8 社区投资

本集团致力融入其营运所在地之社区。我们对社区的参与不限于捐款，还会进行义工活动。我们亦鼓励其员工一起实践，为邻里出一分力。关怀社区最终惠及我们下一代。



FEEDBACK TO THIS REPORT

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

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

对本报告的意见

我们欢迎各持份者就持续改进本集团的环境及社会表现，提供意见及建议。持份者可随时提交彼等之书面问题及所关注之事项予本公司总办事处之公司环境、社会及管治代表，地址如下：

环境、社会及管治代表
香港
铜锣湾礼顿道33号
第一商业大厦
16–18楼
esg@ebon.com.hk

Environmental, Social and Governance Report 环境、社会及管治报告



VERIFICATION STATEMENT

Scope and Objective

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

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

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

Methodology

The verification process was undertaken with reference to:

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

核实声明

范围及目的

香港品质保证局已对怡邦控股有限公司(以下简称「怡邦行控股」)环境、社会及管治报告(以下简称「报告」)所选的资料执行了有限保证的鉴证工作。我们的验证仅限于怡邦行控股在2017年4月1日至2018年3月31日(「报告期」)对于环境、社会及管治报告载列的表现及成就。

验证的目的是参照《香港联合交易所有限公司的证券上市规则》(「主板上市规则」)附录二十七所载的《环境、社会及管治报告指引》，为报告执行了有限保证的鉴证工作。

本报告乃根据怡邦行控股提供的数据和信息而编制。因此，怡邦行控股须以使其对环境、社会及管治报告的拟备不存在包括但不限于欺诈或错误而导致的重大虚假陈述。我们不会就本报告的内容向任何其他人士负上或承担任何责任。

方法

验证过程是参照：

- 国际审计与鉴证准则理事会发布的《国际鉴证业务准则(ISAE)第3000号(修订版) — 历史财务资料审计或审阅以外的鉴证》；以及
- 《香港联合交易所有限公司的证券上市规则》(「主板上市规则」)附录二十七所载的《环境、社会及管治报告指引》。



VERIFICATION STATEMENT (CONT'D)

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

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

Independence

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

Limitation and Exclusions

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

The following items are excluded from the scope of work:

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

核实声明(续)

验证过程包括检视内部数据收集及管理机制、与负责编制报告的代表面谈，并以风险为本选取具代表性的样本数据及资料加以验证，审阅相关原始数据和支持证据。

我们的鉴证工作仅限于报告期内的资料，对于前期间的资料或2017/2018环境、社会及管治报告中所包括的任何其他无关资料均不在我们的工作范围内，因此我们也不对其他信息发表任何形式的鉴证结论。

独立性

在有关时间内，香港品质保证局不涉及收集和计算此报告的数据或参与编撰此报告。香港品质保证局的验证过程是独立于怡邦行控股。

限制与除外

是次验证根据怡邦行控股提供的数据和信息进行，有关资料的完整性和真实性为假设前提。

以下各项不属于我们的职责范围：

- 任何与所选的环境，社会及管治数据没有直接关连的信息；
- 在界定报告期以外的活动；
- 公司策略和立场声明(包括任何意见，信念，愿望，期望，目标或未来意向的表达)；以及
- 来自怡邦行控股的年度报告和账目的财务数据。

Environmental, Social and Governance Report 环境、社会及管治报告

VERIFICATION STATEMENT (CONT'D)

Assurance Conclusion

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

Signed on behalf of Hong Kong Quality Assurance Agency



Bryan Peng

Assistant Director, Manufacturing & Service
July 2018

核实声明(续)

结论

根据我们的验证，我们未发现有任何事项使我们相信怡邦行控股报告期内经验证的环境、社会及管治资料在所有重大方面未有经参照《香港联合交易所有限公司的证券上市规则》(「主板上市规则」)附录二十七所载的《环境、社会及管治报告指引》编制。

香港品质保证局



彭文俊

助理总监 — 制造及服务
2018年7月

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索引

Aspects, General Disclosures and KPIs 层面、一般披露及关键绩效指标	Description 描述	Compliance level 合规水平	Reference (page) 参考(页次)
Aspect A1: Emissions 层面 A1：排放物			
General Disclosure 一般披露	Information on: 有关废气及温室气体排放、向水及土地的排污、有害及无害废弃物的产生等的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守对发行人有重大影响的相关法律及规例 relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste 的资料	Comply 遵守	62-63
KPI A1.1 关键绩效指标 A1.1	The types of emissions and respective emissions data 排放物种类及相关排放数据	Comply 遵守	63
KPI A1.2 关键绩效指标 A1.2	Greenhouse gas emissions in total and, where appropriate, intensity 温室气体总排放量及(如适用)密度	Comply 遵守	63
KPI A1.3 关键绩效指标 A1.3	Total hazardous waste produced and, where appropriate, intensity 所产生有害废弃物总量及(如适用)密度	Explain 解释	63
KPI A1.4 关键绩效指标 A1.4	Total non-hazardous waste produced and, where appropriate, intensity 所产生无害废弃物总量及(如适用)密度	Comply 遵守	63
KPI A1.5 关键绩效指标 A1.5	Description of measures to mitigate emissions and results achieved 描述减低排放量的措施及所得成果	Comply 遵守	62-63
KPI A1.6 关键绩效指标 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述处理有害及无害废弃物的方法、减低产生量的措施及所得成果	Comply 遵守	63
Aspect A2: Use of Resources 层面 A2：资源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials 有效使用资源(包括能源、水及其他原材料)的政策	Comply 遵守	64-65
KPI A2.1 关键绩效指标 A2.1	Direct and/or indirect energy consumption by type in total and intensity 按类型划分的直接及/或间接能源总耗量及密度	Comply 遵守	65
KPI A2.2 关键绩效指标 A2.2	Water consumption in total and intensity 总耗水量及密度	Comply 遵守	65
KPI A2.3 关键绩效指标 A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益计划及所得成果	Comply 遵守	64-65
KPI A2.4 关键绩效指标 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved 描述求取适用水源上可有任何问题，以及提升用水效益计划及所得成果	Comply 遵守	64-65
KPI A2.5 关键绩效指标 A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced 制成品所用包装材料的总量及(如适用)每生产单位占量	Comply 遵守	65

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Aspects, General Disclosures and KPIs 层面、一般披露及关键绩效指标	Description 描述	Compliance level 合规水平	Reference (page) 参考(页次)
Aspect A3: The Environment and Natural Resources 层面 A3：环境及天然资源			
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources 减低发行人对环境及天然资源造成重大影响的政策	Comply 遵守	66
KPI A3.1 关键绩效指标 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them 描述业务活动对环境及天然资源的重大影响及已采取管理有关影响的行动	Comply 遵守	66
Aspect B1: Employment 层面 B1：雇佣			
General Disclosure 一般披露	Information on: 有关薪酬及解雇、招聘及晋升、工作时数、假期、平等机会、多元化、反歧视以及其他待遇及福利的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守对发行人有重大影响的相关法律及规例 relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare 的资料	Comply 遵守	67-68
Aspect B2: Health and Safety 层面 B2：健康与安全			
General Disclosure 一般披露	Information on: 有关提供安全工作环境及保障雇员避免职业性危害的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守对发行人有重大影响的相关法律及规例 relating to providing a safe working environment and protecting employees from occupational hazards 的资料	Comply 遵守	69
Aspect B3: Development and Training 层面 B3：发展及培训			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities 有关提升雇员履行工作职责的知识及技能的政策。描述培训活动	Comply 遵守	69

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Aspects, General Disclosures and KPIs 层面、一般披露及关键绩效指标	Description 描述	Compliance level 合规水平	Reference (page) 参考(页次)
Aspect B4: Labour Standards 层面 B4：劳工准则			
General Disclosure 一般披露	Information on: 有关防止童工或强制劳工的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守对发行人有重大影响的相关法律及规例 relating to preventing child and forced labour 的资料	Comply 遵守	69
Aspect B5: Supply Chain Management 层面 B5：供应链管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain 管理供应链的环境及社会风险政策	Comply 遵守	70-71
Aspect B6: Product Responsibility 层面 B6：产品责任			
General Disclosure 一般披露	Information on: 有关所提供产品和服务的健康与安全、广告、标签及隐私事宜以及补救方法的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守对发行人有重大影响的相关法律及规例 relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress 的资料	Comply 遵守	71
Aspect B7: Anti-corruption 层面 B7：反贪污			
General Disclosure 一般披露	Information on: 有关防止贿赂、勒索、欺诈及洗黑钱的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守对发行人有重大影响的相关法律及规例 relating to bribery, extortion, fraud and money laundering 的资料	Comply 遵守	72
Aspect B8: Community Investment 层面 B8：社区投资			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests 有关以社区参与来了解营运所在社区需要和确保其业务活动会考虑社区利益的政策	Comply 遵守	73

Independent Auditor's Report 独立核数师报告



羅兵咸永道

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

致怡邦行控股有限公司股东
(于开曼群岛注册成立的有限公司)

OPINION

意见

What we have audited

我们已审计的内容

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

怡邦行控股有限公司(以下简称「贵公司」)及其附属公司(以下简称「贵集团」)列载于第88至157页的综合财务报表,包括:

- the consolidated statement of financial position as at 31 March 2018;
 - the consolidated statement of comprehensive income for the year then ended;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated statement of cash flows for the year then ended; and
 - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 于二零一八年三月三十一日的综合财务状况表;
 - 截至该日止年度的合全面收益表;
 - 截至该日止年度的综合权益变动表;
 - 截至该日止年度的综合现金流量表;及
 - 综合财务报表附注,包括主要会计政策概要。

Our opinion

我们的意见

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我们认为,该等综合财务报表已根据香港会计师公会颁布的香港财务报告准则真实而中肯地反映贵集团于二零一八年三月三十一日的综合财务状况,及其截至该日止年度的综合财务表现及综合现金流量,并已遵照香港《公司条例》的披露规定妥为拟备。

BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

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

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

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

意见的基础

我们已根据香港会计师公会颁布的香港审计准则进行审计。我们在该等准则下承担的责任已在本报告「核数师就审计综合财务报表承担的责任」部分中作进一步阐述。

我们相信，我们获得的审计凭证能充足及适当地为我们的意见提供基础。

独立性

根据香港会计师公会颁布的《专业会计师道德守则》（以下简称「守则」），我们独立于 贵集团，并已履行守则中的其他道德责任。

关键审计事项

关键审计事项是根据我们的专业判断，认为对本期综合财务报表的审计最为重要的事项。这些事项是在我们审计整体综合财务报表及出具意见时进行处理的。我们不会对这些事项提供单独的意见。

我们在审计中识别的关键审计事项如下：

- 过时存货拨备
- 应收账款及应收保留账款减值拨备
- 确认合同收益





Independent Auditor's Report 独立核数师报告

KEY AUDIT MATTERS (CONT'D)

Key Audit Matter

Provision for inventory obsolescence

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

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

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

How our audit addressed the Key Audit Matter

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

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

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

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

关键审计事项(续)

关键审计事项

过时存货拨备

关于披露相关会计政策、判断及估计，请参阅综合财务报表附注2.12及4.1。

于二零一八年三月三十一日，贵集团持有存货168百万港元。

于各个期间末，贵集团根据估计售价减销售成本及估计未来销售数量计算可变现净值（「可变现净值」），厘定个别产品估计售价及销售数量时，需要作出重大判断及假设，包括销售同类产品的历史经验、现行市况及其他可得资料。估计亦受因市场趋势、客户需求及流行趋势的未来变动而产生的不确定因素所影响。

我们的审计如何处理关键审计事项

我们了解、评估及测试管理层估计可变现净值的关键控制，并发现评估过程与往年一致。

就于年末存在重大结存的产品而言，我们与管理层讨论并评估估计未来销售的假设，该等假设乃基于(i)于年末接获客户的确认订单；(ii)过去两年的历史销售数据；及(iii)未来销售策略，可能需要对所选产品的历史销售模式作出调整。

我们获得该等解释的证据并利用我们的行业知识评估该等因素的相关性及支持可变现净值估计的证据。我们以抽样形式，测试来自客户的确认订单，以及透过比较个别产品的估计售价及销售数量与年末后的销售数据，测试产品的可变现净值。

基于上述执行的程序，我们认为该等假设属适当。

KEY AUDIT MATTERS (CONT'D)

Key Audit Matter (cont'd)

Impairment of trade and retention receivables

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

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

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

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

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

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

How our audit addressed the Key Audit Matter

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

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

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

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

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

关键审计事项(续)

关键审计事项(续)

应收账款及应收保留款减值

关于披露相关会计政策、判断及估计，请参阅综合财务报表附注2.10及4.2。

于二零一八年三月三十一日，贵集团持有应收账款及应收保留款142百万港元。

贵集团于各报告期末评估有否客观迹象显示一项金融资产或一组金融资产出现减值。

就个别重大的应收账款及应收保留款而言，管理层透过考虑账龄、个别客户的信用以及彼等的付款记录对减值进行估计。

就个别不重大的应收账款及应收保留款而言，管理层透过考虑账龄及贵集团整体坏账历史对减值进行估计。

应收账款及应收保留款的可收回性评估涉及管理层重大判断。该等估计对综合财务报表而言属重大且因未来经济及客户财务状况的变动受不确定因素影响。

我们的审计如何处理关键审计事项

我们了解、评估及测试管理层评估减值的关键控制，并发现评估过程与往年一致。

我们透过检查发票抽样测试应收账款及应收保留款账龄报告的准确性。

我们仔细检查账龄报告并关注已逾期但未作出减值拨备的应收款。我们与管理层讨论结余的可收回性。倘结算乃由债务人于年末后作出，则我们透过检查银行收据记录抽样测试结算。

就个别重大的逾期应收款，我们透过检查客户与贵集团之间的通信及过往付款记录进一步证实管理层的解释。

基于所执行的程序，我们认为管理层就可收回性评估所采纳的判断属合理。



Independent Auditor's Report 独立核数师报告

KEY AUDIT MATTERS (CONT'D)

Key Audit Matter (cont'd)

Recognition of contract revenue

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

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

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

How our audit addressed the Key Audit Matter

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

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

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

OTHER INFORMATION

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

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

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

关键审计事项(续)

关键审计事项(续)

确认合同收益

关于披露相关会计政策、判断及估计，请参阅综合财务报表附注2.22(b)及4.3。

截至二零一八年三月三十一日止年度，工程合同收益为72百万港元。

收益及毛利率乃根据个别合同的完工阶段确认，金额乃参考经独立测量之已执行的工作或合同工作的实际完成比例(视乎于工程合同的条款及可得资料而定)。管理层于各期间末评估合同的状态。于各年末，须确认的各进行中的合同的收益金额，对厘定年末完工比例涉及重大判断。

我们的审计如何处理关键审计事项

我们了解、评估及测试管理层根据完工百分比法确认合同收益的关键控制，并发现评估过程与往年一致。

我们选择属个别重大且进行中的项目，不论于年内已确认收益或于年末未确认收益。我们透过检查合同(如合同金额、条款及条件)、内部进程报告以及外部证据(如测量师报告)评估该等进行中项目的完工阶段。

基于所执行的程序，我们认为管理层就作出的估计属合理。

其他信息

贵公司董事须对其他信息负责。其他信息包括年报内的所有信息，但不包括综合财务报表及我们的核数师报告。

我们对综合财务报表的意见并不涵盖其他信息，我们亦不对该等其他信息发表任何形式的鉴证结论。

就我们对综合财务报表的审计，我们的责任是细阅其他信息，在此过程中，考虑其他信息是否与综合财务报表或我们在审计过程中所了解的情况存在重大抵触或者似乎存在重大错误陈述的情况。

OTHER INFORMATION (CONT'D)

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

其他信息(续)

基于我们已执行的工作，如果我们认为其他信息存在重大错误陈述，我们需要报告该事实。在这方面，我们没有任何报告。

董事及审核委员会就综合财务报表须承担的责任

贵公司董事须负责根据香港会计师公会颁布的香港财务报告准则及香港《公司条例》的披露规定拟备真实而中肯的综合财务报表，并对其认为为使综合财务报表的拟备不存在由于欺诈或错误而导致的重大错误陈述所需的内部控制负责。

在拟备综合财务报表时，董事负责评估 贵集团持续经营的能力，并在适用情况下披露与持续经营有关的事项，以及使用持续经营为会计基础，除非董事有意将 贵集团清盘或停止经营，或别无其他实际的替代方案。

审核委员会须负责监督 贵集团的财务报告过程。

核数师就审计综合财务报表承担的责任

我们的目标，是对综合财务报表整体是否不存在由于欺诈或错误而导致的重大错误陈述取得合理保证，并出具包括我们意见的核数师报告。我们仅向 阁下（作为整体）报告我们的意见，除此之外本报告别无其他目的。我们不会就本报告的内容向任何其他人士负上或承担任何责任。合理保证是高水平的保证，但不能保证按照香港审计准则进行的审计，在某一重大错误陈述存在时总能发现。错误陈述可以由欺诈或错误引起，如果合理预期它们单独或汇总起来可能影响综合财务报表使用者依赖综合财务报表所作出的经济决定，则有关的错误陈述可被视为重大。

Independent Auditor's Report 独立核数师报告

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

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

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

核数师就审计综合财务报表承担的责任 (续)

在根据香港审计准则进行审计的过程中，我们运用了专业判断，保持了专业怀疑态度。我们亦：

- 识别及评估由于欺诈或错误而导致综合财务报表存在重大错误陈述的风险，设计及执行审计程序以应对这些风险，以及获取充足及适当的审计凭证，作为我们意见的基础。由于欺诈可能涉及串谋、伪造、蓄意遗漏、虚假陈述、或凌驾于内部控制之上，因此未能发现因欺诈而导致的重大错误陈述的风险高于未能发现因错误而导致的重大错误陈述的风险。
- 了解与审计相关的内部控制，以设计适当的审计程序，但目的并非对 贵集团内部控制的有效性发表意见。
- 评价董事所采用会计政策的恰当性及作出会计估计及相关披露的合理性。
- 对董事采用持续经营会计基础的恰当性作出结论。根据所获取的审计凭证，确定是否存在与事项或情况有关的重大不确定性，从而可能导致对 贵集团的持续经营能力产生重大疑虑。如果我们认为存在重大不确定性，则有必要在核数师报告中提请使用者注意综合财务报表中的相关披露。假若有关的披露不足，则我们应当发表非无保留意见。我们的结论是基于核数师报告日止所取得的审计凭证。然而，未来事项或情况可能导致 贵集团不能持续经营。
- 评价综合财务报表的整体列报方式、结构及内容，包括披露，以及综合财务报表是否中肯反映相关交易及事项。



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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Cheng Lap Yam.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 June 2018

核数师就审计综合财务报表承担的责任
(续)

- 就 贵集团内实体或业务活动的财务信息获取充足、适当的审计凭证，以便对综合财务报表发表意见。我们负责 贵集团审计的方向、监督及执行。我们为审计意见承担全部责任。

除其他事项外，我们与审核委员会沟通了计划的审计范围、时间安排、重大审计发现等，包括我们在审计中识别出内部控制的任何重大缺陷。

我们还向审核委员会提交声明，说明我们已符合有关独立性的相关道德要求，并与他们沟通有可能合理地被认为会影响我们独立性的所有关系及其他事项，以及在适用的情况下，相关的防范措施。

从与审核委员会沟通的事项中，我们确定哪些事项对本期综合财务报表的审计最为重要，因而构成关键审计事项。我们在核数师报告中描述这些事项，除非法律法规不允许公开披露这些事项，或在极端罕见的情况下，如果合理预期在我们报告中沟通某事项造成的负面后果超过产生的公众利益，我们决定不应在报告中沟通该事项。

出具本独核数师报告的审计项目合夥人是郑立钦。

罗兵咸永道会计师事务所
执业会计师

香港，二零一八年六月二十七日



Consolidated Statement of Comprehensive Income 综合全面收益表

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

		Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益	5	584,720	505,981
Cost of sales	销售成本	9	(345,419)	(294,542)
Gross profit	毛利		239,301	211,439
Other income	其他收入	6	994	996
Other gains, net	其他收益，净额	7	117	5,124
Distribution costs	分销成本	9	(109,134)	(97,091)
Administrative expenses	行政开支	9	(76,898)	(69,679)
Operating profit	经营溢利		54,380	50,789
Finance income	财务收益		99	619
Finance costs	财务费用		(897)	(1,005)
Finance costs, net	财务费用，净额	10	(798)	(386)
Profit before income tax	除所得税前溢利		53,582	50,403
Income tax expense	所得税开支	13	(9,388)	(8,096)
Profit for the year attributable to equity holders of the Company	本公司所有者应占年度溢利		44,194	42,307
Other comprehensive income	其他全面收益			
<i>Items that may be subsequently reclassified to profit or loss</i>	<i>其后可能重新分类至损益的项目</i>			
Exchange gain/(loss) on translation of financial statements of foreign operations	换算海外业务财务报表之汇兑收益／(亏损)		2,884	(1,734)
<i>Items that will not be reclassified subsequently to profit or loss</i>	<i>其后不会重新分类至损益的项目</i>			
Surplus on revaluation of properties held for own use	持作自用物业重估盈餘	16	25,497	20,966
Tax effect relating to revaluation of properties held for own use	有关重估持作自用物业之税项影响	25	(4,207)	(3,459)

Consolidated Statement of Comprehensive Income 综合全面收益表

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

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other comprehensive income for the year, net of tax	年度其他全面收益， 除税后		24,174	15,773
Total comprehensive income for the year attributable to equity holders of the Company	本公司所有者应占年度 全面收益合计		68,368	58,080
Earnings per share (expressed in HK cents per share)	每股溢利(以每股港仙为单位)			
— Basic and diluted	— 基本及摊薄	15	7.36 cents 港仙	7.04 cents 港仙

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157页之附注为此等综合财务报表一部分。

Consolidated Statement of Financial Position 综合财务状况表

As at 31 March 2018 于二零一八年三月三十一日

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
ASSETS	资产			
Non-current assets	非流动资产			
Property, plant and equipment	物业、厂房及设备	16	189,735	165,666
Investment properties	投资物业	17	36,100	32,700
Deferred income tax assets	递延所得税资产	25	4,491	2,618
Trade, retention and other receivables	应收账款、应收保留款及 其他应收款	20	18,070	10,418
			<u>248,396</u>	<u>211,402</u>
Current assets	流动资产			
Inventories	存货	19	168,497	146,058
Current income tax recoverable	可收回本期所得税		1,973	6,131
Trade, retention and other receivables	应收账款、应收保留款及 其他应收款	20	171,780	136,587
Restricted cash	受限制现金	21	3,008	2,981
Cash and cash equivalents	现金及现金等价物	22	62,357	79,706
			<u>407,615</u>	<u>371,463</u>
Total assets	总资产		<u>656,011</u>	<u>582,865</u>
EQUITY	权益			
Equity attributable to equity holders of the Company	本公司所有者应占权益			
Share capital	股本	26	60,060	60,060
Reserves	储备	27	419,151	371,804
Total equity	总权益		<u>479,211</u>	<u>431,864</u>

Consolidated Statement of Financial Position 综合财务状况表

As at 31 March 2018 于二零一八年三月三十一日

		Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
LIABILITIES	负债			
Current liabilities	流动负债			
Trade and other payables	应付账款及其他应付款	23	51,300	43,041
Receipts in advance	预收款项		51,328	47,175
Borrowings	借款	24	41,382	38,115
Current income tax liabilities	本期所得税负债		7,392	3,252
			<u>151,402</u>	<u>131,583</u>
Non-current liabilities	非流动负债			
Other provision	其他拨备		2,500	—
Deferred income tax liabilities	递延所得税负债	25	22,898	19,418
			<u>25,398</u>	<u>19,418</u>
Total liabilities	总负债		<u>176,800</u>	<u>151,001</u>
Total equity and liabilities	总权益及负债		<u>656,011</u>	<u>582,865</u>

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

第88至157页的综合财务报表已经董事会于二零一八年六月二十七日批准，并由下列董事代表签署。

TSE Sun Fat, Henry
谢新法
Director
董事

TSE Sun Po, Tony
谢新宝
Director
董事

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

第95至157页之附注为此等综合财务报表一部分。

Consolidated Statement of Changes in Equity 综合权益变动表

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

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢价 HK\$'000 千港元	Revaluation reserve 重估储备 HK\$'000 千港元	Merger reserve 合并储备 HK\$'000 千港元	Capital reserve 资本储备 HK\$'000 千港元	Exchange reserve 汇兑储备 HK\$'000 千港元	Statutory reserve 法定储备 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合计 HK\$'000 千港元
At 1 April 2016	于二零一六年四月一日	30,030	31,231	105,340	6,979	2,896	1,308	2,171	244,880	424,835
Profit for the year	年度溢利	–	–	–	–	–	–	–	42,307	42,307
Other comprehensive income	其他全面收益									
Exchange loss on translation of financial statements of foreign operations	换算海外业务财务报表 之汇兑亏损	–	–	–	–	–	(1,734)	–	–	(1,734)
Surplus on revaluation of properties held for own use	持作自用物业重估收益	–	–	20,966	–	–	–	–	–	20,966
Tax effect relating to revaluation of properties held for own use	有关重估自用物业 之税项影响	–	–	(3,459)	–	–	–	–	–	(3,459)
Total comprehensive income	全面收益合计	–	–	17,507	–	–	(1,734)	–	42,307	58,080
Issue of bonus shares (note 26)	红股发行(附注26)	30,030	(30,030)	–	–	–	–	–	–	–
Dividends (note 14(a))	股息(附注14(a))	–	–	–	–	–	–	–	(51,051)	(51,051)
Appropriation to statutory reserve (note 27)	法定储备分配(附注27)	–	–	–	–	–	–	(43)	43	–
Transactions with owners	与所有者之交易	30,030	(30,030)	–	–	–	–	(43)	(51,008)	(51,051)
At 31 March 2017	于二零一七年三月三十一日	60,060	1,201	122,847	6,979	2,896	(426)	2,128	236,179	431,864

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157页之附注为此等综合财务报表一部分。

Consolidated Statement of Changes in Equity 综合权益变动表

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

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢价 HK\$'000 千港元	Revaluation reserve 重估储备 HK\$'000 千港元	Merger reserve 合并储备 HK\$'000 千港元	Capital reserve 资本储备 HK\$'000 千港元	Exchange reserve 汇兑储备 HK\$'000 千港元	Statutory reserve 法定储备 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合计 HK\$'000 千港元
At 1 April 2017	于二零一七年四月一日	60,060	1,201	122,847	6,979	2,896	(426)	2,128	236,179	431,864
Profit for the year	年度溢利	-	-	-	-	-	-	-	44,194	44,194
Other comprehensive income	其他全面收益									
Exchange gain on translation of financial statements of foreign operations	换算海外业务财务报表 之汇兑收益	-	-	-	-	-	2,884	-	-	2,884
Surplus on revaluation of properties held for own use	持作自用物业重估收益	-	-	25,497	-	-	-	-	-	25,497
Tax effect relating to revaluation of properties held for own use	有关重估自用物业 之税项影响	-	-	(4,207)	-	-	-	-	-	(4,207)
Total comprehensive income	全面收益合计	-	-	21,290	-	-	2,884	-	44,194	68,368
Dividends (note 14(a))	股息(附注14(a))	-	-	-	-	-	-	-	(21,021)	(21,021)
Appropriation to statutory reserve (note 27)	法定储备分配(附注27)	-	-	-	-	-	-	27	(27)	-
Transactions with owners	与所有者之交易	-	-	-	-	-	-	27	(21,048)	(21,021)
At 31 March 2018	于二零一八年三月三十一日	60,060	1,201	144,137	6,979	2,896	2,458	2,155	259,325	479,211

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157页之附注为此等综合财务报表一部分。

Consolidated Statement of Cash Flows 综合现金流量表

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附注			
Cash flows from operating activities		经营活动之现金流量		
Cash generated from operations	28(a)	经营产生之现金	11,741	44,606
Income tax paid		已付所得税	(3,753)	(12,064)
Net cash generated from operating activities		经营活动产生净现金	7,988	32,542
Cash flows from investing activities		投资活动之现金流量		
Payment for settlement of forward contracts		远期合约交割付款	—	(584)
Purchase of property, plant and equipment		购买物业、厂房及设备	(8,446)	(6,586)
Interest received		已收利息	56	44
Net cash used in investing activities		投资活动所用净现金	(8,390)	(7,126)
Cash flows from financing activities		融资活动之现金流量		
Proceeds from borrowings	28(c)	借款所得款项	6,112	12,151
Repayments of borrowings	28(c)	偿还借款	(15,675)	(21,464)
Interest paid on bank borrowings		已付银行借款利息	(897)	(1,005)
Proceeds from/(repayment of) trust receipt loans	28(c)	信托收据贷款之所得款项/(还款)	12,830	(11,423)
Increase in restricted cash		受限制现金增加	(27)	(15)
Dividends paid		已付股息	(21,021)	(51,051)
Net cash used in financing activities		融资活动所用净现金	(18,678)	(72,807)
Net decrease in cash and cash equivalents		现金及现金等价物净减少	(19,080)	(47,391)
Cash and cash equivalents at beginning of the year		年初现金及现金等价物	79,706	127,781
Exchange gain/(loss) on cash and cash equivalents		现金及现金等价物汇兑收益/(亏损)	1,731	(684)
Cash and cash equivalents at end of the year	22	年终现金及现金等价物	62,357	79,706

The notes on pages 95 to 157 are an integral part of these consolidated financial statements. 第95至157页之附注为此等综合财务报表一部分。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

1 GENERAL INFORMATION

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

1 一般资料

怡邦行控股有限公司(「本公司」)为于开曼群岛注册成立之有限责任公司，其注册办事处地址为 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands 及其主要营业地点为香港铜锣湾礼顿道33号第一商业大厦16至18楼。其股份于香港联合交易所有限公司(「联交所」)之主板上市。

本公司的主要业务为投资控股。其附属公司主要于香港及中华人民共和国(「中国」)从事进口、批发、零售及安装建筑五金、卫浴、厨房设备及家俬。

除另有说明外，该等综合财务报表以港元呈列。该等综合财务报表已于二零一八年六月二十七日获董事会批准刊发。

2 主要会计政策概要

编制该等综合财务报表所采用主要会计政策载列如下。除另有说明外，该等政策于所有呈报年度贯彻采用。

2.1 编制基准

怡邦行控股有限公司之综合财务报表乃根据所有适用香港财务报告准则(「香港财务报告准则」)编制。本综合财务报表依据历史成本常规法编制，并已就持作自用租赁土地及楼宇及投资物业之重估作出调整，按其公允价值列账。



Notes to the Consolidated Financial Statements 综合财务报表附注

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

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

Amendment to HKAS 7 Disclosure initiative

Amendment to HKAS 12 Recognition of deferred tax assets for unrealised losses

Amendment to HKFRS 12 Disclosure of interest in other entities

2 主要会计政策概要(续)

2.1 编制基准(续)

根据香港财务报告准则编制财务报表须使用若干重要会计估计，亦须管理层在应用本集团会计政策时行使其判断。涉及高度判断或复杂性，或其假设及估计对综合财务报表而言属重大之范围，于附注4中披露。

- (a) 下列各项新准则及准则修订本乃强制规定于二零一七年一月一日或之后开始之财政年度首次采纳，惟并无对本集团的业绩及财务状况造成重大影响或目前不适用于本集团：

香港会计准则 第7号修订本	披露方法
香港会计准则 第12号修订本	确认未变现 亏损之递延 税项资产
香港财务报告 准则第12号 修订本	披露于其他 实体之权益

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

2 主要会计政策概要(续)

2.1 编制基准(续)

- (b) 已颁布惟于二零一八年一月一日或之后开始之财政年度尚未生效且并无提早采纳之新准则、准则修订本及诠释：

		Effective for annual periods beginning on or after 于下列日期或之后 开始之年度期间生效
Amendment to HKAS 19 香港会计准则第19号修订本	Employee benefits 雇员福利	1 January 2019 二零一九年一月一日
Amendment to HKAS 28 香港会计准则第28号修订本	Investments in associates and joint ventures 于联营公司及合营公司的投资	1 January 2018 二零一八年一月一日
Amendment to HKAS 40 香港会计准则第40号修订本	Transfers of investment property 投资物业的转让	1 January 2018 二零一八年一月一日
Amendment to HKFRS 1 香港财务报告准则第1号修订本	First time adoption of HKFRS 首次采纳香港财务报告准则	1 January 2018 二零一八年一月一日
Amendment to HKFRS 2 香港财务报告准则第2号修订本	Classification and measurement of share-based payment transactions 以股份为基础的付款交易分类及计量	1 January 2018 二零一八年一月一日
Amendment to HKFRS 4 香港财务报告准则第4号修订本	Applying HKFRS 9 financial instruments with HKFRS 4 insurance contracts 应用香港财务报告准则第9号金融工具 于香港财务报告准则第4号保险合同	1 January 2018 二零一八年一月一日
HKFRS 9 香港财务报告准则第9号	Financial instruments 金融工具	1 January 2018 二零一八年一月一日
Amendments to HKFRS 10 and HKAS 28 香港财务报告准则第10号及 香港会计准则第28号修订本	Sale or contribution of assets between an investor and its associate or joint venture 投资者与其联营公司或合营公司之间的资产出售及注资	To be determined 尚待厘定
HKFRS 15 香港财务报告准则第15号	Revenue from contracts with customers 来自客户合约的收益	1 January 2018 二零一八年一月一日
HKFRS 16 香港财务报告准则第16号	Leases 租赁	1 January 2019 二零一九年一月一日
HKFRS 17 香港财务报告准则第17号	Insurance contracts 保险合同	1 January 2021 二零二一年一月一日
Amendments to HKFRSs 香港财务报告准则修订本	Annual improvement to HKFRSs 2015-2017 cycle 香港财务报告准则二零一五年至二零一七年周期之年度改进	1 January 2018 二零一八年一月一日
HK(IFRIC)22 香港(国际财务报告诠释委员会) — 注释第22号	Foreign currency transactions and advance consideration 外币交易及预支代价	1 January 2018 二零一八年一月一日
HK(IFRIC)23 香港(国际财务报告诠释委员会) — 注释第23号	Uncertainty over income tax treatments 所得税处理之不确定性	1 January 2019 二零一九年一月一日

Notes to the Consolidated Financial Statements 综合财务报表附注

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) (cont'd)

Notes:

- (i) HKFRS 9 "Financial Instruments"

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

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

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

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

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

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

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

2 主要会计政策概要(续)

2.1 编制基准(续)

(b) (续)

附注:

- (i) 香港财务报告准则第9号「金融工具」

新准则规定了金融资产和金融负债的分类、计量及终止确认，并引入新的对冲会计规则及新的金融资产减值模式。

本集团已审阅其金融资产及负债并预期于二零一八年一月一日采纳新订准则将产生下列影响：

本集团目前按摊销成本计量的金融资产将采纳香港财务报告准则第9号并继续其分类及计量。

由于新规定仅影响指定为透过损益按公允价值之金融负债，而本集团并不持有任何该等负债，因此，本集团金融负债之会计处理将不会受影响。终止确认之规则乃自香港会计准则第39号金融工具：确认及计量且并无变动。

新减值模型规定以预期信贷亏损来计算，而非按香港会计准则第39号以已产生信贷亏损确认减值拨备计算。该规定适用于按摊销成本分类之金融资产、按公允价值计算之债务工具所产生的其他全面收益、香港财务报告准则第15号「来自客户合约的收益」项下之合约资产、应收租金、贷款承担及若干财务担保合约。根据迄今进行的评估，本集团预期应收账款之减值拨备不会有大幅变动。

新订准则亦引入延伸的披露规定及呈列方式变动。该等规定及变动预期将改变本集团有关其金融工具披露之性质及程度，尤其是于采纳新订准则之年度。

预期采纳香港财务报告准则第9号对本集团财务业绩及状况并无重大影响。本集团拟于二零一八年四月一日开始之财政年度采纳该准则。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) (cont'd)

Notes: (cont'd)

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

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

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

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

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

2 主要会计政策概要(续)

2.1 编制基准(续)

(b) (续)

附注：(续)

- (ii) 香港财务报告准则第15号「来自客户合约的收益」

新订准则设立一个确认收益的架构。框架之主要原则为实体应确认收益，以说明实体按反映交换商品及服务预期所得代价之金额向客户转让所承诺商品或服务。香港财务报告准则第15号取代现有收益确认指引，包括香港会计准则第18号「收益」、香港会计准则第11号「建筑合约」及相关诠释。

香港财务报告准则第15号制定确认收益之五个步骤：(1)识别与客户所订立之合约；(2)识别合约之履约责任；(3)厘定交易价格；(4)分配交易价格至各履约责任；及(5)于履行各履约责任时确认收益。

香港财务报告准则第15号包括与可能改变目前根据香港财务报告准则采取之方式之特定收益相关事宜之特定指引。有关准则亦显著加强有关收益之质量及数量披露。

此准则容许全面追溯采纳或经修改追溯方式采纳。本集团现正透过识别与客户合约中的履行责任及交易价格的分配评估采纳香港财务报告准则第15号对本集团综合财务报表的影响。本集团尚未能确定采纳此准则会否对本集团之经营业绩及财务状况造成重大影响。本集团拟透过追溯采纳此准则，首次应用此准则的累计影响于二零一八年四月一日首次应用日期确认。



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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) (cont'd)

Notes: (cont'd)

(iii) HKFRS 16 "Leases"

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

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

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

2 主要会计政策概要(续)

2.1 编制基准(续)

(b) (续)

附注：(续)

(iii) 香港财务报告准则第16号「租赁」

香港财务报告准则第16号为租赁会计处理提供新条文，并将于日后不再允许承租人的若干租赁于资产负债表之外列账。相反，所有长期租赁必须以资产（用于使用权）和租赁负债（用于支付义务）的形式在资产负债表中确认。租赁期限为十二个月或以下的短期租赁和低价值资产租赁免除此类报告义务。因此新准则将导致资产负债表中的使用权资产确认及租赁负债增加。在利润表中，折旧及利息将取代租赁开支。

该准则将初步影响本集团对经营租赁之会计处理。于二零一八年三月三十一日，本集团的不可撤销经营租赁承担为165,581,000港元。采纳香港财务报告准则第16号后，大部分经营租赁承担将于综合资产负债表确认为租赁负债及使用权资产。其后租赁负债将按摊销成本计量，使用权资产将于租赁期内按直线法折旧。本集团拟于二零一九年四月一日开始之财政年度采纳准则。

管理层正评估其他新准则、诠释及修订本之影响，惟现阶段未能确定采纳此等新准则、诠释及修订本会否对本集团之经营业绩及财务状况造成重大影响。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Subsidiaries

2.2.1 Consolidation

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

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

2.2.2 Separate financial statements

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

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

2 主要会计政策概要(续)

2.2 附属公司

2.2.1 综合账目

附属公司为本集团对其拥有控制权之实体(包括结构实体)。当本集团透过参与实体之业务而承担或有权享有可变回报；及有能力透过对实体运用权力而影响该等回报，本集团即可控制实体。附属公司自控制权转移至本集团当日综合入账，并自终止控制当日不再综合入账。

集团内公司间之交易、结余及集团内公司间交易之未变现收益予以对销。未变现亏损亦予以对销。如有需要，附属公司呈报之金额已作出调整，以与本集团之会计政策一致。

2.2.2 独立财务报表

附属公司投资按成本扣除减值列账。成本亦包括投资之直接应占成本。附属公司之业绩由本公司按已收及应收股息入账。

如股息超过宣派股息期内附属公司之全面收益总额，或如在独立财务报表之投资账面值超过综合财务报表中投资对象资产净值(包括商誉)之账面值，则必须于收取来自该等投资之股息时对附属公司投资作减值测试。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Segment reporting

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

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

2 主要会计政策概要(续)

2.3 分部报告

经营分部按照向首席经营决策者提供内部报告贯彻一致之方式报告。首席经营决策者被认定为作出策略性决定之执行董事，负责分配资源及评估经营分部之表现。

2.4 外币换算

(a) 功能及呈列货币

本集团每个实体之财务报表所列项目均以该实体经营所在主要经济环境之货币计量(「功能货币」)。综合财务报表以港元呈列，港元为本公司功能货币及本集团呈列货币。

(b) 交易及结余

外币交易采用交易或项目重新计量之估值日期之汇率换算为功能货币。结算此等交易产生之汇兑收益及亏损以及将以外币计值之货币资产及负债以年终汇率换算产生之汇兑收益及亏损在损益内确认。

所有汇兑收益及亏损均于综合全面收益表内「其他收益，净额」呈列。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Foreign currency translation (cont'd)

(c) Group companies

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

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

2.5 Property, plant and equipment

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

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

2 主要会计政策概要(续)

2.4 外币换算(续)

(c) 集团公司

功能货币与呈列货币不同之所有集团内实体(当中没有恶性通货膨胀经济之货币)之业绩及财务状况按以下方法换算为呈列货币:

- (i) 每份呈列之财务状况表内之资产及负债按该财务状况表日期之收市汇率换算;
- (ii) 每份综合全面收益表内之收益及开支按平均汇率换算(除非此汇率并不代表交易日期汇率之累计影响之合理约数;在此情况下,收益及开支则按交易日期之汇率换算);及
- (iii) 所有由此产生之汇兑差额在其他全面收益确认。

2.5 物业、厂房及设备

租赁土地与楼宇以重估价值入账。除租赁土地与楼宇外,物业、厂房及设备按成本扣除累计折旧及累计减值亏损入账。

租赁土地与楼宇于综合财务状况表以重估价值(即重估当日之重估价值减该重估后之累计折旧、摊销及累计减值亏损)入账。租赁土地与楼宇得到定期重估,确保其账面值与于报告日之重估价值不会产生重大差异。





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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment (cont'd)

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

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

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

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

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

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

2 主要会计政策概要(续)

2.5 物业、厂房及设备(续)

重估租赁土地与楼宇产生之重估增加将拨入重估储备，惟倘拨回同一资产于早前确认为开支之重估减值，则该增加将拨入损益内，惟以早前扣除之减值为限。重估资产产生之账面净值减值，倘超过重估储备内就该资产先前重估之结余(如有)，则当作开支扣减。

历史成本包括购买该等项目直接应占之开支。后续成本仅于可能为本集团带来与该项目有关之未来经济利益，而该项目之成本能可靠计量时，方计入资产之账面值或确认为一项单独资产(如适用)。已更换零件之账面值已在账上移除。所有其他维修费用在产生之财政期间于损益支销。

物业、厂房及设备之折旧乃按估计可使用年期将其成本或重估价值以直线法分摊计算如下：

租赁土地	未到期之租赁年期或50年(以较短者为准)
租赁物业装修	租赁年期或5年(以较短者为准)
家俬、装置及设备	20%
汽车	20%

资产可使用年期于各报告期末进行检讨及修正(如适用)。

若资产之账面值高于其估计可收回金额，其账面值即时撇减至可收回金额。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment (cont'd)

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

2.6 Investment property

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

2.7 Impairment of non-financial assets

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

2 主要会计政策概要(续)

2.5 物业、厂房及设备(续)

出售之收益及亏损按所得款与账面值之差额厘定，并在损益内确认。于出售重估资产时，就先前估值变现之资产重估储备之相关部分作为储备变动转入保留溢利。

2.6 投资物业

投资物业主要包括租赁土地及楼宇，持作长期收取租金或资本增值或两者，且并非由本集团占用。投资物业初步按成本计量，包括相关交易成本及(倘适用)借贷成本。初步确认后，投资物业按公允价值列账，相当于外部估值师于各报告日期厘定的公开市值。公允价值按活跃市价厘定，倘有需要，会就指定资产于性质、地点或状况三方面之任何差异作出调整。公允价值变动于损益内「其他收益，净额」入账。

2.7 非金融资产减值

使用寿命无限之资产毋须摊销，但每年须进行减值测试。须作摊销之资产，当有事件出现或情况改变显示账面值可能无法收回时进行减值检讨。减值亏损按资产之账面值超出其可收回金额之差额确认。可收回金额以资产之公允价值扣除销售成本及使用价值两者之间较高者为准。于评估减值时，资产按可分开辨认现金流量(现金产出单位)之最低层次归类。除商誉外，已出现减值之非金融资产于各报告日均就拨回减值之可能性进行检讨。



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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial assets

2.8.1 Classification

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

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

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

(b) *Loans and receivables*

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

2 主要会计政策概要(续)

2.8 金融资产

2.8.1 分类

本集团将其金融资产分为按公允价值计入损益和贷款及应收款。上述分类乃按收购金融资产之目的而定。管理层于金融资产首次确认时作出分类。

(a) *按公允价值计入损益之金融资产*

按公允价值计入损益之金融资产乃持作买卖的金融资产。倘金融资产的主要收购目的是作短期出售，则该金融资产被归入此类别。衍生工具亦分类为持作买卖，除非其指定作对冲用途。如预期于12个月内结算，则此类别的资产分类为流动资产，否则将分类为非流动资产。

(b) *贷款及应收款*

贷款及应收款指有固定或可厘定付款金额及并无在活跃市场报价之非衍生金融资产。该等项目均列入流动资产，惟会于或预期将于报告期末起计超逾12个月方始偿付之款项除外，有关项目将分类为非流动资产。本集团之贷款及应收款由综合财务状况表「应收账款、应收保留款及其他应收款」、「受限制现金」与「现金及现金等价物」组成。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial assets (cont'd)

2.8.2 Recognition and measurement

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

2.9 Offsetting financial instruments

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

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

2 主要会计政策概要(续)

2.8 金融资产(续)

2.8.2 确认及计量

一般之金融资产买卖于本集团承诺购买或出售该资产之交易日确认。按公允价值计入损益之金融资产初步按公允价值确认，而交易成本于损益支销。投资于收取现金流量之权利已届满或已转让，及本集团已将拥有权所涉之大部份风险与回报转移时取消确认。贷款及应收款其后利用实际利率法计算，并以摊销成本入账。

2.9 抵销金融工具

当有法定可执行权力可抵销已确认金额，并有意按净额基准结算或同时变现资产及结算负债时，金融资产与负债可互相抵销，并在综合财务状况表报告其净额。

法定可执行权利必须不得依赖未来事件而定，而在一般业务过程中以及倘公司或对手方一旦出现违约、无偿债能力或破产时，这也必须具有约束力。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Impairment of financial assets

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

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

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

2.11 Derivative financial instruments

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

2.12 Inventories

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

2 主要会计政策概要(续)

2.10 金融资产减值

本集团于各报告期末评估有否客观迹象显示一项金融资产或一组金融资产出现减值。只有当存在客观证据证明于初步确认资产后发生一宗或多宗事件导致出现减值(「损失事项」)，而该宗(或该等)损失事项对该项或该组金融资产之估计未来现金流量构成之影响可以合理估计，相关金融资产或金融资产组才算出现减值及产生减值亏损。

对于贷款及应收款类别，亏损金额乃根据资产账面值与按金融资产原实际利率贴现而估计未来现金流量(不包括仍未产生之未来信用损失)之现值两者之差额计量。资产账面值予以削减，而亏损金额则在损益确认。

倘在其后期间，减值亏损数额减少，而此减少可客观联系至减值确认后发生之事件，则之前已确认之减值亏损可在损益确认拨回。

2.11 衍生金融工具

衍生工具于订立衍生工具合约日期按公允价值初步确认，其后按其公允价值重新计量。重新计量公允价值的相关收益或亏损即时于损益「其他收益，净额」确认。

2.12 存货

存货按成本与可变现净值两者中之较低者入账。成本采用先进先出法计算。可变现净值为在日常业务过程中之估计销售价，减适用的变动销售开支。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Trade, retention and other receivables

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

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

2.14 Cash and cash equivalents

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

2.15 Share capital

Ordinary shares are classified as equity.

2.16 Trade and other payables

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

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

2 主要会计政策概要(续)

2.13 应收账款、应收保留款及其他应收款

应收账款及应收保留款为在日常业务过程中就销售商品或履行服务而应收客户之款项。如应收账款、应收保留款及其他应收款预期在一年或以内(或倘时间更长, 则于业务之一般营运周期内)收回, 其获分类为流动资产; 否则呈列为非流动资产。

应收账款、应收保留款及其他应收款初步以公允价值确认, 其后利用实际利率法按摊销成本扣除减值拨备计量。

2.14 现金及现金等价物

在综合现金流量表中, 现金及现金等价物包括手头现金及银行通知存款。

2.15 股本

普通股被列为权益。

2.16 应付账款及其他应付款

应付账款为在日常业务过程中向供应商购买商品或服务而应支付之负债。如应付账款及其他应付款之支付日期为一年或以内(或倘时间更长, 则于业务之一般营运周期内), 其获分类为流动负债; 否则呈列为非流动负债。

应付账款初步以公允价值确认, 其后利用实际利息法按摊销成本计量。



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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Borrowings

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

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

2.18 Borrowings costs

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

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

2.19 Current and deferred income tax

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

(a) Current income tax

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

2 主要会计政策概要(续)

2.17 借款

借款初步按公允价值并扣除产生之交易费用确认。借款其后按摊销成本列账；所得款(扣除交易成本)与赎回价值之任何差额利用实际利率法于借款期间在损益确认。

除非本集团可无条件将负债之结算递延至报告期末后最少12个月，否则借款分类为流动负债。

2.18 借款成本

直接归属于收购、兴建或生产合资格资产(指必须经一段长时间处理以作其预定用途或销售之资产)之一般及特定借款成本将加入该等资产之成本内，直至资产大致上备妥供其预定用途或销售为止。

所有其他借款成本在产生期间于损益确认。

2.19 本期及递延所得税

本期间之税项支出包括本期及递延所得税。税项在损益确认，惟与在其他全面收益或直接在权益确认之项目有关者则除外。在有关情况下，税项亦分别在其他全面收益或直接在权益中确认。

(a) 本期所得税

本期所得税支出根据本公司及本公司附属公司经营及产生应纳税收入之国家于报告日已颁布或实质上已颁布之税务法例计算。管理层就适用税务法例受诠释所规限之情况定期评估报税表之状况，并在适用情况下根据预期须向税务机关支付之税款计提拨备。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Current and deferred income tax (cont'd)

(b) *Deferred income tax*

Inside basis differences

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

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

Outside basis differences

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

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

(c) *Offsetting*

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

2 主要会计政策概要(续)

2.19 本期及递延所得税(续)

(b) *递延所得税*

内在差异

递延所得税利用负债法确认资产及负债之税基与资产及负债在综合财务报表之账面值之差额而产生之暂时性差异。然而，若递延所得税负债来自对商誉之初步确认，以及若递延所得税来自在交易(不包括业务合并)中对资产或负债之初步确认，而在交易时不影响会计损益或应课税损益，则不予确认或入账。递延所得税采用在资产负债表日前已颁布或实质上已颁布，并在相关递延所得税资产变现或递延所得税负债结算时预期将会适用之税率(及法例)而厘定。

递延所得税资产仅于很可能有未来应课税溢利可抵销暂时性差异时确认。

外在差异

由于本集团可以控制暂时性差异之拨回时间，且暂时性差异在可预见将来可能不会拨回，故并不会就于附属公司之投资而产生之暂时差异计提递延所得税负债。

递延所得税资产仅于很可能有未来应课税溢利可抵销暂时性差异时确认。

(c) *抵销*

当有法定可执行权力将本期税项资产与本期税项负债抵销，且递延所得税资产及负债涉及由同一税务机关对应课税实体或不同应课税实体但有意向以净额基准结算所得税结馀时，则可将递延所得税资产与负债互相抵销。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Employee benefits

Pension obligations

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

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

2.21 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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

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

2 主要会计政策概要(续)

2.20 员工福利

退休金责任

界定供款计划是本集团向一个单独实体支付定额供款之退休计划。若该基金并无持有足够资产向所有员工就其在本期及以往期间之服务支付福利，本集团亦无法定或推定义务支付进一步供款。界定受益计划为非界定供款计划之退休计划。

就界定供款计划而言，本集团以强制性、合同性或自愿性方式向公开或私人管理之退休保险计划供款。本集团作出供款后，即无进一步付款义务。供款在应付时确认为员工福利支出。预付供款按照现金退款或可减少未来付款而确认为资产。

2.21 拨备

当本集团因已发生之事件而产生现有之法律或推定义务；很可能需要资源流出以结算该义务；及金额已获可靠估计时，本集团将确认拨备。

倘有多项类似义务，则根据义务之类别全面考虑结算时会否需要有资源流出。即使在同一义务类别所包含任何一个项目相关之资源流出之可能性极低，仍须确认拨备。

拨备采用税前利率按预期需结算有关义务之支出现值计量，该利率反映当时市场对金钱时间值及有关义务特定风险之评估。随时间增加之拨备将确认为财务费用。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Revenue recognition

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

(a) Sales of goods

Revenue from sales of goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

(b) Contract revenue

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as cost of sales by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

2 主要会计政策概要(续)

2.22 收益确认

收益按已收或应收代价之公允价值计量，并相当于供应货品之应收款，扣除折扣及退货后列账。当收益之金额能够可靠计量；当未来经济利益很可能流入有关实体；及当本集团每项活动均符合具体条件时（如下文所述），本集团便会确认收益。本集团根据过往记录估计退货情况，并考虑客户类别、交易种类及每项安排之特点。

(a) 销售货品

销售货品之收益在所有权之重大风险及报酬转移时确认，一般与货品送交客户及所有权转移之时间相同。

(b) 合同收益

倘工程合同结果能可靠估算，且合同很大可能产生溢利，合同收益将按工程完工阶段于合同期确认。合同成本经参考合同活动于报告期末之完工阶段确认为销售成本。倘总合同成本有可能超过总合同收益，预期之亏损即时确认为开支。

倘工程合同结果未能可靠估算，合同收益仅按照有可能收回之已产生合同成本确认。

合同工程、索偿及奖励金之变动，就可能与客户协定并能可靠计量之数额计入合同收益。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Revenue recognition (cont'd)

(b) Contract revenue (cont'd)

The Group uses the "percentage-of-completion" method to determine the appropriate amount to recognise in a given period. The stage of completion is determined by using a method that measures reliably the work performed. Depending the terms and information available for individual construction contracts, the Group estimates the stage of completion by reference to either surveys of work performed or the completion of a physical proportion of the contract work.

On the consolidated statement of financial position, the Group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents liability where the opposite is the case.

(c) Rental income

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

(d) Finance income

Finance income is recognised using the effective interest method.

2.23 Leases

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

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 主要会计政策概要(续)

2.22 收益确认(续)

(b) 合同收益(续)

本集团采用「完工百分比法」厘定在既定期间须确认之适当金额。完工阶段乃透过使用可靠计量所进行工程的方法予以厘定。视乎个别工程合同的条款及资料，本集团经参考所进行工程之测量或合同工程的实际完工比例估计完工阶段。

本集团在综合财务状况表报告每份合同之净状况为资产或负债。当已产生之成本加上已确认之溢利(减去已确认之亏损)超过阶段付款，合同将分类为资产，否则当作负债。

(c) 租金收入

投资物业租金收入于租期内按直线基准在损益确认。

(d) 财务收益

财务收益采用实际利率法确认。

2.23 租赁

凡租赁拥有权之绝大部分风险及回报仍归出租人所有之租赁，均列作经营租赁。根据经营租赁支付之款项(扣除自出租人收取之任何奖励后)于租赁期以直线法在损益支销。

2.24 股息分派

向本公司股东分派之股息在股息获本公司股东或董事(如适用)批准之期间，于本集团及本公司之财务报表确认为负债。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from borrowings and interest-bearing bank deposits. Interest-bearing financial assets/liabilities at variable rates expose the Group to cash flow interest rate risk. Interest-bearing financial assets/liabilities at fixed rates expose the Group to fair value interest rate risk.

As at 31 March 2018, if the interest rate had increased/decreased by 50 basis points with all other variables held constant, the Group's profit for the year and retained earnings would increase/decrease by approximately HK\$119,000 (2017: increase/decrease by HK\$222,000). The 50 basis point increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date.

3 财务风险管理

3.1 财务风险因素

本集团面对不同财务风险：市场风险（包括利率风险及外汇风险）、信贷风险及流动资金风险。本集团整体风险管理集中在难以估计之金融市场，并致力减低对本集团财务表现之潜在不利影响。

(a) 利率风险

本集团绝大部分收入及经营现金流量不受市场利率变动之影响。本集团之利率风险来自借贷及有息银行存款。按浮动利率计息之金融资产／负债导致本集团面对现金流量利率风险。按固定利率计息之金融资产／负债则导致本集团面对公允价值利率风险。

于二零一八年三月三十一日，假若利率上浮／下浮50基点，而所有其他变数维持不变，则本集团之年度溢利及保留溢利将增加／减少约119,000港元（二零一七年：增加／减少222,000港元）。50基点之上浮／下浮区间代表管理层评估截至下一年度报告日止之合理可能利率变动。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(b) Foreign currency risk

The Group mainly operates in Hong Kong with most of the sales transactions settled in Hong Kong dollars. However, foreign currencies are required to settle the Group's purchases from overseas suppliers.

To manage their foreign exchange risk arising from certain future commercial transactions and recognised liabilities, entities in the Group use forward contracts, transacted with external financial institutions. Foreign exchange risk arises when future commercial transactions or recognised liabilities are denominated in a currency that is not the entity's functional currency.

At 31 March 2018, if the EURO had weakened/strengthened by 5% against the HKD with all other variables held constant, profit for the year would have been approximately HK\$2,333,000 higher/lower (2017: HK\$1,020,000 higher/lower), respectively, mainly as a result of the foreign exchange gains/losses on translation of EURO denominated cash and bank deposits, trade payables and borrowings.

(c) Credit risk

The Group's credit risk is primarily attributable to bank balances and trade, retention and other receivables. Bank balances are deposited with banks with sound credit rating and the Group considers the credit risk to be insignificant.

The Group trades with recognised and creditworthy third parties only. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

3 财务风险管理(续)

3.1 财务风险因素(续)

(b) 外汇风险

本集团主要于香港营运，故大部分销售交易均以港元结算，但向各海外供应商购货付款时则使用外币。

为管理若干未来商业交易及确认负债所产生的外汇风险，本集团旗下实体与外部财务机构交易时使用远期合约。当未来商业交易或已确认负债以非实体功能货币计值时会产生外汇风险。

在二零一八年三月三十一日，假若欧元兑港元贬值/升值5%，而所有其他变数维持不变，则年度溢利将增加/减少约2,333,000港元(二零一七年：增加/减少1,020,000港元)，主要由于换算以欧元为单位之现金及银行存款、应付账款及借款产生汇兑收益/亏损所致。

(c) 信贷风险

本集团之信贷风险主要由银行结余及应收账款、应收保留款及其他应收款组成。银行结余存放于具有良好信贷评级之银行，故本集团认为信贷风险不大。

本集团只会与知名及信誉良好之第三方交易。在本集团政策内，所有要求信贷额之客户均需进行信贷评估。再者，本集团会持续监视应收款结余，故本集团坏账风险并不重大。



3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Credit risk (cont'd)

The general credit terms allowed range from 30 to 90 days. As at 31 March 2018, the Group does not hold any collateral from customers. 14% (2017: 16%) of the total trade, retention and other receivables was due from the Group's largest customer and 31% (2017: 27%) was due from the five largest customers of the Group as at 31 March 2018.

The maximum exposure to credit risk is represented by the carrying amounts of bank balances, trade, retention and other receivables and derivative financial assets in the consolidated statement of financial position. The Group has no other financial assets carrying significant exposure to credit risk.

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the shorter and longer term.

As at 31 March 2018, the Group held cash and cash equivalents of HK\$62,357,000 (2017: HK\$79,706,000) that are expected to be readily realised to generate cash inflows for managing liquidity risk.

3 财务风险管理(续)

3.1 财务风险因素(续)

(c) 信贷风险(续)

本集团准予之信贷期一般介乎30至90日。于二零一八年三月三十一日，本集团并无持有客户任何抵押。于二零一八年三月三十一日之应收账款、应收保留款及其他应收款中，14%（二零一七年：16%）来自本集团最大客户及31%（二零一七年：27%）来自本集团五大客户。

于综合财务状况表中，最高信贷风险为银行结余、应收账款、应收保留款及其他应收款及衍生金融资产之账面值。本集团并无其他金融资产附带重大信贷风险。

(d) 流动资金风险

本集团定期监察现有及预期之流动资金需求，以确保本集团维持足够现金储备以满足短期及长期流动资金需求。

于二零一八年三月三十一日，本集团持有现金及现金等价物62,357,000港元（二零一七年：79,706,000港元），预期可随时变现产生现金流入以管理流动资金风险。





Notes to the Consolidated Financial Statements 综合财务报表附注

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

3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(d) Liquidity risk (cont'd)

As at 31 March 2018 and 2017, the remaining contractual maturities of the Group's and the Company's financial liabilities, based on undiscounted cash flows, are summarised below:

		Total contractual undiscounted cash flows 总合约 未贴现现金流量 HK\$'000 千港元	Less than 3 months 少于三个月 HK\$'000 千港元	Between 3 months and 1 year 三个月至一年内 HK\$'000 千港元	Between 1 and 2 years 一至两年内 HK\$'000 千港元	Between 2 and 5 years 两至五年内 HK\$'000 千港元	Between Over 5 years 超过五年 HK\$'000 千港元
As at 31 March 2018	于二零一八年三月三十一日						
Trade and other payables	应付账款及其他应付款	51,300	51,300	-	-	-	-
Borrowings (note)	借款(附注)						
— unsecured	— 无抵押	37,089	25,873	11,216	-	-	-
— secured	— 有抵押	4,463	353	1,057	1,409	1,644	-
As at 31 March 2017	于二零一七年三月三十一日						
Trade and other payables	应付账款及其他应付款	43,041	43,041	-	-	-	-
Borrowings (note)	借款(附注)						
— unsecured	— 无抵押	29,359	15,223	14,136	-	-	-
— secured	— 有抵押	9,041	1,420	3,196	1,393	3,032	-

Note: According to Hong Kong Interpretation 5, "Presentation of Financial Statements — Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause", if a term loan agreement includes an overriding repayment on demand clause ("callable feature"), which gives the lender a clear and unambiguous unconditional right to demand repayment at any time at its sole discretion, a borrower shall classify the term loan as a current liability in its balance sheet, as the borrower does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Accordingly the long-term portion of the Group's bank borrowings of HK\$3,007,000 (2017: HK\$4,362,000) were classified as current liabilities in the consolidated statement of financial position as at 31 March 2018.

3 财务风险管理(续)

3.1 财务风险因素(续)

(d) 流动资金风险(续)

于二零一八年及二零一七年三月三十一日，本集团及本公司按照未贴现现金流量之金融负债之余下合同到期日概要如下：

附注：根据香港诠释第5号「财务报表之呈列——借款人对载有应要求偿还条款之有期贷款之分类」，有期贷款协议倘包含凌驾一切之应要求偿还条款（「催缴权」），给予贷款人清晰明确之无条件权利可随时全权酌情要求还款，则借款人应于资产负债表将有关贷款分类为流动负债，原因为借款人并没有无条件权利可将偿还负债之期限递延至报告期间后最少十二个月。因此，于二零一八年三月三十一日，本集团银行借款长期部分为3,007,000港元（二零一七年：4,362,000港元），已于综合财务状况表分类为流动负债。

3 FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Capital management

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

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

Consistent with others in the industry, the Group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt.

As at 31 March 2018 and 2017, the Group had a net cash position. Gearing ratio is not applicable.

3.3 Fair value estimation

The fair values of the Group's financial assets (current portion), including trade, retention and other receivables, restricted cash and cash and cash equivalents; and the Group's financial liabilities, including trade and other payables and borrowings, approximate their carrying amounts due to their short-term maturities.

The Group's leasehold land and buildings classified under property, plant and equipment and investment properties are carried at fair value. Details of the fair value measurement of these leasehold land and buildings are disclosed in note 16 and note 17.

As at 31 March 2018, the Group had no financial instruments carried at fair value.

3 财务风险管理(续)

3.2 资本管理

本集团管理资本之目标为保障本集团能够持续经营，从而继续为股东提供回报、惠及其他持份者以及维持理想之资本架构以减低资本成本。

为维持或调整资本结构，本集团或会调整支付予股东的股息金额、向股东退回资本、发行新股份，或出售资产以减少债务。

本集团根据资产负债比率监控其资本，而此亦符合行业一般政策。此比率按债项净额除以资本总额计算。债项净额则以总借贷减现金及现金等价物计算。资本总额按综合财务状况表所载之「权益」加上债项净额计算。

于二零一八年及二零一七年三月三十一日，本集团呈净现金状况。资产负债比率并不适用。

3.3 公允价值估计

由于本集团金融资产(即期部分)(包括应收账款、应收保留款及其他应收款、受限制现金以及现金及现金等价物)；及本集团金融负债(包括应付账款及其他应付款及借款)于短期内到期，其公允价值与其账面值相若。

本集团分类为物业、厂房及设备以及投资物业之租赁土地及楼宇按公允价值列账。该等租赁土地及楼宇公允价值计量之详情于附注16及17披露。

于二零一八年三月三十一日，本集团并无按公允价值列账之金融工具。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

4.1 Provision for inventory obsolescence

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group evaluates the ageing of inventories, their historical sales pattern, their subsequent utilisation and other factors and compare the carrying value of inventories to their estimated net realisable values. The identification of inventory obsolescence and estimated selling price in the ordinary course of business requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventory and impairment provision in the year in which such estimate has been changed.

4.2 Provision for impairment of trade and retention receivables

The Group's management determines the provision for impairment of trade and retention receivables based on the credit history of its customers and the current market condition. Management reassesses the provision for impairment of trade and retention receivables periodically. Provisions are applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and retention receivables and provision for impairment of trade and retention receivables in the year in which such estimate has been changed.

4 重大会计估计及判断

本集团根据过往经验及其他因素不断评估估计及判断，包括在相信属合理之情况下对未来事件之期望。

本集团对未来作出估算及假设。所得的会计估算顾名思义极少与其实际结果相同。对资产及负债于下一个财政年度之账面值造成重大调整风险之估计及假设如下。

4.1 过时存货拨备

于决定过时及滞销存货所需拨备金额时，本集团会参考存货账龄、出售货物记录、后续运用情况及其他因素，并比较存货之账面值与其估计变现净值。过时存货及在日常业务过程中之预计售价需要作出判断及估计。倘预期与原本估计有差异，此差异将影响估计数值出现变动年内之存货之账面值及减值拨备。

4.2 应收账款及应收保留账款减值拨备

本集团管理层乃基于其客户之信贷记录及现时市况厘定应收账款及应收保留账款减值拨备。管理层定期重新评估应收账款及应收保留账款减值拨备。一旦事件发生或情况改变显示结馥可能无法收回时，则会就应收款作出拨备。倘预期与原本估计有差异，此差异将影响估计数值出现变动年内之应收账款及应收保留账款之账面值及应收账款及应收保留账款减值拨备。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.3 Revenue recognition for construction contracts

The Group uses the percentage-of-completion method in accounting for its construction contracts for sales and installation of kitchen collections, and other construction and decoration works. The stage of completion is determined by reference to independent surveys of work performed or completion of a physical proportion of the contract work. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The Group reviews and revises the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. Budgeted construction income is determined in accordance with the terms set out in the relevant contracts. Budgeted construction costs which mainly comprise sub-contracting charges and costs of materials are prepared by the management on the basis of quotations from time to time provided by major contractors, suppliers or vendors involved and the experience of the management. In order to keep the budget accurate and up-to-date, the Group's management conducts periodic review on the management budgets by comparing the budgeted amounts to the actual amounts incurred.

A considerable amount of judgement is required in estimating the total contract revenue, contract costs, variation orders and contract claims which may have an impact in terms of percentage of completion.

4.4 Valuation of leasehold land and buildings

The best evidence of fair value is the current prices in an active market for similar properties. In making its estimates, the Group considers the information from the valuations of leasehold land and buildings performed by external professional valuers by using the open market value approach. If the Group used different valuation techniques, the fair value of the leasehold land and buildings may be different and thus may have an impact to the consolidated statement of comprehensive income.

4 重大会计估计及判断(续)

4.3 工程合同收益确认

本集团于确认其销售及安装厨房设备以及其他建筑及装修工程之工程合同时采用完工百分比法。完工阶段乃依据已进行工程之独立调查及占合约工程的实际完工比例而厘定。倘总合同成本有可能超过总合同收益，预期之亏损即时确认为开支。本集团于合同进行期间检讨及修订各工程合同之合同收益、合同成本、变更项目及合同索偿估计。预算工程收入乃根据相关合同所载条款而定。预算工程成本主要包括分包费用及材料成本，由管理层按所涉及主要承包商、供应商或卖方不时提供之报价以及管理层之经验而厘定。为维持准确及最新之预算，本集团管理层透过比较预算金额与实际款项定期检讨管理预算。

由于估计总合同收益、合同成本、变更项目及合同索偿时需作出相当程度之判断，故可能影响完工百分比。

4.4 租赁土地及楼宇估值

公允价值之最佳证据为类似物业于活跃市场之当前价格。在作出估计时，本集团考虑由外聘专业估值师以公开市值法就租赁土地及楼宇进行估值之资料。倘本集团采用不同评估方式，则租赁土地及楼宇之公允价值或会不一样，而综合全面收益表或会受影响。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

4.5 Income tax

Deferred income tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised. Significant management judgement is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Management's assessment is regularly reviewed and additional deferred income tax assets are recognised if it becomes probable that future taxable profits will allow the deferred income tax assets to be recovered.

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

5 REVENUE

Sale of goods	货品销售
Contract revenue	合同收益

4 重大会计估计及判断(续)

4.5 所得税

倘很可能有未来应课税溢利以抵销税项亏损，则递延所得税资产将按尚未动用税项亏损确认。厘定可予确认之递延所得税资产数额需要管理层作出重要判断，主要根据时间性、未来应课税溢利及未来税务安排策略厘定。本集团定期审阅管理层之评估，且倘很有可能未来应课税溢利，致使可收回递延所得税资产，则将确认额外递延所得税资产。

本集团须在香港及中国缴纳所得税。于厘定税项拨备时须作出重大判断。大量交易及计算均无法确定最终所得税。倘该等事项之最终税务结果有别于最初记录之金额，则有关差额将影响作出有关决定之期间之所得税及递延所得税拨备。

5 收益

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
512,660	431,552
72,060	74,429
<u>584,720</u>	<u>505,981</u>

6 OTHER INCOME

Rental income
Others

租金收入
其他

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
840	827
154	169
994	996

7 OTHER GAINS, NET

Net foreign exchange (loss)/gain
— Forward contracts
— Other exchange (loss)/gain, net
Fair value gain on investment properties
(note 17)
Loss on disposal of fixed assets

汇兑(亏损)/收益, 净额
— 远期合约
— 其他汇兑(亏损)/收益, 净额
投资物业的公允价值收益(附注17)
出售固定资产亏损

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
—	(1,517)
(1,631)	2,637
3,400	4,300
(1,652)	(296)
117	5,124

8 SEGMENT INFORMATION

The executive directors of the Company (the “Executive Directors”) are the Group’s chief operating decision-makers. Management has determined the operating segments based on the information reviewed by the Executive Directors for the purposes of allocating resources and assessing performance.

The Group’s reportable operating segments are as follows:

- Architectural builders’ hardware, bathroom collections and others segment — importing, wholesale and retail of architectural builders’ hardware and bathroom collections and others
- Kitchen collection and furniture segment — designing, importing, wholesale, retail and installation of kitchen collections and furniture

The measurement policies the Group used for reporting segment results under HKFRS 8 are the same as those used in its consolidated financial statements prepared under HKFRSs.

8 分部资料

本公司执行董事(「执行董事」)为本集团之主要营运决策者。管理层已根据执行董事就分配资源及评估业绩表现所审阅之资料确定经营分部。

本集团之可汇报经营分部如下：

- 建筑五金、卫浴设备及其他分部 — 进口、批发及零售建筑五金、卫浴设备及其他
- 厨房设备及家俬分部 — 设计、进口、批发、零售及安装厨房设备及家俬

本集团用于按香港财务报告准则第8号报告分部业绩之计量政策，与根据香港财务报告准则编制其综合财务报表时所采用之政策一致。



Notes to the Consolidated Financial Statements 综合财务报表附注

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

8 SEGMENT INFORMATION (CONT'D)

The Executive Directors assess the performance of the operating segments based on the measure of gross profit. Other operating income and expenses are not allocated to the operating segments as the information is not regularly reviewed by the Executive Directors.

Segment assets include all assets but exclude current income tax recoverable, deferred income tax assets, investment properties, restricted cash, cash and cash equivalents, property, plant and equipment related to the office premises of the Group and other corporate assets which are managed on central basis and are not directly attributable to the business activities of any operating segment.

Segment liabilities include all liabilities but exclude current and deferred income tax liabilities, borrowings (excluding trust receipt loans) and other corporate liabilities which are managed on central basis and are not directly attributable to the business activities of any operating segment.

8 分部资料(续)

执行董事根据毛利的计量评估经营分部的业绩。由于执行董事并无定期审阅其他经营收益及开支资料，故其他经营收益及开支不获分配至经营分部。

分部资产包括所有资产，但不包括可收回本期所得税、递延所得税资产、投资物业、受限制现金、现金及现金等价物、与本集团的写字楼物业有关的物业、厂房及设备以及其他企业资产，该等资产被集中管理，且并非直接归属于任何营运分部之商业活动。

分部负债包括所有负债，但不包括本期及递延所得税负债、借款(不包括信托收据贷款)及其他企业负债，该等负债被集中管理，且并非直接归属于任何营运分部之商业活动。

		2018 二零一八年		
		Architectural builders' hardware, bathroom collections and others 建筑五金、 卫浴设备 及其他 HK\$'000 千港元	Kitchen collection and furniture 厨房设备 及家私 HK\$'000 千港元	Total 总计 HK\$'000 千港元
Reportable segment revenue from external customers	可汇报之对外客户分部收益	434,565	150,155	584,720
Reportable segment cost of sales	可汇报之分部销售成本	(263,365)	(82,054)	(345,419)
Reportable segment gross profit	可汇报之分部毛利	<u>171,200</u>	<u>68,101</u>	<u>239,301</u>
Depreciation of property, plant and equipment	物业、厂房及设备折旧	(3,511)	(1,627)	(5,138)
Provision for inventory obsolescence	过时存货拨备	(380)	(666)	(1,046)
Write-back of provision for impaired receivables	已减值应收款拨备拨回	233	—	233
Reportable segment assets	可汇报之分部资产	344,428	95,448	439,876
Additions to non-current segment assets during the year	年度内非流动分部资产之添置	1,717	8,642	10,359
Reportable segment liabilities	可汇报之分部负债	<u>67,926</u>	<u>68,626</u>	<u>136,552</u>

8 SEGMENT INFORMATION (CONT'D)

8 分部资料(续)

		2017 二零一七年		
		Architectural builders' hardware, bathroom collections and others 建筑五金、 卫浴设备 及其他 HK\$'000 千港元	Kitchen collection and furniture 厨房设备 及家俬 HK\$'000 千港元	Total 总计 HK\$'000 千港元
Reportable segment revenue from external customers	可汇报之对外客户分部收益	359,071	146,910	505,981
Reportable segment cost of sales	可汇报之分部销售成本	(225,902)	(68,640)	(294,542)
Reportable segment gross profit	可汇报之分部毛利	<u>133,169</u>	<u>78,270</u>	<u>211,439</u>
Depreciation of property, plant and equipment	物业、厂房及设备折旧	(4,186)	(1,932)	(6,118)
Reversal of provision/(provision) for inventory obsolescence	过时存货拨备拨回/(拨备)	2,312	(787)	1,525
Write-back of provision/(provision) for impaired receivables	已减值应收款拨备拨回/(拨备)	4,578	(48)	4,530
Reportable segment assets	可汇报之分部资产	278,631	81,460	360,091
Additions to non-current segment assets during the year	年度内非流动分部资产之添置	5,315	1,765	7,080
Reportable segment liabilities	可汇报之分部负债	<u>67,524</u>	<u>41,288</u>	<u>108,812</u>

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

8 SEGMENT INFORMATION (CONT'D)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

8 分部资料(续)

本集团可汇报之经营分部合计资料与本集团综合财务报表之主要财务数值对账如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Reportable segment gross profit	可汇报之分部毛利	239,301	211,439
Group gross profit	集团毛利	239,301	211,439
Reportable segment assets	可汇报之分部资产	439,876	360,091
Property, plant and equipment	物业、厂房及设备	107,935	98,366
Investment properties	投资物业	36,100	32,700
Deferred income tax assets	递延所得税资产	4,491	2,618
Current income tax recoverable	可收回本期所得税	1,973	6,131
Restricted cash	受限制现金	3,008	2,981
Cash and cash equivalents	现金及现金等价物	62,357	79,706
Other corporate assets	其他企业资产	271	272
Group assets	集团资产	656,011	582,865
Reportable segment liabilities	可汇报之分部负债	136,552	108,812
Borrowings	借款	9,461	19,023
Current income tax liabilities	本期所得税负债	7,392	3,252
Deferred income tax liabilities	递延所得税负债	22,898	19,418
Other corporate liabilities	其他企业负债	497	496
Group liabilities	集团负债	176,800	151,001



8 SEGMENT INFORMATION (CONT'D)

Geographical information

		Revenue from external customers		Non-current assets (excluding financial assets and deferred income tax assets)	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong (domicile)	香港(主要营业地点)	555,626	469,061	223,905	197,667
PRC	中国	29,094	36,920	1,930	699
Total	总计	584,720	505,981	225,835	198,366

The geographical location of customers is determined based on the location at which the goods were delivered. The geographical location of the non-current assets is determined based on the physical location of the assets.

客户地区位置根据交付货品所在位置而定，非流动资产之地区位置则根据该资产之实际位置而定。

During the year ended 31 March 2018, no single customer contributed over 10% of the Group's revenue (2017: same).

截至二零一八年三月三十一日止年度，并无单一客户占本集团收益超过10%(二零一七年：相同)。

9 EXPENSES BY NATURE

9 开支分类

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Employee benefit expenses (note 11)	员工福利支出(附注11)	79,203	71,645
Auditors' remuneration	核数师酬金		
— Audit services	— 核数服务	2,368	2,797
— Non-audit services	— 非核数服务	120	120
Cost of inventories (note 19)	存货成本(附注19)	317,693	274,721
Depreciation (note 16)	折旧(附注16)	10,305	10,665
Operating lease charges in respect of land and buildings	土地及楼宇之经营租赁支出	55,310	47,864
Direct operating expenses arising from investment properties that generated rental income	产生租金收入之投资物业直接经营开支	109	106
Provision/(reversal of provision) for inventory obsolescence (note 19)	过时存货拨备/(拨备拨回)(附注19)	1,046	(1,525)
Write-back of provision for impaired receivables (note 20)	已减值应收款拨备拨回(附注20)	(233)	(4,530)

Notes to the Consolidated Financial Statements 综合财务报表附注

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

10 FINANCE COSTS, NET

10 财务费用，净额

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance costs	财务成本		
Bank borrowings	银行借款	897	1,005
Finance income	财务收入		
Interest income	利息收入	(99)	(619)
Finance costs, net	财务成本，净额	798	386

11 EMPLOYEE BENEFIT EXPENSES

11 员工福利支出

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and allowances, including directors' emoluments (note 12)	薪金及津贴，包括董事酬金(附注12)	73,724	68,950
Pension costs — defined contribution plans	界定退休供款计划	2,979	2,695
Other long-term employee benefits	其他长期雇员福利	2,500	—
		79,203	71,645

12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' remuneration

The aggregate amount of emoluments paid or payable to the directors of the Company are as follows:

12 董事之福利及权益及五名最高薪酬人士

(a) 董事之薪酬

已付或应付本公司董事之酬金总额如下：

		2018 二零一八年			Total 合计
		Directors' fees 董事袍金 HK\$'000 千港元	Salaries and bonus 薪金及花红 HK\$'000 千港元	Employer's contribution to retirement benefit scheme 界定退休供款计划 HK\$'000 千港元	
Executive directors	执行董事				
TSE Sun Fat, Henry (Chairman)	谢新法(主席)	100	3,300	18	3,418
TSE Sun Wai, Albert	谢新伟	100	4,922	—	5,022
TSE Sun Po, Tony (Managing Director)	谢新宝(董事总经理)	100	4,160	18	4,278
TSE Hon Kit, Kevin	谢汉杰	100	3,092	18	3,210
LAU Shiu Sun	刘绍新	100	1,754	18	1,872
Independent non-executive directors	独立非执行董事				
LEUNG Kwong Kin, J.P.	梁光建 太平绅士	108	—	—	108
WONG Wah, Dominic	黄华	108	—	—	108
WAN Sze Chung	温思聪	108	—	—	108
		824	17,228	72	18,124



Notes to the Consolidated Financial Statements 综合财务报表附注

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

12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(a) Directors' remuneration (cont'd)

		2017 二零一七年			Total 合计
		Directors' fees	Salaries and bonus	Employer's contribution to retirement benefit scheme 界定退休供款计划	
		董事袍金 HK\$'000 千港元	薪金及花红 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors	执行董事				
TSE Sun Fat, Henry (Chairman)	谢新法(主席)	100	3,860	18	3,978
TSE Sun Wai, Albert	谢新伟	100	5,737	—	5,837
TSE Sun Po, Tony (Managing Director)	谢新宝(董事总经理)	100	5,050	18	5,168
TSE Hon Kit, Kevin	谢汉杰	100	3,674	18	3,792
LAU Shiu Sun	刘绍新	100	1,971	18	2,089
Independent non-executive directors	独立非执行董事				
LEUNG Kwong Kin, J.P.	梁光建 太平绅士	108	—	—	108
WONG Wah, Dominic	黄华	108	—	—	108
WAN Sze Chung	温思聪	108	—	—	108
		<u>824</u>	<u>20,292</u>	<u>72</u>	<u>21,188</u>

No directors have waived or agreed to waive their emoluments in respect of the year ended 31 March 2018 (2017: Nil).

截至二零一八年三月三十一日止年度，并无董事放弃或同意放弃彼等之酬金(二零一七年：无)。

(b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the year (2017: Nil).

(b) 董事之退休福利及离职福利

年内，概无董事已收取或将收取任何退休福利或离职福利(二零一七年：无)。

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

During the year ended 31 March 2018, the Group does not pay consideration to any third parties for making available directors' services (2017: Nil).

(c) 就获提供董事服务而给予第三方代价

截至二零一八年三月三十一日止年度，本集团并无就任何第三方提供董事服务而向其支付代价(二零一七年：无)。

12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

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

As at 31 March 2018, there are no loans, quasi-loans or other dealings in favour of the directors, controlled bodies corporate by and controlled entities with such directors (2017: Nil).

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

Saved as disclosed in note 32, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(f) **Key management personnel**

The Group regards the executive directors as the key management personnel. Details of the remuneration paid to them are set out in (a).

(g) **Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year include four (2017: four) directors whose emoluments are reflected in the analysis presented above. The emoluments paid or payable to the five highest paid individuals during the year are as follows:

12 董事之福利及权益及五名最高薪酬人士(续)

(d) 向董事、受该等董事控制的法人团体及该董事的关连主体提供任何贷款、准贷款或其他交易

于二零一八年三月三十一日，并无向董事、受该等董事控制的法人团体及该董事的关连主体提供任何贷款、准贷款或其他交易(二零一七年：无)。

(e) 董事在交易、安排或合同的重大权益

除于附注32披露者外，本年度内或年结时，本公司并无签订任何与本集团业务相关而本公司董事直接或间接在其中拥有重大权益之重要交易、安排和合同。

(f) 关键管理人员

本集团认为执行董事乃关键管理人员。支付予彼等的酬金详情载于第(a)项。

(g) 五名最高薪酬人士

年内本集团之五名最高薪酬人士包括四位(二零一七年：四位)董事，彼等酬金已列载于上文列示之分析内。年内已支付或应支付予五名最高薪酬人士之薪酬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and allowances	薪金及津贴	18,434	22,456
Pension costs — defined contribution plans	界定退休供款计划	72	72
		<u>18,506</u>	<u>22,528</u>

Notes to the Consolidated Financial Statements 综合财务报表附注

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12 BENEFITS AND INTEREST OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(g) Five highest paid individuals (cont'd)

The emoluments fell within the following bands:

Emolument bands (in HK\$)	薪酬组别(港元)
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至 6,000,000 港元

12 董事之福利及权益及五名最高薪酬人士(续)

(g) 五名最高薪酬人士(续)

该五名人士之酬金介乎以下范围：

Number of individuals 人数	
2018 二零一八年	2017 二零一七年

1

—

2

—

—

3

1

—

—

—

1

1

—

1

13 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the subsidiaries operate.

13 所得税开支

香港利得税乃以年内估计应课税溢利按税率 16.5% (二零一七年：16.5%) 计提拨备。海外利得税根据年内估计应课税溢利按附属公司经营所在国家之现行税率计算。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax	即期税项		
Hong Kong profits tax	香港利得税	11,263	8,126
Overseas income tax	海外所得税	12	550
Under/(over) provision in prior years	往年拨备不足/(超额拨备)	551	(401)
Total current tax	即期税项总额	11,826	8,275
Deferred taxation (note 25)	递延税项(附注 25)	(2,438)	(179)
Income tax expense	所得税开支	9,388	8,096



13 INCOME TAX EXPENSE (CONT'D)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the domestic tax rates in the countries in which the Group operates as follows:

Profit before income tax	除所得税前溢利
Tax calculated at domestic tax rates applicable to profits in the respective countries	按相关国家溢利适用的国内税率计算的税项
Effect of tax reduction in current year	本年度税项减少的影响
Under/(over) provision in prior years	往年拨备不足/(超额拨备)
Income not subject to tax	毋须课税收入
Expenses not deductible for tax purposes	不可扣税开支
Utilisation of previously unrecognised tax losses	动用过往未确认税项亏损
Unrecognised tax losses	未确认税项亏损
Tax expense for the year	本年度税项开支

The weighted average applicable tax rate was 16.4% (2017: 17.0%).

14 DIVIDENDS

(a) Dividends declared and paid during the year

Final dividend in respect of 2017 of HK2.5 cents (2017: in respect of 2016 of HK2 cents) per share	二零一七年之末期股息每股2.5港仙 (二零一七年:二零一六年之末期股息每股2港仙)
Special dividend in respect of 2016 of HK5 cents per share	二零一六年之特别股息每股5港仙
Interim dividend in respect of 2018 of HK1 cent (2017: in respect of 2017 of HK1.5 cents) per share	二零一八年中中期股息每股1港仙 (二零一七年:二零一七年中中期股息每股1.5港仙)

13 所得税开支(续)

本集团有关除税项前溢利之税项与假若采用本集团营运所在的国家之税率而计算之理论税额之差额如下:

Group 本集团	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
53,582	50,403
8,763	8,563
(327)	—
551	(401)
(560)	(1,070)
734	662
(869)	—
1,096	342
9,388	8,096

适用加权平均税率为16.4%(二零一七年:17.0%)。

14 股息

(a) 于本年度宣布及派发之股息

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
15,015	12,012
—	30,030
6,006	9,009
21,021	51,051

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

14 DIVIDENDS (CONT'D)

(b) Dividends for the year

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interim dividend of HK1 cent (2017: HK1.5 cents) per share	中期股息每股1港仙(二零一七年： 每股1.5港仙)	6,006	9,009
Proposed final dividend of HK2.5 cents (2017: HK2.5 cents) per share (note)	建议末期股息每股2.5港仙(二零一七年： 每股2.5港仙)(附注)	15,015	15,015
		21,021	24,024

Note:

Final dividends have been proposed by the directors after the reporting date. The proposed dividends, subject to the shareholders' approval at the forthcoming annual general meeting, are not reflected as dividend payable as at 31 March 2018.

附注：

末期股息由董事于报告日期后建议派付。该拟派股息(有待股东于应属股东周年大会上批准)并无反映为于二零一八年三月三十一日之应付股息。

15 EARNINGS PER SHARE

(a) Basic

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

15 每股溢利

(a) 基本

每股基本溢利乃根据本公司所有者应占溢利除以年度内已发行普通股股数计算。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit attributable to equity owners of the Company	本公司所有者应占溢利	44,194	42,307
Number of ordinary shares in issue (thousands)	已发行普通股股数(千股)	600,600	600,600

(b) Diluted

Diluted earnings per share for the year ended 31 March 2018 is the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued (2017: same).

(b) 摊薄

由于并无发行潜在摊薄普通股，故截至二零一八年三月三十一日止年度之每股摊薄溢利与每股基本溢利一致(二零一七年：一致)。



16 PROPERTY, PLANT AND EQUIPMENT

16 物业、厂房及设备

		Leasehold land and buildings (note) 租赁土地 及楼宇(附注) HK\$'000 千港元	Leasehold improvements 租赁 物业装修 HK\$'000 千港元	Furniture, fixtures and equipment 家私、装置 及设备 HK\$'000 千港元	Motor vehicles 汽车 HK\$'000 千港元	Total 合计 HK\$'000 千港元
Net book value	账面净值					
At 1 April 2016	于二零一六年四月一日	136,300	10,415	1,356	513	148,584
Additions	添置	—	7,079	112	—	7,191
Disposal	出售	—	(296)	—	—	(296)
Depreciation (note 9)	折旧(附注9)	(4,266)	(5,813)	(444)	(142)	(10,665)
Revaluation	重估	20,966	—	—	—	20,966
Exchange difference	汇兑差异	—	(89)	(25)	—	(114)
At 31 March 2017	于二零一七年三月三十一日	153,000	11,296	999	371	165,666
Additions	添置	—	10,359	38	—	10,397
Disposal	出售	—	(1,652)	—	—	(1,652)
Depreciation (note 9)	折旧(附注9)	(4,897)	(4,896)	(344)	(168)	(10,305)
Revaluation	重估	25,497	—	—	—	25,497
Exchange difference	汇兑差异	—	106	17	9	132
At 31 March 2018	于二零一八年三月三十一日	<u>173,600</u>	<u>15,213</u>	<u>710</u>	<u>212</u>	<u>189,735</u>
At 31 March 2017	于二零一七年三月三十一日					
Valuation	重估	153,000	—	—	—	153,000
Cost	成本	—	79,266	19,526	967	99,759
Accumulated depreciation	累计折旧	—	(67,970)	(18,527)	(596)	(87,093)
Net book amount	账面净值	<u>153,000</u>	<u>11,296</u>	<u>999</u>	<u>371</u>	<u>165,666</u>
At 31 March 2018	于二零一八年三月三十一日					
Valuation	重估	<u>173,600</u>	—	—	—	<u>173,600</u>
Cost	成本	—	<u>77,808</u>	<u>19,665</u>	<u>982</u>	<u>98,455</u>
Accumulated depreciation	累计折旧	—	<u>(62,595)</u>	<u>(18,955)</u>	<u>(770)</u>	<u>(82,320)</u>
Net book amount	账面净值	<u>173,600</u>	<u>15,213</u>	<u>710</u>	<u>212</u>	<u>189,735</u>





Notes to the Consolidated Financial Statements 综合财务报表附注

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

16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note:

If leasehold land and buildings were stated on the historical cost basis, the amounts would be as follows:

Cost	成本
Accumulated depreciation	累计折旧
Net book amount	账面净值

Bank borrowings are secured by the leasehold land and buildings in Hong Kong with a total carrying amount of HK\$107,500,000 (2017: HK\$97,700,000) (note 24).

The following table analyses the leasehold land and buildings carried at fair value, by valuation method.

16 物业、厂房及设备(续)

附注：

倘租赁土地及楼宇乃按历史成本基准呈列，有关金额如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
34,804	34,804
(6,389)	(5,693)
28,415	29,111

银行借款以总账面值为107,500,000港元(二零一七年：97,700,000港元)之香港租赁土地及楼宇作抵押(附注24)。

下表以估值法分析按公允价值列账之租赁土地及楼宇。

		Fair value measurements using 采用下列各项之公允价值计量		
Description 概况		Quoted prices in active markets for identical assets (Level 1) 相同资产之活跃 市场报价(第一层) HK\$'000 千港元	Significant other observable inputs (Level 2) 重大其他可观察 输入数据(第二层) HK\$'000 千港元	Significant unobservable inputs (Level 3) (Note) 重大不可观察输入 数据(第三层)(附注) HK\$'000 千港元
As at 31 March 2018	于二零一八年三月三十一日			
Recurring fair value measurements — Leasehold land and buildings	经常性公允价值计量 — 租赁土地及楼宇	—	—	173,600
As at 31 March 2017	于二零一七年三月三十一日			
Recurring fair value measurements — Leasehold land and buildings	经常性公允价值计量 — 租赁土地及楼宇	—	—	153,000

Note: For fair value measurement under Level 3, inputs for the asset or liability are not based on observable market data (that is, unobservable inputs).

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the year.

附注：就第三层项下之公允价值计量而言，资产或负债之输入数据并非以可观察市场数据(即不可观察输入数据)为基础。

本集团之政策为于出现导致公允价值层级之间转移之事件或情况变动当日，确认有关公允价值层级之转入及转出。年内，第一层、第二层及第三层之间并无转移。

16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Fair value measurements using significant unobservable inputs (Level 3)

Opening balance	年初结餘
Depreciation	折旧
Surplus on revaluation recognised in other comprehensive income	于其他全面收益确认之重估盈餘
Closing balance	年终结餘

Valuation processes of the Group

The Group's leasehold land and buildings were valued at 31 March 2018 by an independent professionally qualified valuer, Memfus Wong Surveyors Limited, who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the leasehold land and buildings valued.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the board of directors. Discussions of valuation processes and results are held between the review team and the valuer annually.

Level 3 fair values of leasehold land and buildings have been derived using the direct comparison approach, which basically uses the comparable sales transactions as available in the relevant market to derive the fair value of the properties. Sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as time of transactions, property size and location. The most significant input into this valuation approach is the market unit rate.

16 物业、厂房及设备(续)

利用重大不可观察输入数据(第三层)之公允价值计量

Leasehold land and buildings

租赁土地及楼宇		
2018	2017	
二零一八年	二零一七年	
HK\$'000	HK\$'000	
千港元	千港元	
153,000	136,300	
(4,897)	(4,266)	
25,497	20,966	
173,600	153,000	

本集团之估值流程

本集团之租赁土地及楼宇由独立专业合资格估值师黄开基测计师行有限公司于二零一八年三月三十一日估值，此估值师持有相关认可专业资格，且最近曾于租赁土地及楼宇所在地区及分部进行估值。

本集团财务部包括一支就财务报告目的审阅独立估值师所进行估值之团队。该团队直接向董事会汇报。估值团队每年与估值师讨论估值流程及结果。

租赁土地及楼宇之第三层公允价值乃使用直接比较法得出。直接比较法一般利用相关市场上可查阅之可资比较销售交易达致物业公允价值。邻近地区可资比较物业之售价已就交易时间、物业面积及地点等主要特点之差异作出调整。此估值法之最重大输入数据为市场单价率。



Notes to the Consolidated Financial Statements 综合财务报表附注

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

16 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Information about fair value measurements using significant unobservable inputs (Level 3)

Unobservable inputs 不可观察输入数据

Range of unobservable inputs 不可观察输入数据范围

Relationship of unobservable inputs of fair value 公允价值所涉及不可观察输入数据之关系

Market unit rate
市场单价率

Office: HK\$21,800 to HK\$21,900
(2017: HK\$19,800 to HK\$19,900)
per square feet of saleable area
办公室：实用面积每平方呎 21,800 港元
至 21,900 港元 (二零一七年：19,800 港元
至 19,900 港元)

The higher the market unit rate,
the higher the fair value

市场单价率越高，公允价值越高

Shop: HK\$86,000 (2017: HK\$72,000)
per square feet of saleable area
店铺：实用面积每平方呎 86,000 港元
(二零一七年：72,000 港元)

There were no changes to the valuation techniques during the year.

年内估值方法概无变动。

17 INVESTMENT PROPERTIES

17 投资物业

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April Fair value gain recognised in the profit or loss	于四月一日 在损益确认公允价值收益	32,700 3,400	28,400 4,300
At 31 March	于三月三十一日	<u>36,100</u>	<u>32,700</u>

The fair value gain on investment properties is included in "Other gains, net" in the consolidated statement of comprehensive income (note 7).

投资物业的公允价值收益乃计入综合全面收益表内的「其他收益，净额」(附注7)。

17 INVESTMENT PROPERTIES (CONT'D)

Information about fair value measurements using significant unobservable inputs:

17 投资物业(续)

有关使用重大不可观察输入数据的公允价值计量的资料：

Fair value measurements using 采用下列各项之公允价值计量

Description 概况	Quoted prices in active markets for identical assets (Level 1) 相同资产之 活跃市场报价 (第一层) HK\$'000 千港元	Significant other observable inputs (Level 2) 重大其他可 观察输入数据 (第二层) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可观 察输入数据 (第三层) HK\$'000 千港元
As at 31 March 2018 于二零一八年三月三十一日			
Recurring fair value measurements — Investment properties 经常性公允价值计量 — 投资物业	—	—	36,100
As at 31 March 2017 于二零一七年三月三十一日			
Recurring fair value measurements — Investment properties 经常性公允价值计量 — 投资物业	—	—	32,700

As at 31 March 2018, valuations were undertaken by an independent professionally qualified valuer, Memfus Wong Surveyors Limited. The valuation processes are the same as the revaluation of leasehold land and buildings held for own use (note 16).

于二零一八年三月三十一日，估值工作乃由独立专业合资格估值师行黄开基测计师行有限公司进行。估值过程与就持作自用的租赁土地及楼宇之重估相同(附注16)。

Information about fair value measurements using significant unobservable inputs (Level 3)

有关利用重大不可观察输入数据(第三层)之公允价值计量之资料

Unobservable inputs 不可观察输入数据	Range of unobservable inputs 不可观察输入数据范围	Relationship of unobservable inputs of fair value 公允价值所涉及不可观察输入数据之关系
Market unit rate 市场单价率	HK\$21,900 (2017:HK\$19,900) per square feet of saleable area 实用面积每平方呎21,900港元 (二零一七年：19,900港元)	The higher the market unit rate, the higher the fair value 市场单价率越高，公允价值越高

There were no changes to the valuation techniques used during the year.

年内估值方法概无变动。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

18 INTEREST IN SUBSIDIARIES

The following is a list of principal subsidiaries at 31 March 2018:

18 附属公司权益

以下为于二零一八年三月三十一日之主要附属公司名单：

Name of subsidiary 附属公司名称	Place of incorporation/ establishment 注册/成立地点	Particulars of issued share capital 已发行股本详情	Legal structure 法定结构	Equity interest held 所持股本权益 2018 二零一八年	2017 二零一七年	Principal activities and place of operation 主要业务及营业地点
Asia Bon Company Limited 富邦(亚洲)资产管理 有限公司	Hong Kong 香港	100 ordinary shares 100股普通股	Company with limited liabilities 有限责任公司	100%	100%	Property holding in Hong Kong 于香港作物业持有
Asia Richly Limited 亚洲富宝有限公司	Hong Kong 香港	1 ordinary share 1股普通股	Company with limited liabilities 有限责任公司	100%	100%	Property holding in Hong Kong 于香港作物业持有
Bonco Ironmongery Limited 保固五金建材有限公司	Hong Kong 香港	10,000 ordinary shares 10,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Importing and sale of architectural builders' hardware in Hong Kong 于香港进口及销售建筑五金
D.I.Y. Limited	Hong Kong 香港	2 ordinary shares 2股普通股	Company with limited liabilities 有限责任公司	100%	100%	Handling of human resources planning and development activities of the Group 处理本集团人力资源规划及发展事宜
E. Bon Building Materials Company Limited 怡邦行建筑材料有限公司	Hong Kong 香港	6,000 ordinary shares 6,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Importing and sale of architectural builders' hardware and bathroom collections in Hong Kong 于香港进口及销售建筑五金及卫浴设备
H2O (Pro) Limited 水之健有限公司	Hong Kong 香港	2 ordinary shares 2股普通股	Company with limited liabilities 有限责任公司	100%	100%	Importing and sale of bathroom collections in Hong Kong 于香港进口及销售卫浴设备
Kitchen (Pro) Limited 厨之健有限公司	Hong Kong 香港	1,000 ordinary shares 1,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Importing, sale and installation of kitchen collections in Hong Kong 于香港进口、销售及安装厨房设备
Massford (Hong Kong) Limited 美富(香港)有限公司	Hong Kong 香港	10,000 ordinary shares 10,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Supply of architectural builders' hardware and bathroom collections for property development in Hong Kong 于香港供应建筑五金及卫浴设备予物业发展项目



18 INTEREST IN SUBSIDIARIES (CONT'D)

18 附属公司权益(续)

Name of subsidiary 附属公司名称	Place of incorporation/ establishment 注册/成立地点	Particulars of issued share capital 已发行股本详情	Legal structure 法定结构	Equity interest held 所持股本权益		Principal activities and place of operation 主要业务及营业地点
				2018 二零一八年	2017 二零一七年	
Massford (Shanghai) Limited* 美富(上海)五金有限公司	PRC 中国	US\$250,000 250,000美元	Wholly foreign owned enterprise 全外资企业	100%	100%	Supplying architectural builders' hardware and bathroom collections for property development in Shanghai 于上海供应建筑五金及卫浴设备予物业发展项目
Right Century Limited 港仲有限公司	Hong Kong 香港	1,000 ordinary shares 1,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Retail sales of bathroom accessories and decoration materials through retail shops in Hong Kong 透过零售店于香港零售销售卫浴设备及装饰材料
Shanghai Tech Pro International Trading Company Limited* 上海得保国际贸易有限公司	PRC 中国	US\$300,000 300,000美元	Wholly foreign owned enterprise 全外资企业	100%	100%	Importing and sale of architectural builders' hardware and bathroom collections in the PRC 于中国进口及销售建筑五金及卫浴设备
Shanghai Techpro Interior Decoration Company Limited* 上海得保室内装饰有限公司	PRC 中国	RMB5,000,000 人民币5,000,000元	Wholly foreign owned enterprise 全外资企业	100%	100%	Undertaking interior decoration and project management for property development in the PRC 于中国提供室内设计及项目管理服务予物业发展项目
Sunny Building and Decoration Materials Company Limited 新新装饰材料五金工具有限公司	Hong Kong 香港	6,000 ordinary shares 6,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Retail sales of architectural builders' hardware and bathroom collections through retail shops in Hong Kong 透过零售店于香港零售销售建筑五金及卫浴设备
Techpro Trading Limited 德保建材贸易有限公司	Hong Kong 香港	1,000 ordinary shares 1,000股普通股	Company with limited liabilities 有限责任公司	100%	100%	Importing and sale of architectural builders' hardware 进口及销售建筑五金
VIA (Shanghai) Limited* 誉品(上海)家具橱柜有限公司	PRC 中国	US\$250,000 250,000美元	Wholly foreign owned enterprise 全外资企业	100%	100%	Importing and sale of bathroom, furniture and kitchen collections in Shanghai 于上海进口及销售卫浴、家私及厨房设备

* The English names of certain subsidiaries referred herein represent management's best effort in translating the Chinese names of these subsidiaries as no English names have been registered.

* 由于上述若干附属公司并无登记英文名称，故该等英文名称由管理层根据中文名称尽力翻译。



Notes to the Consolidated Financial Statements 综合财务报表附注

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

19 INVENTORIES

19 存货

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finished goods	制成品	168,497	146,058

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK\$317,693,000 (2017: HK\$274,721,000).

确认为开支并计入「销售成本」之存货成本为317,693,000港元(二零一七年: 274,721,000港元)。

As at 31 March 2018, finished goods with cost of HK\$35,813,000 (2017: HK\$34,163,000) were considered as obsolete.

于二零一八年三月三十一日, 过时制成品之成本为35,813,000港元(二零一七年: 34,163,000港元)。

The movement in the provision for inventory obsolescence is as follows:

过时存货拨备变动如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at beginning of the year	年初结余	34,163	36,187
Provision for/(reversal of provision) inventory obsolescence	过时存货拨备/(拨备拨回)	1,046	(1,525)
Exchange difference	汇兑差异	604	(499)
Balance at end of the year	年终结余	35,813	34,163



20 TRADE, RETENTION AND OTHER RECEIVABLES

Details of the trade, retention and other receivables as at 31 March 2018 are listed below:

20 应收账款、应收保留款及其他应收款

于二零一八年三月三十一日，应收账款、应收保留款及其他应收款资料如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	应收账款	137,081	115,226
Less: provision for impairment of trade receivables	减：应收保留款减值拨备	(636)	(855)
		<u>136,445</u>	<u>114,371</u>
Retention receivables	应收保留款	5,368	6,308
Less: provision for impairment of retention receivables	减：应收保留款减值拨备	(287)	(260)
		<u>141,526</u>	<u>120,419</u>
Amounts due from customers for contract work (note 29)	应收客户之合约工程账款(附注29)	15,277	2,596
Other receivables, deposits and prepayments	其他应收款、按金及预付款	33,047	23,990
		<u>189,850</u>	<u>147,005</u>
Less: non-current portion	减：非即期部分	(4,085)	(5,672)
Retention receivables	应收保留款	(13,985)	(4,746)
Deposits and prepayments	按金及预付款		
Current portion	即期部分	<u>171,780</u>	<u>136,587</u>

All non-current receivables are due within five years from the end of the respective reporting dates.

所有非即期部分之应收款将于其报告日起计五年内到期。





Notes to the Consolidated Financial Statements 综合财务报表附注

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

20 TRADE, RETENTION AND OTHER RECEIVABLES (CONT'D)

The ageing analysis of trade receivables at the reporting date by invoice date is as follows:

1-90 days	1至90天
91-365 days	91至365天
Over 365 days	超过365天

The majority of the Group's sales are with credit terms of 30 to 90 days, while some customers are granted an extended credit period of up to 120 days.

The ageing analysis of trade receivables that are not impaired is as follows:

Not yet past due	尚未逾期
1-90 days past due	逾期1至90天
91-365 days past due	逾期91至365天
Over 365 days past due	逾期超过365天

Receivables that were past due but not impaired relate to a wide range of customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are expected to be fully recoverable. The Group does not hold any collateral over these balances.

20 应收账款、应收保留款及其他应收款(续)

应收账款于报告日之账龄(以发票日计算)分析如下:

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
107,702	85,789
16,778	21,886
12,601	7,551
137,081	115,226

本集团之销售信贷期大部分为30至90日，而部份客户的信贷期可获延长至最多120日。

未作减值拨备之应收账款之账龄分析如下:

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
65,264	57,348
45,351	35,442
14,464	14,885
11,366	6,696
136,445	114,371

已逾期但未作出减值拨备之应收款来自若干与本集团有良好还款记录之客户。根据过往经验，由于信贷质素并无重大变动，且相信可全数收回有关应收款，故管理层认为毋须就该等结餘作出减值拨备。本集团并无就该等结餘持有任何抵押品。

20 TRADE, RETENTION AND OTHER RECEIVABLES (CONT'D)

The movement in the provision for impairment of trade and retention receivables is as follows:

Balance at beginning of the year	年初结餘
Write-back of provision for impaired receivables	已减值应收款拨备拨回
Exchange difference	汇兑差异
Balance at end of the year	年终结餘

At each reporting date, the Group reviews receivables for evidence of impairment on both an individual and collective basis. As at 31 March 2018, the Group determined trade and retention receivables of HK\$923,000 (2017: HK\$1,115,000) as individually impaired. The impaired trade and retention receivables are due from customers that were in default or delinquency of payments.

As at 31 March 2018, the carrying values of trade and other receivables approximate their fair values (2017: same).

21 RESTRICTED CASH

Restricted cash	受限制現金
-----------------	-------

Restricted bank deposits of HK\$3,008,000 (2017: HK\$2,981,000) represented fixed term deposits placed with commercial banks and were pledged against performance bonds granted to the Group (note 31).

The effective interest rate on restricted bank deposits was 0.5% (2017: 0.5%) per annum as at 31 March 2018.

20 应收账款、应收保留款及其他应收款(续)

应收账款及应收保留款减值拨备变动如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,115	5,688
(233)	(4,530)
41	(43)
923	1,115

于各报告日，本集团按个别及整体基准检讨应收款的减值证据。于二零一八年三月三十一日，本集团确认应收账款及应收保留款其中923,000港元(二零一七年：1,115,000港元)需要作个别减值。已减值应收账款及应收保留款乃应收未能或拖欠还款的客户的款项。

于二零一八年三月三十一日，应收账款及其他应收款之账面值与其公允值相若(二零一七年：相同)。

21 受限制现金

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
3,008	2,981

受限制银行存款3,008,000港元(二零一七年：2,981,000港元)指存放于商业银行之定期存款，已抵押作为本集团获授履约保证之抵押品(附注31)。

于二零一八年三月三十一日，受限制银行存款之实际年利率为0.5%(二零一七年：0.5%)。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

22 CASH AND CASH EQUIVALENTS

22 现金及现金等价物

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash at bank and on hand	银行存款及手头现金	62,357	79,706

As at 31 March 2018, the Group's cash and bank balances of approximately HK\$10,017,000 (2017: HK\$15,089,000) are deposited with banks in the PRC, where the remittance of funds is subject to foreign exchange control.

于二零一八年三月三十一日，本集团之现金及银行结余约10,017,000港元(二零一七年：15,089,000港元)已存入中国之银行，汇款受外汇条例管制。

The effective interest rate on short-term bank deposits was 0.09% (2017: 0.05%) per annum as at 31 March 2018.

于二零一八年三月三十一日，短期银行存款之实际年利率为0.09%(二零一七年：0.05%)。

23 TRADE AND OTHER PAYABLES

23 应付账款及其他应付款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables	应付账款	36,063	24,293
Accrued charges and other payables	应计费用及其他应付款	12,949	7,006
Amounts due to customers for contract work (note 29)	应付客户之合约工程账款(附注29)	2,288	11,742
		51,300	43,041

The ageing analysis of the trade payables at the reporting date by invoice date is as follows:

应付账款于报告日之账龄(以发票日计算)分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0-90 days	0至90天	36,003	23,242
91-365 days	91至365天	53	124
Over 365 days	超过365天	7	927
		36,063	24,293

As at 31 March 2018, the carrying values of trade and other payables approximate their fair values (2017: same).

于二零一八年三月三十一日，应付账款及其他应付款之账面值与其公允价值相若(二零一七年：相同)。

24 BORROWINGS

24 借款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	即期		
Secured	有抵押		
— Bank loans	— 银行贷款	4,367	8,897
Unsecured	无抵押		
— Trust receipt loans	— 信托收据贷款	31,921	19,092
— Bank loans	— 银行贷款	5,094	10,126
		<u>41,382</u>	<u>38,115</u>

Trust receipt loans are mainly denominated in HK\$ or Euro. All bank loans are denominated in HK\$.

信托收据贷款之结算货币为港元或欧元。所有银行贷款之结算货币为港元。

At 31 March 2018, the Group's borrowings were repayable as follows:

于二零一八年三月三十一日，本集团须偿还之借款如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年内	38,375	33,753
In the second year	第二年内	1,377	1,361
In the third to fifth year	第三年至第五年内	1,630	3,001
		<u>41,382</u>	<u>38,115</u>

Bank borrowings of HK\$4,367,000 (2017: HK\$8,897,000) are secured by leasehold land and buildings of the Group of HK\$107,500,000 (2017: HK\$97,700,000) (note 16).

银行借款4,367,000港元(二零一七年：8,897,000港元)是以本集团为数107,500,000港元(二零一七年：97,700,000港元)之租赁土地及楼宇作抵押(附注16)。

The fair value of borrowings, which carry interest at floating rates, equals their carrying amounts.

附有浮动利率之借款之公允价值等同其账面值。



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

24 BORROWINGS (CONT'D)

The Group had the following undrawn borrowing facilities:

Floating rate:

— Expiring within one year

浮动利率：

— 一年内到期

The effective interest rate is 2.3% (2017: 2.1%) for the year ended 31 March 2018.

25 DEFERRED TAXATION

Deferred income tax assets

Deferred income tax liabilities

Deferred income tax assets

At 1 April
Credited/(charged) to
profit or loss
Exchange difference

At 31 March

24 借款(续)

本集团有以下未动用之授信金额：

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

215,324 221,422

截至二零一八年三月三十一日止年度之实际利率为2.3%(二零一七年：2.1%)。

25 递延所得税

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

4,491 2,618
(22,898) (19,418)
(18,407) (16,800)

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

未经考虑在相同税务司法权区内抵销结余前，本年度之递延所得税资产及负债总额变动如下：

递延所得税资产

Tax losses		Decelerated tax depreciation		Provision		Total	
2018	2017	2018	2017	2018	2017	2018	2017
二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
382	159	3,484	2,825	1,717	2,399	5,583	5,383
1,155	223	1,122	659	14	(546)	2,291	336
—	—	—	—	162	(136)	162	(136)
1,537	382	4,606	3,484	1,893	1,717	8,036	5,583

25 DEFERRED TAXATION (CONT'D)

Deferred income tax liabilities

		Revaluation of properties 物业重估		Accelerated tax depreciation 加速税项折旧		Total 合计	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April	于四月一日	22,000	18,541	383	226	22,383	18,767
Charged to other comprehensive income (Credited)/charged to profit or loss	扣自其他全面收益 (计入)/扣自损益	4,207	3,459	-	-	4,207	3,459
		-	-	(147)	157	(147)	157
At 31 March	于三月三十一日	26,207	22,000	236	383	26,443	22,383

As at 31 March 2018, the Group has not recognised deferred income tax assets in respect of cumulative tax losses of HK\$10,569,000 (2017: HK\$9,385,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions and entities. These tax losses utilisation will expire as follows:

于二零一八年三月三十一日，本集团仍未确认有关累计税项亏损10,569,000港元(二零一七年：9,385,000港元)之递延所得税资产，此乃由于在相关税务司法权区及就有关实体而言，未来不大可能取得应课溢利用以抵销税项亏损。该等税项亏损之到期日如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
In the first to fifth year inclusive	10,569	9,385

Deferred income tax liabilities of HK\$930,000 as at 31 March 2018 (2017: HK\$937,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of subsidiaries. Unremitted earnings totalled HK\$18,591,000 at 31 March 2018 (2017: HK\$18,734,000), and the Group does not intend to remit these unremitted earnings from the relevant subsidiaries to the Company in the foreseeable future.

于二零一八年三月三十一日，并无就附属公司未汇盈利应付之预扣税及其他税项确认递延所得税负债930,000港元(二零一七年：937,000港元)。于二零一八年三月三十一日，未汇盈利合共为18,591,000港元(二零一七年：18,734,000港元)。本集团并无打算于可见将来汇入本公司相关附属公司之未汇盈利。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

26 SHARE CAPITAL

26 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份数目	HK\$'000 千港元	Number of shares 股份数目	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares at HK\$0.1 each	每股面值0.1港元之普通股				
At 1 April and 31 March	于四月一日及三月三十一日	<u>1,000,000,000</u>	<u>100,000</u>	<u>1,000,000,000</u>	<u>100,000</u>
Issued and fully paid:	已发行及全数支付：				
Ordinary shares at HK\$0.1 each	每股面值0.1港元之普通股				
At 1 April	于四月一日	<u>600,600,000</u>	<u>60,060</u>	<u>300,300,000</u>	<u>30,030</u>
Issue of bonus shares	红股发行	<u>-</u>	<u>-</u>	<u>300,300,000</u>	<u>30,030</u>
At 31 March	于三月三十一日	<u>600,600,000</u>	<u>60,060</u>	<u>600,600,000</u>	<u>60,060</u>

27 RESERVES

27 储备

Details of the movements in the Group's reserves are set out in the consolidated statement of changes in equity on pages 92 and 93.

本集团之储备变动详情载于第92及93页之综合权益变动表。

Statutory reserve

In accordance with the relevant PRC rules and regulations, certain subsidiaries of the Company are required to appropriate certain percentage of their profits after tax to the respective statutory reserves. Subject to certain restrictions as set out in the relevant PRC regulations, this statutory reserve may be used to reduce any losses incurred or for capitalisation as paid-up capital of the PRC subsidiary.

法定储备

按中国有关规则及规例，本公司若干附属公司须向各自之法定储备供款，金额为除税项后溢利之适用若干百分比。根据相关中国规例之若干限制，该法定储备可填补中国附属公司产生之任何亏损或用作将缴足股本资本化。

Merger reserve

Merger reserve of the Group represents the difference between the nominal value of the ordinary shares and share premium account of the group companies acquired pursuant to the group reorganisation (the "Reorganisation") on 22 March 2000, over the nominal value of the Company's shares issued in exchange thereof.

合并储备

本集团之合并储备为普通股之面值与根据于二零零零年三月二十二日之集团重组(「重组」)收购集团成员公司产生之股份溢价账之差额，此差额超过用作交换之本公司已发行股份之面值。

Capital reserve

The capital reserve represented contribution surplus made by the then shareholders to certain subsidiaries of the Company before the group reorganisation on 22 March 2000.

资本储备

资本储备指于二零零零年三月二十二日集团重组前当时股东对本公司若干附属公司之出资盈余。

28 CASH FLOW INFORMATION

(a) Cash flows from operations

Profit before income tax	除所得税前溢利
Adjustments for:	经下列各项调整：
Finance costs	财务成本
Finance income	财务收入
Fair value gain on investment properties	投资物业公允价值收益
Provision/(reversal of provision) for inventory obsolescence	过时存货拨备／(拨备拨回)
Write-back of provision for impaired receivables	已减值应收款拨备拨回
Loss on disposal of property, plant and equipment	出售物业、厂房及设备之亏损
Loss on forward contracts	远期合约亏损
Depreciation	折旧
Operating profit before working capital changes	营运资金变动前之经营溢利
Inventories	存货
Trade, retention and other receivables	应收账款、应收保留款及其他应收款
Trade and other payables, provision and receipts in advance	应付账款及其他应付款、拨备及预收款项
Cash generated from operations	经营产生之现金

28 现金流量资料

(a) 经营产生之现金流量

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
53,582	50,403
897	1,005
(99)	(619)
(3,400)	(4,300)
1,046	(1,525)
(233)	(4,530)
1,652	296
—	1,517
10,305	10,665
63,750	52,912
(23,124)	(14,012)
(39,970)	23,824
11,085	(18,118)
11,741	44,606

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

28 CASH FLOW INFORMATION (CONT'D)

28 现金流量资料(续)

- (b) **Proceeds from disposal of property, plant and equipment**
In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

- (b) 出售物业、厂房及设备之所得款项
于综合现金流量表内，出售物业、厂房及设备之所得款项包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net book amount (note 16)	账面净值(附注16)	1,652	296
Loss on disposal of property, plant and equipment (note 7)	出售物业、厂房及设备之亏损(附注7)	(1,652)	(296)
Proceeds from disposal of property, plant and equipment	出售物业、厂房及设备之所得款项	<u>—</u>	<u>—</u>

- (c) **Reconciliation of liabilities arising from financial activities**

- (c) 金融活动产生的负债对账

		Borrowings 借款 HK\$'000 千港元
As at 1 April 2016	于二零一六年四月一日	58,851
Cash flows	现金流量	(20,736)
As at 31 March 2017	于二零一七年三月三十一日	38,115
Cash flows	现金流量	3,267
As at 31 March 2018	于二零一八年三月三十一日	<u>41,382</u>



29 CONSTRUCTION CONTRACTS IN PROGRESS

29 在建工程合约

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The aggregate cost incurred and recognised profits (less recognised losses) to date	迄今已产生总成本及已确认溢利(减已确认亏损)	233,306	149,316
Less: progress billings	减: 进度付款	(220,317)	(158,462)
Net financial position for ongoing contracts	现行合约之净财务状况	<u>12,989</u>	<u>(9,146)</u>
Included in current assets/(liabilities) are the following:	计入流动资产/(负债)之各项如下:		
Amounts due from customers for contract work	应收客户之合约工程账款	15,277	2,596
Amounts due to customers for contract work	应付客户之合约工程账款	(2,288)	(11,742)
Net financial position for ongoing contracts	现行合约之净财务状况	<u>12,989</u>	<u>(9,146)</u>

30 OPERATING LEASE COMMITMENTS

30 经营租赁承担

(a) Operating lease commitments — group company as lessee

As at 31 March 2018, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

(a) 经营租赁承担 — 集团公司作为承租人

于二零一八年三月三十一日，本集团根据不可撤销之土地及楼宇经营租赁而于未来支付之最低租赁付款总额如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年内	46,686	35,193
In the second to fifth year inclusive	第二年至第五年内(包括首尾两年)	101,696	14,061
More than five years	多于五年	17,199	—
		<u>165,581</u>	<u>49,254</u>





Notes to the Consolidated Financial Statements 综合财务报表附注

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30 OPERATING LEASE COMMITMENTS (CONT'D)

(b) Operating lease commitments — group company as lessor

As at 31 March 2018, the Group had future aggregate minimum lease receivable under non-cancellable operating leases in respect of investment properties as follows:

Within one year	一年内
In the second to fifth year inclusive	第二年至第五年内(包括首尾两年)

30 经营租赁承担(续)

(b) 经营租赁承担 — 集团公司作为出租人

于二零一八年三月三十一日，本集团根据不可撤销之投资物业经营租赁而于未来应收最低租赁付款总额如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
350	840
—	350
350	1,190

31 CONTINGENT LIABILITIES

As at 31 March 2018, performance bonds of approximately HK\$20,748,000 (2017: HK\$23,031,000) have been issued by the Group to customers as security of contracts. Restricted cash of HK\$3,008,000 (2017: HK\$2,981,000) was held as security for the performance bonds.

31 或然负债

于二零一八年三月三十一日，本集团已向客户发出履约保证约20,748,000港元(二零一七年：23,031,000港元)作为合约担保，其中受限制现金3,008,000港元(二零一七年：2,981,000港元)持作履约保证之担保。

32 RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in these consolidated financial statements, during the year, the Group had the following transactions with related parties:

(a) Related party relationship 关连人士关系

Nature of transaction 交易性质

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

A company under common control of certain directors of the Company (note) 一间受本公司若干董事共同控制之公司 (附注)
Rental expenses paid to Negotiator Consultants Limited ("NCL") 支付予 Negotiator Consultants Limited ("NCL") 之租金开支

2,820

2,820

Note: NCL is a company in which Mr. TSE Sun Fat, Henry, Mr. TSE Sun Wai, Albert, Mr. TSE Sun Po, Tony and Mr. TSE Hon Kit, Kevin, directors of the Company, have beneficial interests. The rental expenses were paid in the normal course of business at terms mutually agreed between the Group and NCL.

附注：NCL 为本公司董事谢新法先生、谢新伟先生、谢新宝先生及谢汉杰先生拥有实益权益之公司。租金开支在日常业务过程中按本集团与 NCL 互相议定之条款支付。

(b) Balances with related parties

(b) 关连人士之结餘

2018
二零一八年
HK\$'000
千港元

2017
二零一七年
HK\$'000
千港元

Other receivables from — NCL 其他应收款由 — NCL

255

255

Balances are unsecured, interest-free and repayable on demand. The carrying amounts approximate their fair values (2017: same).

结餘为无抵押、免息及须应要求还款。账面值与其公允价值相若(二零一七年：一致)。

Notes to the Consolidated Financial Statements 综合财务报表附注

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

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

AS AT 31 MARCH 2018

33 本公司财务状况表及储备变动

于二零一八年三月三十一日

		Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
ASSETS	资产			
Non-current asset	非流动资产			
Interest in subsidiaries	附属公司权益		90,918	90,918
Current assets	流动资产			
Amounts due from subsidiaries	应收附属公司款项		118,314	116,621
Other receivables	其他应收款		25	25
Current income tax recoverable	可收回本期所得税		—	351
Cash and cash equivalents	现金及现金等价物		581	481
			118,920	117,478
Total assets	总资产		209,838	208,396
EQUITY	权益			
Equity attributable to equity holders of the Company	本公司所有者应占权益			
Share capital	股本		60,060	60,060
Reserves	储备	(a)	65,189	85,127
Total equity	权益总额		125,249	145,187
LIABILITIES	负债			
Current liabilities	流动负债			
Other payables	其他应付款		2,489	2,825
Current income tax liabilities	本期所得税负债		116	—
Amounts due to subsidiaries	应付附属公司款项		81,984	60,384
			84,589	63,209
Total equity and liabilities	权益及负债总额		209,838	208,396

The statement of financial position of the Company was approved by the Board of Directors on 27 June 2018 and were signed on its behalf.

本公司财务状况表已经董事会于二零一八年六月二十七日批准，并由下列董事代表签署。

TSE Sun Fat, Henry
谢新法
Director
董事

TSE Sun Po, Tony
谢新宝
Director
董事

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONT'D)

Note:

(a) Reserve movement of the Company

At 1 April 2016	于二零一六年四月一日
Profit for the year	年度溢利
Issue of bonus shares (note 26)	红股发行(附注 26)
Dividends (note 14(a))	股息(附注 14(a))
At 31 March 2017	于二零一七年三月三十一日
At 1 April 2017	于二零一七年四月一日
Profit for the year	年度溢利
Dividends (note 14(a))	股息(附注 14(a))
At 31 March 2018	于二零一八年三月三十一日

33 本公司财务状况表及储备变动(续)

附注：

(a) 本公司储备变动

Share premium 股份溢价 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合计 HK\$'000 千港元
29,427	75,182	104,609
—	61,599	61,599
(29,427)	(603)	(30,030)
—	(51,051)	(51,051)
—	85,127	85,127
—	85,127	85,127
—	1,083	1,083
—	(21,021)	(21,021)
—	65,189	65,189

Five-Year Financial Summary 五年财务摘要

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Results	业绩					
Profit attributable to equity holders of the Company	本公司所有者应占溢利	<u>44,194</u>	<u>42,307</u>	<u>78,377</u>	<u>65,910</u>	<u>9,019</u>
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Assets and liabilities	资产及负债					
Total assets	总资产	<u>656,011</u>	<u>582,865</u>	<u>613,998</u>	<u>600,890</u>	<u>506,904</u>
Total liabilities	总负债	<u>(176,800)</u>	<u>(151,001)</u>	<u>(189,163)</u>	<u>(212,011)</u>	<u>(183,259)</u>
Shareholders' equity	股东权益	<u>479,211</u>	<u>431,864</u>	<u>424,835</u>	<u>388,879</u>	<u>323,645</u>

The results, assets and liabilities of the Group for each of the five years ended 31 March 2018 have been prepared on a consolidated basis.

本集团截至二零一八年三月三十一日止五个年度各年之业绩、资产及负债乃按综合基准编制。





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