

S
HOLDING
星光集團

A member of the Starlite

STARLITE
HOLDINGS LIMITED
星光集團有限公司



STARLITE
HOLDINGS LIMITED

星光集團有限公司
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

STOCK CODE 股份代號: 403



**ANNUAL
REPORT
2017 年報**

創科 立異 換道前進

INNOVATION, UNCONVENTIONAL VIEW, EMBRACE CHANGE AND MOVE FORWARD

林光如 二次創業創新 獻力中國製造

46年星光工業路 力求突破不停步

創科立異 換道前進

培訓內地公僕 走遍西部助學

文匯報專訪 - 林光如二次創業創新 獻力中國製造

Wen Wei Po Interview

46年星光工業路 力求突破不停步

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培訓內地公僕 走遍西部助學

文匯報專訪 - 林光如二次創業創新 獻力中國製造

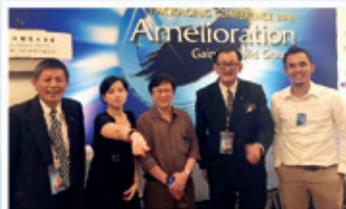
Wen Wei Po Interview

文匯報專訪 - 林光如二次創業創新 獻力中國製造

Wen Wei Po Interview

星光 (遠東) 第13屆包裝研討會

Starlite (Far East)'s 13th Packaging Conference



星光蘇州溫室氣體核查聲明

Verification of Suzhou's Greenhouse Gas Emission Statement

蘇州星光成功通過SGS對其溫室氣體排放聲明進行的驗證。我們將繼續努力，為保護環境出力。

Starlite Suzhou has successfully been verified by SGS on its Greenhouse Gas Emission Statement. We will strive to help protect our beautiful planet.

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DIRECTORS**Executive Directors**

Mr. Lam Kwong Yu (*Chairman*)
Mr. Tai Tzu Shi, Angus (*Senior Vice President*)
Mr. Cheung Chi Shing, Charles (*Senior Vice President*)

Non-Executive Director

Ms. Yeung Chui

Independent Non-Executive Directors

Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
Mr. Tam King Ching, Kenny

AUDIT COMMITTEE

Mr. Tam King Ching, Kenny (*Chairman*)
Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*

REMUNERATION COMMITTEE

Mr. Chan Yue Kwong, Michael (*Chairman*)
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
Mr. Tam King Ching, Kenny

NOMINATION COMMITTEE

Mr. Kwok Lam-Kwong, Larry, *BBS, JP* (*Chairman*)
Mr. Chan Yue Kwong, Michael
Mr. Lam Kwong Yu
Mr. Tam King Ching, Kenny
Ms. Yeung Chui

COMPANY SECRETARY

Mr. Cheung Chi Shing, Charles

董事**執行董事**

林光如先生(*主席*)
戴祖堯先生(*高級副總裁*)
張志成先生(*高級副總裁*)

非執行董事

楊翠女士

獨立非執行董事

陳裕光先生
郭琳廣, *銅紫荊星章, 太平紳士*
譚競正先生

審核委員會

譚競正先生(*主席*)
陳裕光先生
郭琳廣, *銅紫荊星章, 太平紳士*

薪酬委員會

陳裕光先生(*主席*)
郭琳廣, *銅紫荊星章, 太平紳士*
譚競正先生

提名委員會

郭琳廣, *銅紫荊星章, 太平紳士* (*主席*)
陳裕光先生
林光如先生
譚競正先生
楊翠女士

公司秘書

張志成先生

AUDITOR

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Certified Public Accountants
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Central, Hong Kong

LEGAL ADVISER

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Central, Hong Kong

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

**HEAD OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

3/F., Perfect Industrial Building
31 Tai Yau Street
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Kowloon
Hong Kong

SHARE REGISTRARS AND TRANSFER OFFICES

Principal Share Registrar and Transfer Office

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08, Bermuda

核數師

羅兵咸永道會計師事務所
香港執業會計師
香港中環
太子大廈22樓

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歷山大廈27樓

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

**總辦事處及
主要營業地點**

香港
九龍新蒲崗
大有街三十一號
善美工業大廈三樓

股票過戶登記處

主要股票過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Secretaries Limited
Level 22, Hopewell Centre
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Hong Kong

香港股票過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
BNP Paribas
Bank of China (Hong Kong) Limited

主要銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
法國巴黎銀行
中國銀行(香港)有限公司

WEBSITES

<http://www.hkstarlite.com>
<http://www.irasia.com/listco/hk/starlite>

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<http://www.irasia.com/listco/hk/starlite>

STOCK CODE

403

股票代號

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RESULTS

The Group recorded a loss of HK\$9 million for the year ended 31st March, 2017, compared to a profit attributable to owners of HK\$68 million for the previous year. Revenue was approximately HK\$1,446 million, a decrease of 11% compared with the previous year.

The setback in the Group's performance was mainly attributable to: (i) reduction in the quantity and pricing of orders by major customers in the face of weakened market sentiment amidst more intensified competition in the printing and packaging sector; (ii) contraction in the operational efficiency of the Group's eastern China operation as a result of management reshuffle and personnel changes; (iii) impairment provision for the equipment of the Group's Suzhou plant; and (iv) rising price of paper affected the Group's profit margins.

The Group's sales to the United States and Asian markets recorded a decline. With the exception of paper products and greeting cards, all major product categories of the Group posted weaker sales. Moreover, the Group encountered softer pricing of orders as customers took a more cautious stance in light of the sluggish retail sentiment.

On the operational side, the Group's eastern China operation experienced a management reshuffle and personnel changes which caused major interruption to the operational efficiency and sales results of the Suzhou plant. Nonetheless, following the strengthening actions taken by the new management team, the eastern China operation managed to narrow its loss for the full year compared to the loss it recorded in the first half.

Notwithstanding the setback in sales, the Group made progress in expanding its source of revenue during the year. Team Green, the Group's eco-friendly design products brand operating the original design manufacturing (ODM) and original brand manufacturing (OBM) businesses, expanded its product lines and distribution network.

Internally, the Group is implementing lean management programme with full force to take advantage of the opportunities presented by the Chinese government's "Made in China 2025" plan. The Group is also preparing for Industry 4.0 (the fourth industrial revolution) by implementing Enterprise Resource Planning (ERP) and Manufacturing Execution Systems (MES). Stringent control on capital expenditure and customer credit policy is adopted as a safeguard against risks. Details of these measures are described in the "Business Review and Prospects" section.

業績

本集團截至二零一七年三月三十一日止年度錄得九百萬港元虧損，去年度則錄得擁有人應佔溢利六千八百萬港元。營業額約為十四億四千六百萬港元，較去年度減少百分之十一。

集團年內表現未如理想，主要因為：(i)市場氣氛轉弱，包裝印刷業務競爭加劇，主要客戶減少訂單及壓價；(ii)集團華東業務管理層因人事變動而重組，營運效率受到衝擊；(iii)集團為蘇州廠作出設備減值撥備；(iv)紙價上漲影響集團的邊際利潤。

集團銷往美國及亞洲市場的貨額減少。除紙類製品及賀卡外，各類主要產品銷量均下降。此外，鑑於零售市道疲弱，客戶態度加倍審慎，集團的訂單價格因而走軟。

業務方面，華東業務管理層因人事變動而重組，對蘇州廠營運效益及銷售成績帶來重大影響。然而，隨著新管理團隊積極強化，華東業務虧損額較上半年度收窄。

儘管銷售成績未如理想，但在拓展收入來源方面取得進展。年內，集團創新設計的環保產品品牌Team Green，專責拓展自創產品(ODM)及自家品牌(OBM)業務，成功擴大產品系列及分銷網絡。

內部方面，集團全面實施精益管理，掌握中國政府推動「中國製造2025」帶來的機遇。同時，集團加強企業資源計劃(ERP)及製造執行系統(MES)，邁向工業4.0(第四次工業革命)目標，並加強風險管理、資本投資和客戶信貸監控。詳情載於「業務概況及前瞻」。

LARSEMANN

升级 多元 迈向工业4.0

Upgrade Diversification Towards Industry 4.0



DIVIDENDS

In order to retain resources for the Group's future development, the Directors do not recommend a final dividend for the year ended 31st March, 2017 (2016: HK1 cent and special dividend of HK0.5 cent per share). An interim dividend of HK1 cent (2016: HK1 cent) was paid for the six months ended 30th September, 2016.

BUSINESS REVIEW AND PROSPECTS

Hong Kong/Mainland China Operations

Overview

Retail sales in major markets deteriorated in the second half of the financial year, with consumer prices further weakened. In light of this, customers from different sectors became more cautious, placing less orders at more rigid prices. At the same time, competition among printing and packaging companies further intensified. Under the circumstances, whilst the Group strived to maintain its market share and profitability, the Group suffered a decline in revenue with a loss attributable to owners incurred for the year ended 31st March, 2017.

Another major factor affecting the Group's performance during the year was the management reshuffle and personnel changes in the Group's eastern China operation which coincided with the high single-digit rise in minimum wages taking place at the Suzhou plant in June 2016. As a result, the eastern China operation recorded lower sales, lower efficiency and higher production costs. Following the strengthening actions taken by the new management team, the performance of the Suzhou plant improved in the second half. Nevertheless, a significant loss was still incurred by the eastern China operation on a full year basis.

In addition, the price of paper increased during the year. This coupled with the lower pricing of orders led to a reduction in the Group's profit margins.

Against these challenges, the Group has been taking measures to increase sales and profitability. Internally, the Group is implementing Enterprise Resource Planning (ERP) and Manufacturing Execution Systems (MES) to further integrate its manufacturing, purchasing, sales, and accounting functions. Ongoing lean management programme, comprising the streamlining of workflow, intelligent automation and value stream mapping, are extended to more subsidiaries to increase operational efficiency and reduce the wastage of resources. Financial and cash flow management systems are being strengthened to ensure resources are properly allocated, in particular those on capital investment and customer credit control.

股息

為保留資源以供集團發展之用，董事會建議不派發截至二零一七年三月三十一日止年度的末期股息(二零一六年：每股港幣一仙，另派特別股息每股港幣零點五仙)。截至二零一六年九月三十日止六個月已派發中期股息每股港幣一仙(二零一六年：每股港幣一仙)。

業務概況及前瞻

香港／中國內地業務

概覽

本財政年度下半年，各地主要市場的零售銷售普遍惡化，消費物價進一步下滑。在此情況下，各行業的客戶在訂單數量和價格方面加倍謹慎，印刷包裝行業競爭更趨激烈。因此，儘管集團著力維持市場份額和盈利，但截至二零一七年三月三十一日止年度的營業額仍難免下降，並錄得擁有人應佔虧損。

另一項因素是集團蘇州廠管理層因人事變動而重組，並同時於二零一六年六月起以高單位數調升最低工資，導致華東業務銷售下跌，營運效率下降，生產成本上升，影響集團在年內的表現。隨著新管理團隊積極強化，華東業務在下半年度有所改善，但全年計仍然錄得顯著虧損。

此外，年內紙價上漲，加上訂單價格走軟，導致集團的邊際利潤率下降。

面對重重挑戰，集團採取措施致力提升銷售和盈利。內部方面，集團加強企業資源計劃(ERP)及製造執行系統(MES)，進一步整合集團的製造、採購、銷售和財務職能；深化精兵簡政，加強智能自動化及價值流系統，積極提升各附屬公司的營運效益，減少浪費。同時維持審慎理財策略，加強現金流、資本投資和客戶信貸監控。



香港禮品及贈品展 2017
Hong Kong Gift and Premium Fair 2017



'Journey of Wood' 主題展覽 - 香港·設計廊
'Journey of Wood' Exhibition at HKTDC design gallery



www.greentanet.com

Spearheading the original design manufacturing (ODM) and original brand manufacturing (OBM) businesses, Team Green, the Group's eco-friendly design products brand, has broadened its variety of products and expanded its distribution network during the year, with more selling points developed in Japan, Hong Kong, ASEAN, China, Europe and the United States. Team Green is also utilizing its design capability to provide ODM services to major enterprises with hit movie icons.

Qianhai Larsemann Intelligence System (Shenzhen) Limited, a newly-formed subsidiary, is developing the intelligent automation business. The subsidiary researches, designs and develops custom-made machinery and automated equipment primarily for the Group's internal use currently with the potential of selling them to external parties.

Taking a long-term view, the management has adopted the strategy of "Innovation, Unconventional View, Embrace Change and Move Forward" by expanding its source of revenue across and beyond the "Five Major Blocks", namely: (i) proprietary products with confidentiality undertakings; (ii) packaging including luxury packaging and specialty printing; (iii) children's books and greeting cards; (iv) the ODM and OBM businesses; and (v) intelligent automation. The Group will prioritize the allocation of resources to these five blocks based on their growth potential and the management is hopeful that such long-term strategy will benefit the Group's sustainable growth.

Southern China Operation

The Group's southern China operation recorded a significant decline in profit for the year ended 31st March, 2017.

Paper products and greeting cards generated more sales marked by an increase in orders for children's books. However, sales of the printing and packaging division dropped with orders from the toys and technology sectors declining. Sales of packaging and luxury boxes decreased as retail sales weakened.

The profit margins of the southern China operation were also reduced as customers pressed for lower prices for orders due to sluggish market sentiment, while more intensified competition in the printing and packaging industry put pressure on pricing.

集團創新設計的環保產品品牌Team Green，專責拓展自創產品(ODM)及自家品牌(OBM)業務，年內除擴大產品系列外，並積極擴展分銷網絡，進一步擴闊在日本、香港、亞細安、中國、歐洲和美國等線下銷售點，憑著優質設計與熱門電影偶像品牌合作拓展自創產品。

集團新成立的附屬公司前海拉斯曼智能系統(深圳)有限公司，負責開拓自動化設備業務，統籌設計和製造中小型自動化設備，目前主要供集團內部使用，並研究對外銷售的可行性。

長遠而言，集團採取「創科、立異、換道前進」策略，致力發展「五大板塊」業務及開拓新商機。五大板塊分別為：(i) 保密項目；(ii) 包裝業務，包括華麗包裝及特殊印刷；(iii) 兒童圖書和賀卡類業務；(iv) 自創產品(ODM)及自家品牌(OBM)業務；及(v) 智能自動化設備業務。集團按照五大板塊的發展潛力，適當調配資源。管理層相信，這些長期策略可推動集團持續增長。

華南業務

截至二零一七年三月三十一日止年度，集團華南業務的溢利顯著下降。

紙類製品及賀卡訂單增加，兒童圖書銷量上升。來自玩具業及科技客戶的訂單減少。鑑於零售銷售疲弱，華麗包裝銷量下跌。

華南業務的邊際利潤下跌。市場情緒低迷，客戶調低訂單價格，加上包裝印刷業競爭激烈，對單價構成壓力。

國際化業務網絡 Global Network



 香港總公司
Hong Kong Headquarters

 製造基地
Manufacturing Plant

 營銷代表辦事處
Sales Representative Office

E-mail : info@hkstarlite.com

Website : www.hkstarlite.com

國際認證 International Accreditation



ICTI • Sedex • EICC • FSC-COC • ISO14001 • ISO9001 • BRC • Fogra PSO • G7 • GMI • GSV • QS certificate • Disney certificate

Against this setback, Team Green, the Group's eco-friendly design products brand, recorded a growth in sales during the year. It has expanded its product range, covering 3D paper puzzles and 3D wooden puzzles, winning the Hong Kong Smart Gifts Design Awards contest with two of its Jigzle© Wooden Puzzles. Team Green has also collaborated with world-famous brands providing them OEM and ODM services and is actively building up its profile by attending shows and exhibitions. Internet sales of the Team Green products are launched through GreenTaNet.com, the Group's e-business platform, and other online stores.

Qianhai Larsemann Intelligence System (Shenzhen) Limited, the newly-formed subsidiary spearheading the intelligent automation business, has also made progress by strengthening cooperation with scientific research institutions and universities in Mainland China and overseas, on areas ranging from semi-automation to full automation, paving the way for the Group's development of production service centers catering for the consumer market.

Moving forward, the southern China operation will apply intelligent automation and value stream mapping to increase its cost efficiency. It will actively develop other sectors besides the toys industry to expand its clientele. These sectors include the food, cosmetics and information technology sectors to which the Group is expanding its luxury packaging business.

Eastern China Operation

The eastern China operation recorded less sales and a significant loss during the year under review, as the management reshuffle with personnel changes adversely affected its sales and marketing as well as operational efficiency. Strong competition among printing and packaging companies in the Yangtze River Delta and high labour costs also had a negative impact on the eastern China operation.

Sales dropped across all divisions of the eastern China operation during the year. Specialty printing reported the highest sales decline, followed by the printing and packaging division and the greeting cards business.

Nonetheless, following the strengthening actions taken by the new management team, the performance of the Suzhou plant improved in the second half of the year. Moving forward, the eastern China operation will continue to target multinational customers and established Chinese enterprises and enlarge its clientele in growth sectors to reinforce its leading position and enhance its profitability.

自創產品(ODM)及自家品牌(OBM)業務年內銷量上升。集團創新設計的環保產品品牌Team Green成功開拓產品系列，旗下產品包括立體木拼圖及立體紙拼圖，當中兩項 Jigzle©木拼圖贏得「香港智營禮品設計大賞」。Team Green與世界知名品牌合作，為他們提供原始設備製造(OEM)和自創產品(ODM)服務；並積極參加展覽會和展銷會拓展自家品牌(OBM)銷路，同時通過GreenTaNet.com及其他網上渠道進行市場拓展。

集團新成立的附屬公司前海拉斯曼智能系統(深圳)有限公司，負責開拓自動化設備業務，年內取得進展，加強與國內外科研機構和大學合作，從半自動化到全自動化，為製作服務中心貼近消費市場作前期準備。

展望未來，華南業務將繼續加強智能自動化，深化價值流系統，全面提升成本效益。華南業務亦會積極拓展玩具業以外的行業，包括食品、化妝品和資訊科技業等，致力向這些客戶加強華麗包裝服務。

華東業務

回顧年度內，華東業務銷售下降並錄得顯著虧損。蘇州廠管理團隊因人事變動而重組，對銷售及營運效益帶來衝擊。此外，長江三角洲包裝印刷業競爭激烈，勞動成本持續上升，對華東業務帶來負面影響。

華東各項業務銷售均錄得下跌。特殊印刷業務跌幅顯著，包裝印刷及賀卡業務跌幅相對較少。

隨著新管理團隊積極強化，蘇州廠在下半年度有所改善。展望未來，華東業務將繼續致力鞏固其在印刷行業的領先地位，以跨國商企及中國優質企業為服務對象，在具有增長潛力的行業大力拓展客戶，努力改善盈利。

Southeast Asia Operation

The southeast Asia operation recorded a decline both in revenue and profit during the year under review. The setback was due to realignment of product range by major clients, strong competition in the printing and packaging industry across the region, and the depreciation of Singapore dollar and Malaysian ringgit against the United States dollar.

To improve its performance, the southeast Asia operation will utilize the Group's intelligent automation technology to increase its competitive advantages. Moreover, it will strive to expand its sales and customer base. Such efforts include further penetration in markets such as Australia, New Zealand and ASEAN countries, and exploring the feasibility of developing the ODM and OBM businesses.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's sources of funding include cash generated from the Group's operations and banking facilities provided to the Group by banks mainly in Hong Kong and Mainland China. As at 31st March, 2017, the Group's cash and bank balances and short-term bank deposits amounted to approximately HK\$264 million.

During the year under review, the interest expense of the Group amounted to approximately HK\$8 million compared to approximately HK\$10 million recorded last year.

As at 31st March, 2017, the Group had a working capital surplus of approximately HK\$243 million compared to a working capital surplus of approximately HK\$222 million as at 31st March, 2016. The Group was in net cash position as at 31st March, 2017 and 31st March, 2016. The Group's gearing ratio as at 31st March, 2017 was 34% (2016 : 36%), based on short-term and long-term bank borrowings, bill payables and shareholders' funds of approximately HK\$544 million.

CHARGE ON ASSETS

As at 31st March, 2017, certain assets of the Group with an aggregate book carrying value of approximately HK\$11 million (31st March, 2016: HK\$29 million) were pledged to secure the banking facilities of the Group.

東南亞業務

年內，東南亞業務營業額和溢利均下降，原因是主要客戶調整產品系列、區內包裝印刷行業競爭加劇，以及新加坡元和馬幣兌美元貶值所致。

東南亞業務將致力作出改善，借助集團的智能自動化技術發揮更大競爭優勢，積極擴大銷量和客戶群。除加強拓展澳洲、新西蘭和亞細安市場，並正研究拓展自創產品(ODM)及自家品牌(OBM)業務的可行性。

流動資金及財務資源

集團的主要資金來源，包括業務經營帶來的現金收入及中港兩地銀行界提供的信貸融資。截至二零一七年三月三十一日，集團的現金和銀行結餘及短期銀行存款共約二億六千四百萬港元。

回顧年度內，集團的利息支出約為八百萬港元，去年約為一千萬港元。

於二零一七年三月三十一日，集團營運資金錄得約二億四千三百萬港元盈餘，而二零一六年三月三十一日則有約二億二千二百萬港元盈餘。集團截至二零一七年三月三十一日及二零一六年三月三十一日為淨現金狀況。二零一七年三月三十一日當日的債務權益比率為百分之三十四(二零一六年：百分之三十六)，乃根據短期及長期帶息銀行借款、應付票據與股東權益約五億四千四百萬港元計算。

資產抵押

於二零一七年三月三十一日，本集團合共賬面淨值約一千一百萬港元(二零一六年三月三十一日：二千九百萬港元)之資產已按予銀行作為後者授予本集團貸款之抵押。

EXCHANGE RATE EXPOSURE

All the Group's assets, liabilities and transactions are denominated in Hong Kong dollars, US dollars, Chinese Renminbi, Malaysian ringgit, Singapore dollars or Euro. The exchange rate of US dollars/Hong Kong dollars is relatively stable due to the current peg system in Hong Kong. The Renminbi-denominated sales revenue helps to set off the Group's commitments of Renminbi-denominated operating expenses in Mainland China, accordingly reducing Renminbi exchange rate exposure. Transaction values involving Euro were primarily related to the Group's purchase of machinery.

HUMAN RESOURCES DEVELOPMENT

Currently the Group has approximately 6,000 employees. The Group maintains good relationships with its employees, providing them with competitive packages, incentive schemes as well as various training programmes. The Group has maintained a Share Option Scheme under which share options can be granted to certain employees (including executive directors and non-executive director of the Company (excluding independent non-executive directors)) as incentive for their contribution to the Group. The Group provides various training and development programmes to staff on an ongoing basis. The Group will explore the possibility of launching other special training programmes with universities in Mainland China and education institutions abroad to enhance its staff quality.

SOCIAL RESPONSIBILITY

As a responsible corporation, the Group is committed to promoting social enhancement whilst developing its businesses, through active participation in social welfare and environmental protection activities to realize its mission. Regardless of where the Group operates, the Group treats the local communities as family members and strives to contribute to such communities.

In the past years, the Group has allocated significant resources to energy conservation and environmental protection, provided venues and platforms of training and job opportunities for young people, and actively supported help-poor and schooling campaigns as well as disaster relief efforts in China. Apart from providing financial support, the Group also contributes people and time to various charity drives. In many circumstances, the Group's Chairman makes initiative to organize joint efforts with other enterprises and friends to pool resources together for the maximum benefits of those in need.

匯兌風險

本集團大部分資產、負債及交易均以港元、美元、人民幣、馬來西亞元、新加坡元或歐元結算。香港現行之聯繫匯率制度令美元／港元匯率相對穩定。而集團現有以人民幣結算之銷售收益，有助減低集團內地附屬公司以人民幣結算之經營費用所承擔之貨幣風險。至於涉及歐元之交易額，主要為集團購買機器付出。

人力資源發展

集團現僱用約六千名員工。集團與員工一直保持良好關係，除為員工提供合理薪酬和獎勵外，並實施各項員工技能培訓計劃。集團設有購股權計劃，可選擇部分對集團有貢獻的員工(包括本公司執行董事及非執行董事(不包括獨立非執行董事))授予購股權。集團致力為員工提供各項持續性的培訓及人才發展計劃。集團將繼續研究與中國內地的大學和海外的教育機構合作，開辦其他專業實用技術課程。

社會責任

作為一家負責任的企業，集團於積極發展業務之同時，亦貫徹致力社會發展信念，積極參與社會公益及環保活動，切實履行企業責任。無論在何處經營業務，我們都視該地區為集團一分子，定必盡力為該地區作出貢獻。

過去數年，集團積極投入資源，促進節能和環境保護，提供學習場地和平台，為年青人提供培訓及實踐機會。另積極參與中國扶貧助學及賑災活動。除了給予金錢資助外，集團更樂於獻出管理人員及員工時間參與不同慈善機構活動。在很多情況下，集團主席更主動聯繫眾企業及友好，匯聚資源，確保有需要人士能獲享最大裨益。

During the year under review, the Group and its staff made financial and other support to the following organizations:

- Donation to Jiaying University
- Donation to Polar Museum Foundation
- Donation to China Star Light Charity Fund Association
- Support to Scout Association of Hong Kong
- The Hong Kong Seagulls Scholarship Scheme

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT

During the year, the Group has established an environmental, social and governance (“ESG”) management team to manage, monitor, recommend and report on environmental and social aspects. An ESG report is being prepared with reference to Appendix 27 Environmental, Social and Governance Reporting Guide to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and will be published on the Company’s website (<http://www.hkstarlite.com>) within three months after the publication of this annual report.

LOOKING AHEAD

In its World Economic Outlook report published in April 2017, the International Monetary Fund (“IMF”) raised its projection for 2017 global growth to 3.5 percent, up from its recently forecast 3.4 percent, while maintaining its 2018 forecast at 3.6 percent. However, the IMF warned that “the upgrade to our 2017 forecast is modest, and longer-term potential growth rates remain subdued across the globe compared with past decades, especially in advanced economies…significant downside risks continue to cloud the medium-term outlook.” The report said “one salient threat is a turn toward protectionism, leading to trade warfare. Mainly in advanced economies, several factors… have generated political support for zero-sum policy approaches that could undermine international trading relationships, along with multilateral cooperation more generally.”

回顧年度內，集團及其員工為多個機構提供財政和其他援助，這些機構包括：

- 嘉應大學助學計劃
- 捐款極地博物館基金
- 捐款中國星火基金會
- 贊助香港童軍總會活動
- 香港海鷗助學團獎學金贊助費

環境、社會及管治（「環境、社會及管治」）報告

於年內，本集團已成立環境、社會及管治（「環境、社會及管治」）管理團隊，在環保及社會層面進行管理、監控、建議及報告工作。環境、社會及管治報告乃經參考香港聯合交易所有限公司（「聯交所」）證券上市規則之附錄二十七環境、社會及管治報告指引而在編製中，並將於本年度報告刊發後的三個月內於本公司網站(<http://www.hkstarlite.com>)刊發。

未來展望

國際貨幣基金組織(IMF)於二零一七年四月發表《世界經濟展望》報告，把二零一七年全球經濟增長預測，由早前的百分之三點四調高至百分之三點五，並保持二零一八年的預測為百分之三點六。然而，IMF提醒：「我們對2017年的預測僅是小幅上調，與過去十年相比，全球範圍(尤其是發達經濟體)的長期潛在增長率仍然低迷。此外，雖然近期增長有可能超過預期，但是重大下行風險繼續籠罩著中期前景。」報告說：「一個突出的威脅是轉向保護主義的趨勢，這會引發貿易戰。主要在發達經濟體中，若干因素…導致在政治上形成了對零和政策方法的支持，而這些政策方法可能會損害國際貿易關係以及更廣泛的多邊合作。」

While the IMF's positive forecast on world economic growth is encouraging, the management believes that the year ahead will remain highly challenging given the threat of protectionism and the fragility and volatility in consumer confidence. Capitalising on its strategy of "Innovation, Unconventional View, Embrace Change and Move Forward", the Group will continue to develop the business of Team Green and Larsemann Intelligence System actively so as to upgrade and diversify itself and to embrace Industry 4.0. Internally, the Group is adhering to its "deepening and streamlining" initiatives to reform its operations and increase their competitive advantages, including the further implementation of Enterprise Resource Planning (ERP) and Manufacturing Execution Systems (MES) to strengthen the integration of its manufacturing, purchasing, sales, and accounting functions. The performance of the Suzhou plant has improved in the second half of the year as the new management team adopted strengthening actions. With the stabilization of its sales and operating efficiency, the Suzhou plant is in a good position to make further improvement in a gradual manner. The management remains confident about the Group's long-term growth in spite of the temporary setback in its performance and is actively implementing the measures.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to thank our shareholders, customers, bankers, suppliers and friends in the community for their continued support and all our staff for their loyalty and dedication.

On behalf of the Board

Lam Kwong Yu

Chairman

Hong Kong, 20th June, 2017

IMF調升世界經濟增長預測，令人鼓舞。但管理層相信，鑑於保護主義的威脅及消費者信心的脆弱波動，未來一年仍將挑戰重重。集團採取「創科、立異、換道前進」策略，積極拓展Team Green和前海拉斯曼智能系統業務，多元化提升收入和盈利，努力邁向工業4.0(第四次工業革命)目標。內部方面，集團將繼續深化精兵簡政，提升企業競爭優勢，包括加強企業資源計劃(ERP)及製造執行系統(MES)，進一步整合集團的製造計劃、採購、銷售和財務職能。在新管理團隊積極強化下，蘇州廠在下半年度有所改善。隨著其銷售及營運效益轉趨穩定，蘇州廠表現定能逐步改善。管理層相信，儘管集團表現暫時失利，但落實有關措施可推動集團的長期持續增長。

致謝

本人謹代表董事會，衷心感謝各位股東、客戶、銀行界、供應商以及社會友好給予本集團的鼎力支持，更感謝盡忠職守、忠心不渝的全體員工。

承董事會命

主席

林光如

香港，二零一七年六月二十日

In the blink of an eye, another year has gone by and the Chairman's Statement for 2016/17 is set to be published. Amidst a tight schedule departing Hong Kong for the United States, I am writing my annual letter to shareholders in the high sky above the Pacific Ocean, reviewing and reporting briefly our work progress and plans during the year.

Like similar efforts of the previous years, this western trip to the United States strives to reinforce and deepen our relationships with old customers, and to develop and bring in new ones. We also seek to evaluate the market at close distance and to understand the market needs for services and products, so as to generate more fuels for our strategy of "Innovation, Unconventional View, Embrace Change and Move Forward".

2016/17 was the year when our target markets including Europe and the United States held presidential elections which brought great political and economic uncertainties. In fact, Britain and the United States both experienced "black swans", highlighting the rampant opposition to globalization. China has just awakened from the illusive dream of "forsaking the real economy in favour of the virtual economy". Rigid control is now exercised on bank credit, hindering market operation, and enterprises are facing more challenges than opportunities.

Under these circumstances, the Group experienced a significant decline in revenue during the year under review. Moreover, there was management reshuffle with personnel changes in the Group's Suzhou plant which adversely affected the sales performance and operational efficiency of the Group's eastern China operation. Impairment provision was also made for the equipment of the Group's Suzhou plant. Such factors resulted in a loss recorded by the Group during the year.

After years of practising and honing, Starlite people are becoming increasingly mature. New staff members joining the team are also willing to accept challenges; both their knowledge and abilities have been enhanced. Capitalising on the state's "Made in China 2025" plan, the Group's subsidiaries implement lean management with full force and gain various degrees of success. Good professional managers bring handsome benefits to the Company and they in turn obtain rich rewards for themselves and their subordinates. This has further illustrated the superiority of the reward system.

轉眼之間，又是2016/17年度主席報告付梓之時，適逢離開香港赴美，日程緊湊。於是，在太平洋高空之上，提筆回顧年度工作和規劃的簡要報告。

西行美國，一如多年的努力，鞏固和深耕老客戶，開拓和引入新客戶，近距離為市場把脈，瞭解市場服務和產品需求，為「創科、立異、換道前進」增添更多能量。

2016/17年度是目標市場歐美諸國的選舉年，政治和經濟展現不確定性，事實上，英美先後出現「黑天鵝」，逆全球化甚囂塵上，中國亦剛從「脫實務虛」幻夢中醒悟，銀行信貸額度僵硬控制，市場轉運失速，企業面對的挑戰遠遠多於機遇。

在此情況下，集團年度內收入顯著下降，再加上蘇州廠管理層因人事變動而重組，令華東業務的銷售表現及營運效率受到衝擊，集團須為蘇州廠作出設備減值撥備，導致集團於年度內錄得虧損。

經過多年的工作磨練，星光人日見成熟穩重，新進人員加入，亦樂於接受考驗，知識和能力雙雙得予提升，配合國家「中國製造2025」，全面實施「精益管理」，各分公司取得不同程度成效，優秀的職業經理人為公司帶來良好效益，為自己、為下屬取得豐厚獎金，進一步說明獎勵制度的優越性。

After years of investment, our fourth business block Team Green is vigorously accelerating its brand building and market expansion. More original products are created for consumers, with second-design merchandise on major movie characters created for film publishers to secure a larger market share and enable consumers to enjoy superb value. Our fifth business block Qianhai Larsemann Intelligence System is strengthening co-operation with scientific research institutions and universities in Mainland China and overseas, on areas ranging from semi-automation to full automation and intelligence, paving way for the development of production service centers catering for the consumer market, and moving towards a practical use Robot company that opens up a new global business.

I deeply believe that with the Government's strong leadership, the dedicated effort of the Board of Directors, the adherence to "One Belt One Road" development, the co-operation of Starlite people at all levels, and the support of shareholders, banks, suppliers and the community, we will be able to generate good results in 2017/18.

Lam Kwong Yu
Chairman

Hong Kong, 20th June, 2017

經多年投資的第四板塊「綠團」，竭力加速品牌建設和市場規模化，為消費者奉獻更多的原創產品，為電影偶像奉獻二次創作，佔據更大市場空間，讓消費者享用超乎想像的商品價值；第五板塊「前海拉斯曼智能系統」，加強與國內外科研機構和大學合作，從半自動化到全自動化和智能化，為製作服務中心貼近消費市場作前期準備，朝實用型機器人企業進發，開展嶄新的全球事業。

我深信，在政府堅強領導、董事會有為帶領和跟隨「一帶一路」發展、星光上下通力合作、股東忠誠、銀行和供應商支持、社會人士愛護，在2017/18有信心創出優良業績。

主席
林光如

香港，二零一七年六月二十日

CONSOLIDATED INCOME STATEMENTS

綜合收益表

		Year ended 31st March, 截至三月三十一日止年度				
		2017	2016	2015	2014	2013
		二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
		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
Revenue	收入	1,445,870	1,620,364	1,591,655	1,456,556	1,427,544
Operating profit	經營溢利	20,622	101,878	19,391	36,875	27,849
(Loss)/profit for the year attributable to the owners of the Company	年內本公司擁有人應佔(虧損)/溢利	(9,184)	68,112	2,651	15,057	9,357
Dividends	股息	5,251	13,128	5,251	13,128	10,502
Basic (losses)/earnings per share attributable to the owners of the Company (HK cents)	本公司擁有人應佔每股基本(虧損)/盈利(港仙)	(1.75)	12.97	0.50	2.87	1.78

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		As at 31st March, 2017 於二零一七年 三月三十一日 HK\$'000 千港元	As at 31st March, 2016 於二零一六年 三月三十一日 HK\$'000 千港元	As at 31st March, 2015 於二零一五年 三月三十一日 HK\$'000 千港元	As at 31st March, 2014 於二零一四年 三月三十一日 HK\$'000 千港元	As at 31st March, 2013 於二零一三年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	380,787	406,922	450,882	489,512	477,184
Current assets	流動資產	657,727	684,396	602,975	608,195	583,359
Current liabilities	流動負債	(414,647)	(462,755)	(444,429)	(450,948)	(473,543)
Net current assets	流動資產淨額	243,080	221,641	158,546	157,247	109,816
Total assets less current liabilities	總資產減 流動負債	623,867	628,563	609,428	646,759	587,000
Non-current liabilities	非流動負債	(79,970)	(38,730)	(72,485)	(87,997)	(25,773)
Net assets	資產淨值	543,897	589,833	536,943	558,762	561,227
Total equity	權益總額	543,897	589,833	536,943	558,762	561,227

The Directors have the pleasure of presenting their annual report together with the audited financial statements of Starlite Holdings Limited (“the Company”) and its subsidiaries (“the Group”) for the year ended 31st March, 2017.

Principal activities

The Company is an investment holding company. Its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels and paper products, including environmental friendly paper products.

Details of the Group’s revenue and segment results are set out in Note 5 to the accompanying financial statements.

Business review

A review of the business of the Group during the year as required by Schedule 5 of the Hong Kong Companies Ordinance (Cap. 622) are covered in different sections of this annual report as set out below, which shall form part of this Report of the Directors.

A fair review of the Group’s business, a discussion of the principal risks and uncertainties facing the Group and an indication of likely future development since the Group’s business, can be found in the Chairman’s Statement and Chairman’s Letter set out on pages 7 to 19.

Compliance with laws and regulations

The Group has established procedures in place to ensure that its operations comply with applicable laws, rules and regulations. A senior management committee of the Company is delegated by the Board to monitor the Group’s policies and practices for achieving compliance with legal and other regulatory requirements, and such policies and practices are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operating units whenever necessary.

As far as the Company is aware, the Group has complied in all material respects with laws and regulations that have a significant impact on the Group’s business and operations.

董事會欣然提呈星光集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一七年三月三十一日止年度之年報及經審核財務報表。

主要業務

本公司乃一投資控股公司。其附屬公司主要從事印刷及製造包裝材料、標籤，及紙類製品，包括環保紙類產品。

本集團之收入及分部業績之詳情載於隨附財務報表附註5。

業務回顧

香港《公司條例》(第622章)附表5要求本集團刊載年內業務回顧，回顧的內容於本年報以下不同章節內載述，該些章節構成本董事會報告之一部份。

對本集團業務的中肯審視、面對之主要風險及不明朗因素的討論以及本集團業務相當可能有的未來發展之揭示可見於第7至19頁所載主席報告及主席函件中。

遵守法律及法規

本集團亦建立程序確保業務運作符合適用的法律、規則及規例。本公司的董事會授權管理委員會監察本集團的政策及守則，以符合法律與其他監管要求，並會定期檢討有關政策及守則。適用的相關法律、規則及規例若有任何變動，本集團會在必要時告知相關員工及營運單位。

就本公司所知，本集團在所有重大方面均符合本集團業務及營運有重大影響的相關法律及法規的規定。

Major customers and suppliers

For the year ended 31st March, 2017, the five largest customers accounted for approximately 39% of the Group's total revenue and the five largest suppliers accounted for approximately 20% of the Group's total purchases. In addition, the largest customer accounted for approximately 13% of the Group's revenue while the largest supplier accounted for approximately 6% of the Group's total purchases.

None of the directors, their associates, or any shareholder (which, to the knowledge of the Company's Directors, owned more than 5% of the Company's share capital) had a beneficial interest in the Group's five largest customers or suppliers.

Relationship with stakeholders

The Group recognizes that employees, customers and business partners are keys to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing co-operation with its business partners.

Results and appropriations

Details of the Group's results for the year ended 31st March, 2017 are set out in the consolidated income statement on page 60 of this annual report.

The Directors have declared an interim dividend of HK1 cent per ordinary share, totalling approximately HK\$5,251,000, which was paid on 22nd February, 2017.

The Directors do not recommend the payment of a final dividend for the year ended 31st March, 2017, and recommend that the Group's retained profits of approximately HK\$321,594,000 be carried forward.

Share capital and employee share options

Details of movements in share capital and the employee share option scheme of the Company are set out in Notes 24 and 25, respectively, to the accompanying financial statements.

Reserves

Movements in reserves of the Group and the Company during the year are set out in Notes 26 and 32(b) to the accompanying financial statements.

As at 31st March, 2017, the Company's retained profit of approximately HK\$20,200,000 was available for distribution to the Company's shareholders.

主要客戶及供應商

截至二零一七年三月三十一日止年度，本集團最大五位客戶佔本集團總收入約39%，而最大五家供應商佔本集團採購總額約20%。另外，本集團之最大客戶佔本集團總收入13%，而最大供應商佔本集團採購總額約6%。

各董事、彼等之聯繫人士或任何股東(指就本公司董事會所知擁有本公司股本超過5%之股東)概無擁有本集團五大客戶或五大供應商之實質權益。

與持份者的關係

本集團明白員工、客戶及業務夥伴是可持續發展的關鍵。本集團致力與員工建立密切及融洽的關係，為客戶提供優質服務，並加強與業務夥伴的合作。

業績及分配

本集團截至二零一七年三月三十一日止年度之業績詳情載於本年報第60頁之綜合收益表。

董事會議決派發中期股息，每股港幣一仙，共約5,251,000港元，有關股息並已於二零一七年二月二十二日派發。

董事會建議不派發截至二零一七年三月三十一日止年度末期股息，並建議將集團保留溢利約321,594,000港元結轉。

股本及僱員購股權

本公司股本變動及僱員購股權計劃之詳情分別載於隨附之財務報表附註24及25。

儲備

本集團及本公司於年內之儲備變動載於隨附之財務報表附註26及32(b)。

於二零一七年三月三十一日，本公司可供派發予股東之保留溢利約20,200,000港元。

Purchase, sale or redemption of shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year ended 31st March, 2017.

Pre-emptive rights

There is no provision for pre-emptive rights under the Company's Bye-laws and the laws in Bermuda.

Subsidiaries

Particulars of the subsidiaries are set out in Note 16 to the accompanying financial statements.

Property, plant and equipment

Details of movements in property, plant and equipment during the year are set out in Note 15 to the accompanying financial statements.

Bank borrowings

Particulars of bank borrowings as at 31st March, 2017 are set out in Notes 21 and 29 to the accompanying financial statements.

Pension scheme

Details of the pension scheme are set out in Note 9 to the accompanying financial statement.

Charitable contributions

During the year, the Group made charitable contributions of approximately HK\$825,000 (2016: HK\$1,185,000).

Directors and directors' service contracts

The directors who held office during the year and up to the date of this report are:

Executive Directors

Mr. Lam Kwong Yu (*Chairman*)
Mr. Tai Tzu Shi, Angus (*Senior Vice President*)
Mr. Cheung Chi Shing, Charles (*Senior Vice President*)

Non-Executive Director

Ms. Yeung Chui

Independent Non-Executive Directors

Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
Mr. Tam King Ching, Kenny

購買、出售或贖回股份

本公司或其任何附屬公司於截至二零一七年三月三十一日止年度並無購買、出售或贖回任何本公司上市股份。

優先購股權

本公司細則及百慕達法例並無授予優先購股權之條款。

附屬公司

附屬公司之詳情載於隨附之財務報表附註16。

物業、廠房及設備

年內物業、廠房及設備之變動詳情載於隨附之財務報表附註15。

銀行融資

於二零一七年三月三十一日，銀行融資之詳情載於隨附之財務報表附註21及29。

退休金計劃

退休金計劃之詳情載於隨附之財務報表附註9。

慈善捐款

年內，本集團捐出約825,000港元(二零一六年：1,185,000港元)之款項作慈善用途。

董事及董事服務合約

於本年度及截至本年報刊發日之在任董事為：

執行董事

林光如先生(*主席*)
戴祖壘先生(*高級副總裁*)
張志成先生(*高級副總裁*)

非執行董事

楊翠女士

獨立非執行董事

陳裕光先生
郭琳廣, *銅紫荊星章, 太平紳士*
譚競正先生

In accordance with the Bye-laws of the Company, not less than one-third of the directors will be retire from office by rotation at the annual general meeting and, being eligible, offer themselves for re-election. Accordingly, Mr. Lam Kwong Yu, Ms. Yeung Chui and Mr. Tam King Ching, Kenny will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

None of the directors has an unexpired contract with the Group which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

Changes in information of directors

The change in the information of directors of the Company, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, is as follows:

Mr. Tam King Ching, Kenny, an Independent Non-Executive Director of the Company, was appointed as an independent non-executive director of Wisdom Education International Holdings Company Limited with effect from 3rd January, 2017.

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

Independent Non-Executive Directors' confirmation of independence

The Company has received independence confirmation from each of the Independent Non-Executive Directors, namely Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam-Kwong, Larry, BBS, JP and Mr. Tam King Ching, Kenny pursuant to rule 3.13 of the Listing Rules, and considers them to be independent.

根據本公司之細則，不少於三分之一董事將於股東週年大會輪值告退，惟願意均可膺選連任。因此，林光如先生、楊翠女士及譚競正先生將於應屆股東週年大會上退任，並符合資格及願意重選連任。

本集團並無與各董事訂立不可於一年內毋須補償(法定補償除外)而終止之未屆滿合約。

董事資料之變動

根據上市規則第13.51B(1)條規定，茲披露本公司董事資料之變動如下：

本公司獨立非執行董事譚競正先生於二零一七年一月三日獲委任為睿見教育國際控股有限公司之獨立非執行董事。

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條而須予披露。

獨立非執行董事之獨立性確認函件

本公司已接獲各獨立非執行董事，即陳裕光先生、郭琳廣，*銅紫荊星章*，*太平紳士*及譚競正先生根據上市規則第3.13條發出的獨立性確認函件，本公司並認為彼等均為獨立。

Directors' interests in shares and share options

As at 31st March, 2017, the interest of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any specified undertaking of the Company or any of its associated corporations (within the meaning of Section 352 of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be 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 (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

Long positions in Shares

Name of Director	Capacity		Personal interests	Family interests	Corporate interests	Total	Approximate % of total shareholding
董事姓名	身份		個人權益	家族權益	公司權益	總數	佔股權之概約百分比
Mr. Lam Kwong Yu	Beneficial owner	實益擁有	193,915,477	—	—	193,915,477	36.93%
Ms. Yeung Chui	Beneficial owner and interest of controlled corporation	實益擁有及受控制公司之權益	88,843,200	—	1,012,901 (Note 1) (附註1)	89,856,101	17.11%
Mr. Tai Tzu Shi, Angus	Interest of spouse	配偶權益	—	18,000	—	18,000	0.003%
Mr. Cheung Chi Shing, Charles	Beneficial owner	實益擁有	300,000	—	—	300,000	0.06%

Note:

1. Dayspring Enterprises Limited held 1,012,901 shares in the Company. The entire issued share capital of the company is beneficially owned and controlled by Ms. Yeung Chui.

Save as disclosed above, none of the Directors or Chief Executive of the Company had, as at 31st March, 2017, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

董事於股份及購股權之權益

於二零一七年三月三十一日，本公司董事及最高行政人員於本公司或任何本公司指明的公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部第352條)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益或淡倉(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉)，或記載於本公司按證券及期貨條例第352條須置存之登記冊內的權益或淡倉，或根據聯交所證券上市規則(「上市規則」)須知會本公司及聯交所的權益或淡倉如下：

於股份之好倉

Name of Director	Capacity		Personal interests	Family interests	Corporate interests	Total	Approximate % of total shareholding
董事姓名	身份		個人權益	家族權益	公司權益	總數	佔股權之概約百分比
Mr. Lam Kwong Yu	Beneficial owner	實益擁有	193,915,477	—	—	193,915,477	36.93%
Ms. Yeung Chui	Beneficial owner and interest of controlled corporation	實益擁有及受控制公司之權益	88,843,200	—	1,012,901 (Note 1) (附註1)	89,856,101	17.11%
Mr. Tai Tzu Shi, Angus	Interest of spouse	配偶權益	—	18,000	—	18,000	0.003%
Mr. Cheung Chi Shing, Charles	Beneficial owner	實益擁有	300,000	—	—	300,000	0.06%

附註：

1. 特暢企業有限公司持有本公司1,012,901股股份，該公司之全部已發行股本均由楊翠女士實益擁有及控制。

除上文所披露者外，於二零一七年三月三十一日，本公司各董事及最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有依據證券及期貨條例第XV部第7及第8分部規定須通知本公司及聯交所之權益及淡倉(包括彼等根據證券及期貨條例之該等條文被當作或視為擁有之權益或淡倉)，或記載於本公司按證券及期貨條例第352條須置存之登記冊內之權益或淡倉，或根據上市規則須知會本公司及聯交所之權益或淡倉。

Share option scheme

A new share option scheme has been adopted by the Company since 15th August, 2012 (the “New Share Option Scheme”) to replace a share option scheme which had been adopted on 6th September, 2002 (the “Old Share Option Scheme”) to comply with the current statutory requirements. The Company may grant options to the participants as set out in the New Share Option Scheme.

購股權計劃

本公司由二零一二年八月十五日起已採納新購股權計劃(「新購股權計劃」)以取代於二零零二年九月六日採納之購股權計劃(「舊購股權計劃」)，以符合現行之法定要求。本公司可按新購股權計劃所列向參與人士授予購股權。

Summary of the New Share Option Scheme was as follows:

新購股權計劃的摘要如下：

- | | |
|--|---|
| <p>1. Purpose of the New Share Option Scheme</p> <p>新購股權計劃目的</p> | <p>To provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares.</p> <p>為參與人士提供獲得本公司所有權之機會，並鼓勵參與人士致力擴大本公司及其股份之價值。</p> |
| <p>2. Participants of the New Share Option Scheme</p> <p>新購股權計劃的參與人士</p> | <p>(i) Any full-time employee of the Company or of any subsidiary;</p> <p>(ii) Any executive director and non-executive director (excluding independent non-executive directors) of the Company or of any subsidiary.</p> <p>(i) 本公司或其附屬公司之全職僱員；及</p> <p>(ii) 本公司或其附屬公司之執行董事及非執行董事(不包括獨立非執行董事)。</p> |
| <p>3. Total number of shares available for issue under the New Share Option Scheme and percentage of issued share capital as at the date of the annual report</p> <p>根據新購股權計劃可發行股份總數及於本年報日期佔已發行股本百分比</p> | <p>The Company may initially grant options representing 52,513,528 shares under the New Share Option Scheme (i.e. approximately 10% of the issued share capital of the Company as at the date of the approval of the New Share Option Scheme).</p> <p>The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other schemes adopted by the Company must not exceed 30% of the shares in issue from time to time. No options may be granted under the New Share Option Scheme or any other share option scheme if that will result in the 30% limit being exceeded.</p> <p>根據新購股權計劃，本公司初步可授予涉及52,513,528股股份(佔本公司於採納新購股權計劃日期之已發行股本約10%)之購股權。</p> <p>根據本公司採納之新購股權計劃及任何其他計劃授予而尚未行使之購股權獲行使時而可發行之股份最高之數目不得超過不時已發行股份之30%。倘根據新購股權計劃授予購股權將會超過30%上限，則不可授予購股權。</p> |

4. Maximum entitlement of each participant under the New Share Option Scheme
- 每位參與人士根據新購股權計劃可認購的最高數額
- The total number of shares issued and to be issued upon exercise of the options granted and to be granted to each participant (including both exercised and outstanding options) under the New Share Option Scheme or any other share option scheme adopted by the Company in any 12 month period must not exceed 1% of the shares in issue.
- 根據新購股權計劃以及本公司之任何其他購股權計劃，在任何十二個月期間內，向每位參與人士授予購股權而因行使購股權(包括已行使及尚未行使之購股權)獲發行及將予發行之股份總數，不得超過已發行股份數目之1%。
5. The period within which the shares must be taken up under an option
- 根據購股權須認購股份的期限
- Must not be more than 10 years from the date of offer or grant of the option.
- 自購股權提出授予之日起計不得超過十年。
6. The minimum period for which an option must be held before it can be exercised
- 須於行使前持有購股權的最短期限
- An option may be exercised at any time during a period commencing on the expiry of 6 calendar months after the date of grant of the option, but in any event not later than 10 years from the date of grant.
- 購股權可於由授予購股權當日起計六個曆月後任何時間行使，惟不得超過該購股權授出日期十年以外。
7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be paid
- 申請或接納購股權的應付金額以及付款或通知付款的期限或償還申請購股權貸款的期限
- The amount payable on acceptance of an option is HK\$10 and an offer shall remain open for acceptance by the participant for a period of 28 days from the date on which the letter containing the offer is delivered to that participant.
- 接納購股權所須支付之代價為港幣10元。而參與人士可於收到要約函起計二十八日期間內接納購股權。
8. The basis of determining the exercise price
- 釐定行使價的基準
- The exercise price shall be determined by the Board in its absolute discretion and shall be at least the highest of:
- (i) the closing price of the shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant, which must be a business day; or
 - (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; or
 - (iii) the nominal value of the shares on the date of grant.
- 購股權之行使價由董事會釐定，但最少以下列中最高者為準：
- (i) 股份於提出授予購股權當日(須為營業日)聯交所每日報價表所列之收市價；或
 - (ii) 股份於緊接提出授予購股權日期前五個交易日在聯交所每日報價表所列之平均收市價；或
 - (iii) 於授予購股權當日的股份面值。

9. The remaining life of the New Share Option Scheme The New Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date i.e. 15th August, 2012.

新購股權計劃的剩餘期限

新購股權計劃由採納日(即二零一二年八月十五日)起十年內一直生效及有效。

During the year, no share option was granted under the New Share Option scheme.

年內，並無任何購股權按新購股權計劃授出。

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries or its other associated corporations a party to any arrangement to enable any of the Company's directors, chief executive of the Company (including the spouse and children under 18 years old) or members of its management, or its specified undertakings, to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or other associated companies.

除上述披露者外，於年內任何時間，本公司或其任何附屬公司或其任何相聯法團，概無參與任何安排，導致本公司董事，本公司執行長(包括其配偶及十八歲以下的子女)或其管理層成員，或其指明的公司，持有本公司或其他相聯法團的任何股份、相關股份或債券的權益或淡倉。

Directors' interests in transactions, arrangements and contracts

Save as disclosed in Note 30 to the accompanying financial statements, no other transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding companies was a party and in which any of the Company's directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於交易、安排及合約內之利益

除於隨附之財務報表附註30披露者外，本公司或其附屬公司於年終或年內任何時間，並無訂有任何與本集團業務有關而本公司董事或管理層成員直接或間接擁有其中重大利益之重要其他交易、安排及合約。

Substantial shareholders

So far as is known to any Director or Chief Executive of the Company, as at 31st March, 2017, no shareholder (other than Directors or Chief Executive of the Company) had interest or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

主要股東

就本公司董事或最高行政人員所知，於二零一七年三月三十一日，並無股東(本公司董事或最高行政人員除外)持有本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露或記載於本公司按證券及期貨條例第336條置存的登記冊內的權益或淡倉。

Audit Committee

The Audit Committee is composed of all the three Independent Non-Executive Directors of the Company. The Audit Committee has reviewed with management the accounting principles and practice adopted by the Group and discussed auditing, risk management and internal control system, and financial reporting matters, including the review of financial statements for the year ended 31st March, 2017.

審核委員會

本公司之審核委員會由本公司之所有三位獨立非執行董事組成。本集團之審核委員會已與管理層審議本集團採用之會計準則及常規，及商討審計、風險管理及內部監控系統，以及財務報告事項，包括審議此等截至二零一七年三月三十一日之年度財務報表。

Remuneration Committee

The Remuneration Committee was set up with the responsibility of recommending to the Board the remuneration policy of all the Directors and the senior management. The Remuneration Committee composed of all the three Independent Non-Executive Directors of the Company.

Nomination Committee

The Nomination Committee is currently composed of the Chairman of the Board, one Non-Executive Director and the three Independent Non-Executive Directors of the Company. The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board regarding any proposed changes.

Financial summary

A summary of the Group's financial information for the last five financial years is set out on pages 20 and 21 of this annual report.

Directors' interests in competing business

During the year ended 31st March, 2017, none of the Directors nor their respective associates had any interests in a business which competes or may compete with the businesses of the Company.

Sufficiency of public float

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained during the year under review the amount of public float as required under the Listing Rules.

Corporate governance

A report on the principal corporate governance practices adopted by the Company is set out on pages 32 to 46 of the annual report.

Management contracts

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Group's business was entered into or existed during the year ended 31st March, 2017.

薪酬委員會

薪酬委員會的職責為向董事會建議所有董事及高級管理層之酬金政策。薪酬委員會由本公司之所有三位獨立非執行董事組成。

提名委員會

提名委員會現時成員包括本公司董事會主席、一位非執行董事及三位獨立非執行董事。提名委員會的主要職責包括定期檢討董事會之架構、人數及組成及就任何擬作出的變動向董事會提出建議。

財務摘要

本集團於過去五個財政年度之財務摘要詳情載於本年報第20頁至21頁。

董事於競爭業務中的權益

截至二零一七年三月三十一日止年度，董事及彼等各自的聯繫人士概無於與本公司業務競爭或可能競爭的業務中擁有任何權益。

公眾持股量的足夠性

根據本公司能夠取得之資料及董事之知情範圍以內，董事確認，本公司於回顧年度內之公眾持股量維持在上市規則所規定之數量。

企業管治

有關本公司採納之主要企業管治常規之報告載於年報第32頁至46頁。

管理合約

除僱員聘任合約外，於二零一七年三月三十一日止年度內並沒有就全部或任何重大部分的本集團業務管理及行政訂立或存在任何合約。

Employee and remuneration policies

The Group recruited and promoted individual persons according to their strength and development potential. The Group determined the remuneration packages of all employees (including the Directors) with reference to individual performance and current market rate.

Directors' indemnities and insurance

Subject to the applicable laws, every director of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him or her in the execution and discharge of his or her duties or in relation thereto pursuant to the Company Bye-laws. Such provisions were in force during the course of the financial year ended 31st March, 2017 and remained in force as of the date of this report.

The Company has also taken out and maintained directors' and officers' liability insurance throughout the year, which provides appropriate cover for certain legal actions brought against its directors and officers.

Auditor

The accompanying financial statements were audited by PricewaterhouseCoopers. A resolution for the re-appointment of PricewaterhouseCoopers as the Company's auditors for the ensuing year, is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Lam Kwong Yu
Chairman

Hong Kong, 20th June, 2017

僱員及薪酬政策

本集團根據彼等的優勢和發展潛能聘請和提拔個別人士。本集團參照個人表現和現行市場薪金水平，釐定全體僱員(包括董事)的薪酬組合。

董事的彌償及保險

在適用法律的規限下，本公司每名董事有權根據本公司的細則獲本公司彌償其在執行及履行職責時引致或與此有關的所有成本、收費、損失、費用及債務。此等條文在截至二零一七年三月三十一日止財政年度期間有效，並於本報告日期亦維持有效。

本公司於年內已購買及維持董事及高級職員責任保險，為其董事及高級職員面對若干法律行動時提供適當的保障。

核數師

隨附之財務報表由羅兵咸永道會計師事務所審核。有關重新聘請羅兵咸永道會計師事務所為本公司核數師之決議案將於即將舉行之股東週年大會上提呈。

承董事會命
主席
林光如

香港，二零一七年六月二十日

CORPORATE GOVERNANCE PRACTICES

Starlite Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are committed to maintaining and upholding good corporate governance in order to protect the interests of shareholders and other stakeholders. The Company strives at ensuring high standards of corporate governance in the interests of shareholders and takes care to identify practices designed to achieve effective oversight, transparency and ethical behavior.

Throughout the year ended 31st March, 2017, the Company has complied with the Corporate Governance Code (the “CG Code”) as set out in the then Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for the deviations as mentioned below.

This report includes information relating to corporate governance practices of the Company during the year ended 31st March, 2017 and significant events after that date and up to the date of this report.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules for securities transactions by the Directors. All Directors have confirmed that they have complied with the required standard of dealings and code of conduct regarding securities dealings by directors as set out in the Model Code for the year ended 31st March, 2017.

企業管治常規

為保障股東及其他利益相關者的利益，星光集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)致力維持和強化高水準的企業管治。本公司致力保持高水平的企業管治，以股東的利益為依歸，力求訂立合適的政策，實行有效監管，提升公司透明度，秉承應有的道德操守。

除下文所述偏離者外，截至二零一七年三月三十一日止年度，本公司已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)。

本報告包括於截至二零一七年三月三十一日止年度內有關本公司之企業管治常規之資料，及於該日期後及截至本報告日期之重大事項。

董事之證券交易

本公司已就董事進行證券交易採納上市規則附錄十所載上市公司董事進行證券交易的標準守則(「標準守則」)，全體董事均已確認，截至二零一七年三月三十一日止年度，彼等一直遵守有關董事進行證券交易之標準守則所載規定標準。

BOARD OF DIRECTORS

The Board

The Board is at the core of the Company's corporate governance framework, and there is clear division of responsibilities between the Board and the Management. The Board is responsible for providing high-level guidance and effective oversight of the Management. Generally, the Board is responsible for:

- formulating the Group's long-term strategy and monitoring the implementation thereof;
- reviewing and approving the annual business plan and financial budget;
- approving the annual and interim reports;
- reviewing and monitoring risk management and internal control;
- ensuring good corporate governance and compliance; and
- monitoring the performance of the Management.

The Board currently has seven members, comprising three Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors. Independent Non-Executive Directors represented more than one-third of the Board members, thus exhibiting a strong independent element which enhanced independent judgement. Mr. Tam King Ching, Kenny, an Independent Non-Executive Director of the Company is a practicing CPA in Hong Kong and possesses appropriate professional qualifications and financial management expertise as required under the Listing Rules. A list containing the names, roles and functions of Directors is published on the websites of the Group and Hong Kong Exchanges and Clearing Limited (the "HKEX").

The Board is scheduled to meet at least four times a year to determine overall strategic direction and objectives and approve interim and annual results and other significant matters.

董事會

董事會

董事會作為本公司治理架構核心，與管理層之間具有明確分工。董事會負責給予管理層高層指引和有效監控。一般而言，董事會負責：

- 制訂本集團的長期政策並監控其執行情況；
- 審批年度業務計劃和財務預算；
- 批准年度及中期業績報告；
- 審閱及監控本集團的風險管理及內部監控；
- 確保本集團良好的企業管治及合規；及
- 監察本集團管理層的工作表現。

董事會現由七位成員組成，包括三位執行董事、一位非執行董事及三位獨立非執行董事。獨立非執行董事佔董事會成員超過三分之一人數，顯示出董事會有很強的獨立性，有助作出獨立判斷。譚競正先生，本公司之獨立非執行董事，為香港執業會計師及擁有上市規則規定的適當專業資格及相關財務管理經驗。本公司已於集團網站及香港交易及結算所有限公司（「港交所」）網站上設存最新的董事會成員名單，並列明其姓名、角色和職能。

董事會擬每年舉行最少四次會議，以釐定整體策略及目標，並通過中期及年度業績及其他重要事項。

During the year ended 31st March, 2017, four full Board meetings and the 2016 annual general meeting (“AGM”) were held with an average attendance rate of 96% and 86% respectively, details of which are presented below:

截至二零一七年三月三十一日止年度內，本公司舉行四次全體董事會會議及二零一六年股東週年大會（「股東週年大會」），出席率分別為96%及86%，詳情呈列如下：

Board Members		Board Meetings Attended/Held 董事會會議 出席／舉行	2016 AGM 二零一六年 股東週年大會
董事會成員			
Executive Directors			
	執行董事		
Mr. Lam Kwong Yu (<i>Chairman of the Board</i>)	林光如先生 (<i>董事會主席</i>)	4/4	✓
Mr. Tai Tzu Shi, Angus	戴祖璽先生	4/4	✓
Mr. Cheung Chi Shing, Charles	張志成先生	4/4	✓
Non-Executive Director			
Ms. Yeung Chui	楊翠女士	3/4	✓
Independent Non-Executive Directors			
	獨立非執行董事		
Mr. Chan Yue Kwong, Michael	陳裕光先生	4/4	✓
Mr. Kwok Lam-Kwong, Larry, <i>BBS, JP</i>	郭琳廣， <i>銅紫荊星章，太平紳士</i>	4/4	—
Mr. Tam King Ching, Kenny	譚競正先生	4/4	✓

Yearly meeting schedule is discussed and approved by the Board at the beginning of the year. Board agenda is approved by the Chairman following consultation with other Board members. Board agenda and meeting materials are dispatched to all Board members in a timely manner.

全年會議時間的安排經由董事會於年初商討及批准，每次會議議程內容均在事前充份諮詢各董事會成員意見後，經主席確認制訂。所有會議材料連同會議議程會及時送達全體董事會成員審閱。

All Directors have access to the Company Secretary who is responsible for ensuring that Board procedures are complied with and advises the Board on corporate governance and compliance matters. They are also encouraged to take independent professional advice at the Company's expense in performance of their duties, if necessary. Furthermore, all the Directors are covered by the Directors' & Officers' Liability Insurance, which is also part of our best practices.

所有董事均可聯絡公司秘書，而公司秘書則負責確保董事會符合程序及就企業管治及法規事項向董事會提出意見。本公司鼓勵所有董事於有需要的情況下諮詢獨立專業人士的意見，以履行其職務，有關費用將由公司支付。此外，所有董事均獲得董事及行政人員責任保險保障，有關安排亦屬於本集團最佳常規之一部份。

Chairman and Chief Executive Officer

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not have a separate Chairman and Chief Executive Officer and Mr. Lam Kwong Yu currently holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and execution of business plans. The Board believes that the balance of power and authority is adequately ensured by the operation of the Board which comprises experienced and high caliber individuals with a sufficient number thereof being Independent Non-Executive Directors.

Code Provision A.2.7 stipulates that the chairman should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. As Mr. Lam Kwong Yu, the Chairman of the Company, is also an executive Director of the Company, this code provision is not applicable.

Non-Executive Director

Ms. Yeung Chui has been re-designated from the position of Executive Director to Non-Executive Director upon her retirement from the Company. Ms. Yeung has not been appointed for a specific term as she is subject to retirement by rotation and re-election at AGM in accordance with the Bye-laws of the Company.

Independent Non-Executive Directors

The roles of the Independent Non-Executive Directors include the following:

- provision of independent judgement at the Board meeting;
- take the lead where potential conflicts of interests arise;
- serve on committees if invited; and
- scrutinize the performance of the Group as necessary.

主席及行政總裁

守則條文第A.2.1條規定應區分主席與行政總裁的角色，並不應由一人同時兼任。本公司並無區分主席與行政總裁，林光如先生目前兼任該兩個職位。董事會相信，由一人兼任主席與行政總裁的角色可讓本公司更有效及有效率地發展長遠業務策略以及執行業務計劃。董事會相信，董事會由經驗豐富的優秀人才組成，加上相當成員均為獨立非執行董事，故足以確保有關權力及職權能充分平衡。

守則條文第A.2.7條規定，主席應至少每年與非執行董事(包括獨立非執行董事)舉行一次無執行董事列席之會議。由於本公司主席林光如先生亦為本公司執行董事，故本守則條文並不適用。

非執行董事

楊翠女士因退休關係，彼由執行董事調職為非執行董事。楊翠女士並無按特定任期委任，彼須按本公司細則於股東週年大會上輪值告退及重選。

獨立非執行董事

獨立非執行董事的角色包括下列各項：

- 於董事會會議上提供獨立判斷；
- 於出現潛在利益衝突時作出處理；
- 如獲邀請則出任委員會成員；及
- 於有需要時監察本集團表現。

The Independent Non-Executive Directors of the Company and their immediate family receive no payment from the Company or its subsidiaries (except the Director fee). No family member of any Independent Non-Executive Directors is employed as an executive officer of the Company or its subsidiaries, or has been so in the past three years. The Independent Non-Executive Directors are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. Each Independent Non-Executive Director has provided a confirmation of his independence with reference to the independence guidelines as set out in the Listing Rules.

The Board has assessed the independence of all the Independent Non-Executive Directors of the Company and considers all of them to be independent having regard to (i) their annual confirmation on independence as required under the Listing Rules, (ii) the absence of involvement in the daily management of the Company and (iii) the absence of any relationships or circumstances which would interfere with the exercise of their independent judgement.

Mr. Chan Yue Kwong, Michael, Mr. Kwok Lam-Kwong, Larry, *BBS, JP* and Mr. Tam King Ching, Kenny have served as Independent Non-Executive Directors of the Company for more than 9 years. In addition to their confirmation of independence in accordance with Rule 3.13 of the Listing Rules, Mr. Chan, Mr. Kwok and Mr. Tam continue to demonstrate the attributes of an independent non-executive director and there is no evidence that their tenure have had any impact on their independence. The Directors are of the opinion that Mr. Chan, Mr. Kwok and Mr. Tam remain independent notwithstanding the length of their service and believe that their valuable knowledge and experience continue to generate significant contribution to the Company and the shareholders as a whole.

Appointments, re-election and removal

There is a formal and transparent procedure for the appointment of new directors to the Board, the primary responsibility of which has been delegated to the Nomination Committee. The structure, size and composition of the Board will be reviewed from time to time by the Nomination Committee to ensure that the Board has a balanced skill and expertise for providing effective leadership to the Company.

本公司獨立非執行董事及其直屬家眷並無收取本公司或其附屬公司的任何款項(董事袍金除外)。概無任何獨立非執行董事的家族成員現在或於過往三年受聘為本公司或其附屬公司的行政人員。獨立非執行董事須按本公司的細則於股東週年大會上輪值告退及重選。各獨立非執行董事已根據上市規則所載的獨立指引提供其獨立性的確認書。

董事會已評估本公司所有獨立非執行董事之獨立性，及經考慮(i)根據上市規則要求遞交的獨立性的年度確認書，(ii)其並無參與本公司日常管理，及(iii)且不會有任何關係或情況影響而對其行使獨立判斷有干預，認為本公司所有獨立非執行董事均屬獨立。

陳裕光先生、郭琳廣，*銅紫荊星章、太平紳士*及譚競正先生擔任本公司獨立非執行董事已超過九年。除確認其符合上市規則第3.13條的獨立因素外，陳先生、郭先生及譚先生持續展示獨立非執行董事的特質，並無證據顯示其任期對其獨立性有任何影響。董事會認為，陳先生、郭先生及譚先生縱使長期服務仍保持獨立，而其對本集團業務之寶貴知識與經驗，以及對一般商業之敏銳觸角繼續對本公司及股東整體提供重大貢獻。

委任、膺選連任及撤換

本公司設有一個正式並具透明度的新董事委任程序，有關責任已授權予提名委員會執行。提名委員會不時檢討董事會的架構、人數和成員組合，以確保董事會由具備不同技術和專業知識的人士所組成，能為本公司繼續提供有效的領導。

In accordance with the Bye-laws of the Company, at each AGM, not less than one-third of the directors shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall retire at least once every three years. The retiring directors shall be eligible for re-election. New appointments either to fill a casual vacancy or as an addition to the Board are subject to re-election by shareholders of the Company at the next following AGM.

Code Provision A.4.1 stipulates that Non-Executive Directors should be appointed for a specific term, subject to re-election. The Non-Executive Directors of the Company have not been appointed for a specific term as they are subject to retirement by rotation and re-election at AGM in accordance with the Bye-laws of the Company.

Responsibilities of Directors

Upon acceptance of appointment, a new Director is provided with sufficient orientation package, including introduction to Group activities (when necessary), induction into their responsibilities and duties, and other regulatory requirements, to ensure that he has a proper understanding of the business and his responsibilities as a Director of the Company.

All Directors are committed to devote sufficient time and attention to the affairs of the Group. Directors are given guideline on their time commitments to the affairs of the Company. Directors have also disclosed to the Company the number and nature of offices held in Hong Kong or overseas listed public companies or organizations and other significant commitments, with the identity of the public companies or organizations. Directors are reminded to notify the Company in a timely manner of any changes of such information.

Code Provision A.6.7 stipulates that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Kwok Lam-Kwong, Larry, *BBS, JP* was unable to attend the AGM of the Company held on 12th August, 2016 as he was engaged in other prior business commitments.

根據本公司細則，於各股東週年大會上不少於三分之一董事須輪值告退，惟各董事(包括受委任特定任期之董事)將至少每三年退任一次，退任董事合資格膺選連任。填補臨時空缺或增加董事會董事名額的新委任須經本公司股東於本公司下屆股東週年大會上重選方可作實。

守則條文第A.4.1條規定非執行董事的委任應有年期，並須接受重新選舉。而本公司之非執行董事並無按特定任期委任，惟根據本公司細則，彼等須於股東週年大會上輪值告退及重選。

董事之責任

新任董事於接受委任後，將獲得提供足夠之指導協助，包括介紹本集團業務(於有需要時)、簡介其責任及職責及其他監管規定，以確保其對本公司業務及作為本公司董事之責任有適當了解。

所有董事已承諾為本集團的事務投入足夠的時間及專注力。董事獲發有關彼等對本公司事務所需投入時間的指引。董事亦已向本公司披露其於香港或海外上市的公眾公司或組織機構所任職務的數目及性質，以及其他重大承擔，並提供有關公眾公司或組織機構的名稱，董事已獲提醒應向本公司及時披露上述資料的任何轉變。

守則條文第A.6.7條規定獨立非執行董事及其他非執行董事應出席股東大會及對股東的意見有公正的了解。郭琳廣，*銅紫荊星章，太平紳士*因其需出席較早前承諾之商業事務，所以未能出席本公司於二零一六年八月十二日舉行之股東週年大會。

Directors' Continuous Professional Development

To ensure their contributions to the Board remains informed and relevant, all the Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skill. During the year, the Company had arranged in-house trainings for Executive Directors and the Non-Executive Director in form of seminar and provision of training materials. In addition, the Company also provided regular updates to the Directors in respect of the business and operations of the Group through monthly reports; and the updates on the changes in Listing Rules, Corporate Governance Code and related regulatory requirements, if any.

During the year, the continuous professional development taken by the respective Directors are as follows:

Board Members
董事會成員**Executive Directors**

Mr. Lam Kwong Yu
(Chairman of the Board)

Mr. Tai Tzu Shi, Angus
Mr. Cheung Chi Shing, Charles

Non-Executive Director

Ms. Yeung Chui

Independent Non-Executive Directors

Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, BBS, JP
Mr. Tam King Ching, Kenny

執行董事

林光如先生
(董事會主席)

戴祖璽先生
張志成先生

非執行董事

楊翠女士

獨立非執行董事

陳裕光先生
郭琳廣，銅紫荊星章，太平紳士
譚競正先生

Type of training
培訓課程類別

	A	B	C
Mr. Lam Kwong Yu	✓	✓	✓
Mr. Tai Tzu Shi, Angus	✓	✓	—
Mr. Cheung Chi Shing, Charles	✓	✓	✓
Ms. Yeung Chui	✓	✓	—
Mr. Chan Yue Kwong, Michael	✓	—	✓
Mr. Kwok Lam-Kwong, Larry, BBS, JP	✓	—	✓
Mr. Tam King Ching, Kenny	✓	—	✓

A. reading materials in relation to regulatory update

B. attending in-house training to update business development

C. attending seminars/courses/conferences to develop professional skill and knowledge

董事之持續專業發展

為確保董事繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻，本公司鼓勵所有董事參與持續專業發展課程，以發展及更新其知識及技能。於本年度內，本公司安排研討會及提供培訓資料給執行董事及非執行董事。此外，本公司亦定期向董事提供更新資料，包括透過月報表提供本集團的業務及營運的情況；及有關上市規則、企業管治守則及相關法規的變更(如有)。

年內，各位董事參加之持續專業發展詳情如下：

A. 有關監管規定最新發展的資料

B. 出席公司有關業務最新發展的內部培訓

C. 出席簡介會／課程／研討會以發展持續專業技能及知識

During the year, the Company received training records from all Directors relevant to the Company's business or to Directors' duties and responsibilities.

年內本公司收到來自全體董事就與本集團業務或董事職能及職責相關的培訓記錄。

Supply of and access to information

To allow the Directors to make an informed decision and properly discharge their duties and responsibilities, the Company Secretary ensures that relevant Board papers are sent to all the Directors in a timely manner. All Board papers and minutes are also made available for inspection by the Board and its Committees.

DELEGATION BY THE BOARD**Board Committees**

As at the date of this annual report, the Company has preserved three board committees ("Board Committees") with defined terms of reference (which are posted on website of the Group and the HKEX), namely Remuneration Committee, Nomination Committee and Audit Committee.

Remuneration Committee

The Remuneration Committee was set up with the responsibility of recommending to the Board the remuneration policy and package of all the Directors and senior management, assessing performance of executive directors and senior management, review and approving annual performance bonus and approving the terms of service contracts of executive directors and senior management.

The Committee Chairman is required to report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

Meeting of the Remuneration Committee is required to be held at least twice a year to coincide with key dates within the financial reporting and audit cycle. During the year ended 31st March, 2017, three meetings were held, attendance of these meetings held by the Remuneration Committee is set out below:

Remuneration Committee Members**薪酬委員會成員**

Mr. Chan Yue Kwong, Michael (*Chairman*)
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*
Mr. Tam King Ching, Kenny

陳裕光先生(主席)
郭琳廣，*銅紫荊星章，太平紳士*
譚競正先生

提供及查閱資料

為了使董事可作出知情決定及適當履行其職責及責任，公司秘書確保有關董事會文件以適時方式送交所有董事。所有董事會文件及會議紀錄亦可供董事會及其委員會查閱。

董事會授權**董事委員會**

於本年報日期，本公司已設立三個董事會轄下委員會（「董事委員會」），並制定有關職權範圍（已於本集團及港交所網站刊載），該等董事委員會為薪酬委員會、提名委員會及審核委員會。

薪酬委員會

薪酬委員會的職責為向董事會建議所有董事及高級管理層之酬金政策及薪酬組合，評估執行董事及高級管理層之表現，考慮及批准年度表現獎金及批准執行董事及高級管理層之服務合約條款。

委員會主席須於每次會議後向董事會匯報其職責及責任範圍內之所有事項處理程序。

薪酬委員會須最少每年舉行兩次會議，日期須與財務報告及審核週期內之重要日子屬同一日。截至二零一七年三月三十一日止年度內，薪酬委員會舉行了三次會議，而該等會議的出席率如下：

Meetings
Attended/Held
會議出席／舉行

3/3
3/3
3/3

The Remuneration Committee is authorised to investigate any matter within its Terms of Reference and seek any information it requires from any employee and obtain outside legal or other independent professional advice at the cost of the Company if it considers necessary. The Remuneration Committee has reviewed the compensation of the Directors and senior executives for 2017.

During the year ended 31st March, 2017, total Directors' remuneration amounted to approximately HK\$12,033,000 (2016: HK\$10,085,000), individual details of which are disclosed in Note 10 to the financial statements. Executive Directors and senior management's compensation including incentive bonus shall be based on the corporate and individual performance.

Nomination Committee

The Nomination Committee comprises of three Independent Non-Executive Directors, one Non-Executive Director and Chairman of the Board.

The Nomination Committee is to assist the Board in overseeing Board organization and senior management succession planning, assessing the independence of non-executive directors, review of the structure, size and composition of the Board. During the year ended 31st March, 2017, one meeting was held, attendance of the meeting held by the Nomination Committee is set out below:

Nomination Committee Members

提名委員會成員

Mr. Kwok Lam-Kwong, Larry, *BBS, JP (Chairman)*
Mr. Chan Yue Kwong, Michael
Mr. Lam Kwong Yu
Mr. Tam King Ching, Kenny
Ms. Yeung Chui

郭琳廣，*銅紫荊星章，太平紳士(主席)*
陳裕光先生
林光如先生
譚競正先生
楊翠女士

Board Diversity Policy

The Company has adopted a board diversity policy (the "Policy") which sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

薪酬委員會獲授權調查屬於其職權範圍內任何事項，並可向任何僱員搜集其需要之任何資料，及徵詢法律或其他獨立專業人士的意見，以履行其職務，有關費用需由公司支付。薪酬委員會已審閱董事及高級行政人員二零一七年之薪酬。

截至二零一七年三月三十一日年度內，董事酬金總額約12,033,000港元(二零一六年：10,085,000港元)，詳情於隨附之財務報表附註10披露。執行董事及高級管理層之薪酬包括以企業及個人表現為基準的獎金。

提名委員會

提名委員會由三位獨立非執行董事、一位非執行董事及董事會主席組成。

提名委員會負責協助董事會檢視董事會的組成及高級管理層繼任計劃、以及評估非執行董事的獨立性、檢討董事會的架構、人數及組成。截至二零一七年三月三十一日止年度內，薪酬委員會舉行了一次會議，而該會議的出席率如下：

Meeting Attended/Held 會議出席／舉行

1/1
1/1
1/1
1/1
1/1

董事會成員多元化政策

本公司已採納董事會成員多元化政策(「政策」)，當中列載董事會為達致及維持成員多元化以提升董事會之有效性而採取之方針。根據政策，本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、族群特性、專業經驗、技能、知識及服務年資。

The Nomination Committee and the Board will review the Policy and diversity of the Board from time to time to ensure its continued effectiveness and compliance with Listing Rules.

Audit Committee

The Audit Committee comprises of all the three Independent Non-Executive Directors of the Company.

Under its terms of reference, the Audit Committee is required to oversee the relationship between the Company and its external auditors, review with management the accounting principles and practice adopted by the Group and discussed auditing, risk management and internal control system, and financial reporting matters, including the review of financial statements for the year ended 31st March, 2017.

The Audit Committee has reviewed the interim and annual results for the year ended 31st March, 2017 and was content that the accounting policies of the Group are in accordance with the generally accepted accounting practices in Hong Kong. It also meets twice a year with the Group's external auditor, PricewaterhouseCoopers ("PwC"), to consider their report on the scope, strategy, progress and outcome of their independent review of the annual audit of the consolidated financial statements. During the year ended 31st March, 2017, three meetings were held, attendance of the meetings held by the Audit Committee is set out below:

Audit Committee Members

審核委員會成員

Mr. Tam King Ching, Kenny (*Chairman*)
Mr. Chan Yue Kwong, Michael
Mr. Kwok Lam-Kwong, Larry, *BBS, JP*

譚競正先生(主席)
陳裕光先生
郭琳廣, 銅紫荊星章, 太平紳士

Corporate Governance Function

The Board has overall responsibility for the Group's corporate governance compliance. The Company has not established a Corporate Governance Committee and has delegated the function to a senior management committee to perform the corporate governance function. The scope of works of the committee including the following:

- to review performance of the Group regularly;

提名委員會及董事會將不時檢討政策及董事會的多元化, 以確保政策行之有效及符合上市規則。

審核委員會

審核委員會由本公司之所有三位獨立非執行董事組成。

根據審核委員會職權範圍, 審核委員會的職責包括監察本公司與外聘核數師的關係、與管理層審議本集團採用之會計準則及常規, 及商討審計、風險管理及內部監控系統, 以及財務匯報事項, 包括審議此等截至二零一七年三月三十一日之年度財務報表。

審核委員會已審閱截至二零一七年三月三十一日止年度的中期及全年業績, 並對本集團的會計政策乃符合香港現時業內普遍採納的會計常規表示滿意。委員會並與本集團的外聘核數師羅兵咸永道會計師事務所(「羅兵咸」)每年舉行兩次會議, 以考慮羅兵咸就獨立審議綜合財務報表的年度審核的範疇、策略、進度和結果而提交的報告。年內審核委員會舉行了三次會議, 出席率如下:

Meetings Attended/Held 會議出席/舉行

3/3
3/3
3/3

企業管治功能

董事會全權負責本集團的企業管治合規, 本公司並無設立企業管治委員會, 董事會將企業管治功能授權由管理層組成之管理委員會負責, 此委員會的職權範圍包括下列工作:

- 定期檢討本集團表現;

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
 - to review and monitor the training and continuous professional development of directors and senior management;
 - to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
 - to develop, review and monitor the code of conduct and compliance manual applicable to employees and directors.
- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
 - 檢討及監察董事及高級管理人員的培訓及持續專業發展；
 - 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
 - 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)。

ACCOUNTABILITY AND AUDIT

Financial reporting

The Board is responsible for the preparation of financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the financial statements for the year ended 31st March, 2017, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent and reasonable; and have prepared the financial statements on the going concern basis. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company.

The Company provides monthly updates to the Board to assess the Group's financial performance, position and prospects in sufficient details to enable the Board members to discharge their duties under the Listing Rules.

Risk management and internal control

The main features of the risk management and internal control systems of the Group are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations.

問責性及審核

財務匯報

董事有責任就每個財政期間編製真實兼公平反映本集團財務狀況的財務報表以及該期間的業績及現金流量。在編撰截至二零一七年三月三十一日止年度的財務報表時，董事必須採用適當的會計政策及貫徹應用該等會計政策；採納適當的香港財務報告準則及香港會計準則；作出審慎及合理的調整及估計；及按持續經營基準編製財務報表。董事亦須負責保存適當的會計記錄，並可於任何時間以合理準確方式披露本公司的財務狀況。

本公司每月向董事會成員提供詳盡的更新資料，以評估本集團的表現，財務狀況及前景，讓董事會履行上市規則所規定的職責。

風險管理及內部監控

本集團的風險管理程序及內部監控系統的主要特點是以清晰的治理架構、政策及程序以及彙報機制，協助本集團管理各業務範疇的風險。

The Group has established a risk management framework, which consists of the Board, the Audit Committee and the senior management of the Group (“Senior Management”). The Board determines the nature and extent of risks that shall be taken in achieving the Group’s strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems. The Board, through the Audit Committee, conducts reviews of the effectiveness of such systems at least annually, covering all material controls including financial, operational and compliance controls.

The Group has formulated and adopted Risk Management Policy in providing directions in identifying, evaluating and managing significant risks. At least on an annual basis, the Senior Management identifies risks that would adversely affect the achievement of the Group’s objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant.

In addition, the Group has engaged an independent professional advisor to assist the Board and the Audit Committee in ongoing monitoring of the risk management and internal control systems of the Group and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

Risk management report and internal control report are submitted to the Audit Committee and the Board at least once a year. The Board, through the Audit Committee, had performed annual review on the effectiveness of the Group’s risk management and internal control systems, including but not limited to the Group’s ability to cope with its business transformation and changing external environment; the scope and quality of management’s review on risk management and internal control systems; result of internal audit work; the extent and frequency of communication with the Board in relation to result of risk and internal control review; significant failures or weaknesses identified and their related implications; and status of compliance with the Listing Rules.

本集團已制定風險管理組織框架，由本集團董事會、審核委員會及高級管理層（「高級管理」）組成。董事會釐定就達成本集團策略目標應承擔的風險性質及程度，並負責風險管理及內部監控系統的設計、實施及整體有效性。董事會透過審核委員會至少每年一次檢討有關係統的有效性，範圍涵蓋所有重大控制措施，包括財務、營運及合規控制措施。

本集團亦已制定及採納風險管理政策，提供識別、評估及管理重大風險的指示。高級管理層至少每年一次識別對實現本集團目標造成不利影響的風險，並根據一套標準準則評估及排列所識別風險的優先次序，從而對主要風險制定風險緩解計劃及指定風險負責人。

此外，本集團外聘獨立專業顧問以協助董事會及審核委員會持續監督本集團的風險管理及內部監控系統以及履行本集團的內部審計職能，識別內部監控設計及實施的不足之處並推薦改進建議。重大內部監控缺失會及時向審核委員會及董事會彙報，以確保採取及時補救行動。

風險管理報告和內部監控報告均至少每年提交予審核委員會及董事會。董事會已透過審核委員會就本集團的風險管理及內部監控系統是否有效進行年度檢討，包括但不限於本集團應付其業務轉型及不斷轉變的外在環境的能力、管理層檢討風險管理及內部監控系統的工作範疇及素質、內部審計工作結果、就風險及內部監控檢討結果與董事會通訊的詳盡程度及次數、已識別的重大監控失誤或弱項以及有關影響，以及就上市規則的合規情況。

The Board considers the Group's risk management and internal control systems were effective and adequate during the year.

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

The Group has the Inside Information Policy which sets out guidelines to the Directors and senior management of the Group to ensure inside information of the Group would be disseminated to the public in equal and timely manner in accordance with applicable laws and regulations.

AUDITOR'S REMUNERATION

The consolidated financial statements for the year have been audited by PwC. During the year, remuneration of approximately HK\$2,796,000 was for the provision of audit services. In addition, approximately HK\$344,000 was for other non-audit services. The non-audit services mainly consist of tax compliance and advisory services.

COMPANY SECRETARY

Mr. Cheung Chi Shing, Charles, Company Secretary of the Company, is responsible to the Board for ensuring that Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through adherence to proper Board processes and the timely preparation and dissemination to Directors comprehensive meeting agendas and papers. Minutes of all Board meetings and Board committees are prepared and maintained by the Company Secretary to record in sufficient details the matters considered and decisions reached by the Board or Committee, including any concerns raised or dissenting views voiced by any Director. All minutes are sent to Directors and are available for inspection by any Director upon request.

董事會認為本年度本集團的風險管理及內部監控系統有效及充足。

本集團風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，且僅可就重大的失實陳述或損失作出合理而非絕對的保證。

本集團設有內幕消息政策，當中列載董事及本集團高級管理層適用之指引，從而確保本集團之內幕消息可遵照適用法律及法規，以公平適時之方式，向公眾發佈。

核數師酬金

本年度綜合財務報表已由羅兵咸審核。於本年度內，就提供審核服務而計提的酬金約 2,796,000 港元。此外，就其他非審核服務的款項約為 344,000 港元。非審核服務主要包括稅務法規及顧問服務。

公司秘書

本公司之公司秘書張志成先生向董事會負責，以確保遵守董事會程序及董事會活動有效率及有效地進行。該等目標乃透過嚴謹遵守董事會程序及適時編製及發送會議議程及文件予董事而得以達成。所有董事會與董事委員會之會議紀錄均由公司秘書編備與保管，以充份詳細記錄董事會或委員會所考慮與決定之事項，包括任何董事提出之關注或發表之觀點。所有會議紀錄會發送予董事，並可應要求供任何董事查閱。

The Company Secretary is responsible for ensuring that the Board is fully apprised of all legislative, regulatory and corporate governance developments relating to the Group and also responsible for the Group's statutory compliance. The appointment and removal of the Company Secretary is subject to Board approval in accordance with the Bye-laws of the Company. The Company Secretary reports to the Board, all members of the Board have access to the advice and service of the Company Secretary. The Company Secretary of the Company has day-to-day knowledge of the Group's affairs. In response to specific enquiries made, the Company Secretary confirmed that he has complied with all the proposed qualifications, experience and training requirements of the Listing Rules.

Mr. Cheung confirmed that he has taken no less than 15 hours relevant professional training during the year.

COMMUNICATION WITH SHAREHOLDERS

Communication with shareholders is given high priority. Extensive information about the Group's activities is provided in the annual report and the interim report. The Group's website provides regularly updated Group information to shareholders. Enquiries on matters relating to shareholdings and the business of the Group are welcome, and are dealt with in an informative and timely manner. The Group encourages all shareholders to attend AGM. Notice of the AGM and related papers are sent to shareholders at least 20 clear business days prior to the date of AGM.

The Company has established the Shareholders' Communication Policy setting out the formal channels of communication with shareholders and other stakeholders for ensuring fair disclosure and comprehensive and transparent reporting of the Group's performance and activities, a copy of the policy has been posted to the website of the Group.

Shareholders' Rights

In accordance with the Bye-laws of the Company, Directors of the Company shall on the requisition of members of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a special general meeting of the Company.

公司秘書負責確保董事會獲得全面報告一切與本集團有關之立法、規管和企業管治的發展並同時負責集團符合法規上的要求。公司秘書的委任與撤職須經董事會根據本公司細則批准。公司秘書向董事會負責，而所有董事會成員均取得公司秘書的意見與服務。本公司的公司秘書，對本集團的日常事務甚有認識。回應指定的查詢，公司秘書確認其符合上市規則建議的所有資格、經驗與培訓要求。

張先生已確認年內其參與不少於15小時的有關專業培訓。

與股東的聯繫

本集團相當重視與股東的聯繫。年報及中期報告提供大量關於本集團業務的資料。本集團的網站定期為股東提供最新資訊。本集團歡迎投資者查詢有關彼等所持股權及本集團業務的事項，而所有查詢均會於短時間內處理。本集團亦歡迎所有股東出席股東週年大會。股東週年大會通告及有關文件於股東週年大會日期最少二十個營業日前送交股東。

本公司已制訂股東通訊政策，訂明多種與股東及其他利益相關者的正式溝通渠道，以確保本公司的表現及活動得以公平、全面且具透明度的披露及報告，此政策已登載於本集團的網頁。

股東權利

根據本公司的細則，於遞交正式要求當日，持有本公司不少於十分一有權於本公司的股東會上投票的已繳足股本的股東，可要求本公司董事召開本公司特別股東大會。

Details of the procedures for shareholders to convene and put forward proposals at an AGM or special general meeting (“SGM”) are set out in the Company’s website. Shareholders may send their enquires requiring the Board’s attention to the Company’s principal place of business at 3/F., Perfect Industrial Building, 31 Tai Yau Street, Sanpokong, Kowloon, Hong Kong or by e-mail to enquiry@hkstarlite.com. Questions about the procedures for convening or putting forward proposals at an AGM or SGM may also be put to the Company by the same means.

The Company also values and is eager to hear suggestions and comments from shareholders and investors. For enquiries from institutional investors and securities analysts please contact our Company Secretary.

Constitutional Documents

There was no change to the Company’s Memorandum of Association and Bye-laws during the year ended 31st March, 2017. A copy of the latest consolidated version of the Memorandum of Association and Bye-laws is posted on the websites of the Company and HKEX.

On behalf of the Board
Cheung Chi Shing, Charles
Company Secretary

Hong Kong, 20th June, 2017

股東召開股東週年大會或股東特別大會(「特別大會」)及於會上提呈建議的程序詳情已登載於本公司網站。股東可將需要董事會垂注的查詢郵寄至本公司總辦事處及主要營業地點，地址為香港九龍新蒲崗大有街三十一號善美工業大廈三樓或電郵至 enquiry@hkstarlite.com。有關召開股東週年大會或股東特別大會或於會上提呈建議的程序等問題亦可以相同方式向本公司提出。

本公司重視和歡迎股東及投資者分享建議及意見。機構投資者及證券分析師如有查詢，請聯絡公司秘書。

憲章文件

本公司組織章程大綱及公司細則於截至二零一七年三月三十一日止年度內概無變動。組織章程大綱及公司細則的最新綜合版本載於本公司及聯交所網站。

承董事會命
公司秘書
張志成

香港，二零一七年六月二十日

DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Lam Kwong Yu, aged 70, has been an Executive Director of the Company since 1992. He is the Chairman of the Board, founder and Chief Executive Officer of the Group. He holds a Master Degree in Business Administration (Distinguished Alumni Awards) from the National University of Singapore. Mr. Lam has been in community work in China and Hong Kong for many years. He is a member of the Standing Committee of the 10th, 11th and the 12th National Committee of the Chinese People's Political Consultative Conference, a director of Chinese Overseas Friendship Association, a member of Selection Committee for the Government of HKSAR and a committee member of the Election Committee Subsector Elections, Chairman of Mainland Affairs Committee of Scout Association of Hong Kong, Chairman of Polar Museum Foundation, Director of Future Star, an Adjunct Professor of College of Business of City University of Hong Kong and Director of Guangzhou Jinan University. Mr. Lam has received several prominent awards including "Hong Kong Ten Outstanding Young Persons Award 1986", "Young Industrialist Award of Hong Kong 1988", the first "Hong Kong Entrepreneurs Award 1990", "Outstanding Achievements Award" of the "Hong Kong Print Award 1999" and "Medal of Honor (M.H.)" from the government of the Hong Kong Special Administrative Region in 2002. Mr. Lam has over 53 years' experience in the printing industry and takes charge of the overall planning, strategy and development of the Group. He has made dedicated efforts to enhance the transformation of Starlite, business diversification, products development, OBM product, intelligent (automation) systems and "Internet +" business in recent years.

Mr. Tai Tzu Shi, Angus, aged 60, has been an Executive Director of the Company since 1992. He is currently the Senior Vice President and Chief Technical Officer of the Group. He has been appointed as director of several wholly-owned subsidiaries of the Company. He graduated from the Graphics Art Department of the Chinese Culture University of Taiwan in 1978 and has over 39 years' experience in the printing industry. He is appointed as one of ISO/TC130 Experts representing SAC/TC170 of China and participating international printing standardization affairs. He is also appointed as the Vice Chairman of the Packaging Printing Technical Sub-Committee SAC/TC170/SC3.

董事及高級管理層資料

執行董事

林光如先生，現年七十歲，自一九九二年起出任本公司執行董事，為集團董事局主席、創辦人兼執行長，林先生持有新加坡國立大學工商管理碩士學位(傑出校友)，林先生先後出任中國及香港之社會公職，為中國人民政治協商會議第十屆、第十一屆及第十二屆全國委員會委員、中華海外聯誼會常務理事、香港推選委員、香港選舉委員會委員、香港童軍總會內地事務委員會主席、極地博物館基金主席、香港未來之星基金會董事、香港城市大學商學院協席教授、暨南大學校董會校董等。林先生曾榮獲各項殊榮，包括一九八六年香港「十大傑出青年獎」、一九八八年香港首屆「青年工業家獎」、一九九零年首屆「香港創業家榮譽獎」、一九九九年「香港印藝大獎」之「傑出成就大獎」及二零零二年香港特別行政區政府頒發「榮譽勳章」等。林先生於印刷行業有超過五十三年經驗，一直以來負責集團的企業策略與企業發展，近幾年來，為星光轉型升級、業務和產品開拓、品牌創建、智能系統和「互聯網+」事業不遺餘力，卓有成效。

戴祖靈先生，現年六十歲，自一九九二年起出任本公司執行董事，現任本集團高級副總裁及科技長，他為本公司若干全資附屬公司的董事。戴先生於一九七八年畢業於台灣中國文化大學印刷學系，在印刷行業擁有超過三十九年經驗。目前受委任為ISO/TC130註冊專家之一，代表全國印刷標準化技術委員會SAC/TC170參與國際印刷標準化事務。他同時被委任為全國印刷標準化委員會包裝技術分會SAC/TC170/SC3的副主任委員。

Mr. Cheung Chi Shing, Charles, aged 61, has been an Executive Director of the Company since 2000, the Company Secretary since 1999 and an Authorized Representative since 2011. He is currently the Senior Vice President and Chief Financial Officer of the Group. Mr. Cheung joined the Group in early 1997 and is responsible for the overall finance function of the Group. He has been appointed as director of several wholly-owned subsidiaries of the Company. He has held various senior positions in finance, accounting and auditing fields for more than 31 years. Mr. Cheung graduated from The Hongkong Polytechnic University and is an Associate Member of the Hong Kong Institute of Certified Public Accountants and a Fellow Member of The Association of Chartered Certified Accountants.

Non-Executive Director

Ms. Yeung Chui, aged 70, is one of the founders of the Group. She was re-designated from the position of Executive Director to Non-Executive Director of the Company with effect from 1st September, 2011. She has over 50 years' experience in the printing industry.

Independent Non-Executive Directors

Mr. Chan Yue Kwong, Michael, aged 65, Independent Non-Executive Director, Chairman of the Remuneration Committee, member of the Audit Committee and Nomination Committee of the Company. He has been an Independent Non-Executive Director of the Company since 1993. Mr. Chan was the former Chairman and is currently the non-executive director of the publicly-listed Cafe de Coral Holdings Limited in Hong Kong. He is also a Non-Executive Director of Tao Heung Holdings Limited, an Independent Non-Executive Director of Pacific Textiles Holdings Limited, Tse Sui Luen Jewellery (International) Limited, Modern Dental Group Limited, and Human Health Holdings Limited, all of which are listed on the Main Board of the Hong Kong Stock Exchange. He holds a double major degree in Sociology and Political Science, a Master degree in City Planning from the University of Manitoba, an Honorary Doctorate Degree in Business Administration, and is bestowed as Honorary Fellow from Lingnan University. Mr. Chan currently serves on the council of the Hong Kong Management Association, the adviser of the Quality Tourism Services Association, as well as being appointed by the HKSAR Government as a member of the Business Facilitation Advisory Committee. Besides, he is also the Honorary Chairman of the Hong Kong Institute of Marketing and the Chairman of the Business Enterprise Management Centre of the Hong Kong Management Association. He has many years of professional experience in the public sector and over 30 years' managerial experience in the food and catering industry.

張志成先生，現年六十一歲，自二零零零年起出任本公司執行董事、於一九九九年出任本公司公司秘書及於二零一一年起出任授權代表，他現為本集團高級副總裁及首席財務長。張先生於一九九七年加入本集團，並負責整體之財務工作。他為本公司若干全資附屬公司的董事。彼有超過三十一年時間於財務、會計及審計行業出任要職。張先生畢業於香港理工大學，為香港會計師公會會員及英國特許會計師公會資深會員。

非執行董事

楊翠女士，現年七十歲，為本集團創辦人之一。她由二零一一年九月一日起由本公司之執行董事調職為非執行董事，她於印刷行業擁有超過五十年經驗。

獨立非執行董事

陳裕光先生，現年六十五歲，本公司之獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員，他自一九九三年起出任本公司之獨立非執行董事。前任香港上市之大家樂集團有限公司集團主席，現為非執行董事，亦為稻香控股有限公司之非執行董事，互太紡織控股有限公司、謝瑞麟珠寶(國際)有限公司、現代牙科集團有限公司及盈健醫療集團有限公司之獨立非執行董事(上述公司均於香港聯交所主板上市)。陳先生持有加拿大曼尼托巴大學社會及政治學學位及該大學城市規劃碩士學位，更獲頒授工商管理榮譽博士學位及榮膺嶺南大學之榮譽院士殊榮。陳先生現為香港管理專業協會理事會委員，優質旅遊服務協會顧問，並獲香港特別行政區政府委任為方便營商諮詢委員會成員。他同時擔任香港市務學會榮譽主席及香港管理專業協會企業管理發展中心主席。陳先生擔任若干公職多年，獲得廣泛專業經驗，並從事飲食業務的企業管理及領導工作，迄今超逾三十多年。

Mr. Kwok Lam-Kwong, Larry, *BBS, JP*, aged 61, Independent Non-Executive Director, Chairman of Nomination Committee, member of the Remuneration Committee and Audit Committee of the Company. He was appointed as an Independent Non-Executive Director of the Company in July 2004. Mr. Kwok is a practicing solicitor in Hong Kong. He is qualified to practise as a solicitor in Australia, England and Wales and Singapore. He is also qualified as a CPA in Hong Kong and Australia and a Chartered Accountant in England and Wales. He graduated from the University of Sydney, Australia with bachelor's degrees in economics and laws respectively as well as a master's degree in laws. He also obtained the Advanced Management Program Diploma from the Harvard Business School.

Mr. Tam King Ching, Kenny, aged 68, Independent Non-Executive Director, Chairman of the Audit Committee, member of the Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-Executive Director of the Company in July 2004. He is a practising Certified Public Accountant in Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam is serving as a member of the Small and Medium Practitioners Committee in the Hong Kong Institute of Certified Public Accountants. He is also a Past President of The Society of Chinese Accountants and Auditors. Mr. Tam also serves as an independent non-executive director of certain listed companies on the main board of The Stock Exchange of Hong Kong Limited, namely, CCT Fortis Holdings Limited, Kingmaker Footwear Holdings Limited, Shougang Concord Grand (Group) Limited, Hong Kong Shanghai Alliance Holdings Limited, West China Cement Limited, BeijingWest Industries International Limited, CCT Land Holdings Limited and Wisdom Education International Holdings Company Limited.

郭琳廣，*銅紫荊星章·太平紳士*，現年六十一歲，本公司之獨立非執行董事、提名委員會主席、薪酬委員會及審核委員會成員，他於二零零四年七月獲委任為本公司之獨立非執行董事。郭先生為香港執業律師，他同時亦具有澳大利亞、英格蘭和威爾斯及新加坡之執業律師資格。此外，他亦具有香港及澳大利亞之註冊會計師及英格蘭和威爾斯之特許會計師資格。他於澳大利亞悉尼大學畢業，並分別取得經濟學及法學學士和法學碩士學位。彼亦取得哈佛商學院高級管理課程文憑。

譚競正先生，現年六十八歲，本公司之獨立非執行董事、審核委員會主席、薪酬委員會及提名委員會成員，他於二零零四年七月獲委任為本公司之獨立非執行董事。彼為香港執業會計師。彼為香港會計師公會之資深會員及加拿大安大略省特許專業會計師公會會員。譚先生為香港會計師公會中小型執業所委員會之委員。彼亦為香港華人會計師公會前任會長。譚先生亦出任多間於香港聯合交易所有限公司主板上市之公司(即中建富通集團有限公司、信星鞋業集團有限公司、首長四方(集團)有限公司、滬港聯合控股有限公司、中國西部水泥有限公司、京西重工國際有限公司、中建置地集團有限公司及睿見教育國際控股有限公司)之獨立非執行董事職位。

Senior Executives

Mr. Tin Shing, aged 54, is the Senior Vice President (Operations) of the Group. He joined the Group in 1981 and was promoted to the present position on 1st February, 2012. He is responsible for overseeing the Group's production bases in the PRC. He has more than 35 years' of experience in the printing and packaging industry.

Mr. Lau Ching Wai, Peter, aged 40, is the Senior Vice President (Marketing & Sales) of the Group and joined the Group in 2013. Mr. Lau has over 17 years of experience in sales, marketing and corporate management in various industries including printing, banking, retail and IT. He holds a Bachelor of Science Degree in Information Systems from the University of New South Wales Australia. He puts his focus on data-driven marketing strategies in order to enhance growth of the Company.

Mr. Poon Kwok Ching, Derek, aged 39, is the Senior Vice President (Finance) of the Group. He joined the Group in 2006 and was promoted to the present position on 1st April, 2016. Mr. Poon graduated from The University of Hong Kong and holds a Bachelor's degree in Business Administration. He has extensive experiences in auditing and accounting. He is an Associate Member of the Hong Kong Institute of Certified Public Accountants and a Fellow Member of The Association of Chartered Certified Accountants.

高級行政人員

田誠先生，現年五十四歲，本集團之高級副總裁(營運)，他於一九八一年加入本集團並於二零一二年二月一日起擢升現職。他負責統籌本集團位於中國各生產基地的日常運作。彼於印刷及包裝行業擁有超過三十五年經驗。

劉靖璋先生，現年四十歲，為本集團之高級副總裁(營銷)，他於二零一三年加入本集團。劉先生於印刷、金融、零售及科技行業擁有超過十七年營銷、市場策劃及企業管理經驗。他持有澳洲新南威爾斯大學資訊系統理學士學位，主張透過資訊主導市場策略為公司帶來增長。

潘國政先生，現年三十九歲，本集團之高級副總裁(財務)，他於二零零六年加入本集團並於二零一六年四月一日擢升現職。潘先生畢業於香港大學，持有工商管理學士學位，在核數及會計等方面擁有豐富經驗。彼為香港會計師公會會員及英國特許會計師公會資深會員。



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
STARLITE HOLDINGS LIMITED**

(incorporated in Bermuda with limited liability)

Opinion

What we have audited

The consolidated financial statements of Starlite Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 60 to 152, which comprise:

- the consolidated statement of financial position as at 31st March, 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

羅兵咸永道

獨立核數師報告

致星光集團有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

星光集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第60至152頁的綜合財務報表，當中包括：

- 於二零一七年三月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括重要會計政策概要。

Our opinion

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

Basis for Opinion

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

We 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 impairment of property, plant and equipment and land use rights; and
- Provision for inventories obsolescence

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 物業、廠房及設備以及土地使用權之減值撥備；及
- 陳舊存貨減值撥備

Key Audit Matter
關鍵審計事項**Provision for impairment of property, plant and equipment and land use rights**

物業、廠房及設備以及土地使用權之減值撥備

Refer to Notes 4(a), 14, and 15 to the consolidated financial statements

請參閱綜合財務報表附註4(a)、14及15

The Group has approximately HK\$357,706,000 of property, plant and equipment ("PP&E") and land use rights ("LUR") as at 31st March, 2017, of which approximately HK\$55,916,000 is related to the Group's production plant and machinery in Suzhou. The Group's Suzhou segment is a Cash Generating Unit. Given the economic performance of the assets in Suzhou was worse than expected due to the deterioration in the operating efficiency and gross margin resulting in a loss from operation, the possibility of impairment of these assets is an area of focus for management. Management assessed the recoverable amount of the PP&E and LUR in Suzhou, which is the higher of the asset's value in use or fair value less cost of disposal, and based on value in use, an additional impairment charge of approximately HK\$10,000,000 is recognised in the current year.

貴集團於二零一七年三月三十一日的物業、廠房及設備（「物業、廠房及設備」）以及土地使用權（「土地使用權」）約為357,706,000港元，其中約55,916,000港元與

貴集團於蘇州的生產廠房及機器有關。貴集團的蘇州分部為一個現金產生單位。鑒於蘇州資產的經濟表現由於營運效率及毛利率轉差導致經營虧損而遜於預期，該等資產減值的可能性為管理層的關注事項。管理層評估蘇州的物業、廠房及設備以及土地使用權的可收回價值，即資產的使用價值或公允價值減出售成本的較高者，而基於使用價值，本年度確認額外減值開支約10,000,000港元。

How our audit addressed the Key Audit Matter
我們的審計如何處理關鍵審計事項

In assessing the appropriateness of management's assessment of the recoverable amount of the PP&E and LUR, we performed the following procedures:

於評估管理層評估的物業、廠房及設備以及土地使用權的可收回價值是否恰當時，我們進行了以下程序：

- We evaluated management's identification of the impairment indicators by corroborating with supporting evidence for the PP&E and LUR in Suzhou.
- 就蘇州的物業、廠房及設備以及土地使用權而言，我們以相關支持文件為佐證，對管理層所識別的減值指標進行評價。
- We involved our in-house valuation expert in assessing the methodology of management's impairment assessment based on the value in use calculation and the key assumptions used in the management's impairment assessment of the PP&E and LUR.
- 我們動用內部估值專家評估管理層根據使用價值計算的減值評估方法及管理層就物業、廠房及設備以及土地使用權的減值評估所使用的關鍵假設。

Key Audit Matter
關鍵審計事項

Provision for impairment of property, plant and equipment and land use rights (continued)

物業、廠房及設備以及土地使用權之減值撥備(續)

Management determined the value in use of these PP&E and LUR based on the future cash flow generated by these assets.

管理層根據該等資產所產生的未來現金流量釐定該等物業、廠房及設備以及土地使用權的使用價值。

We focused on this area because judgemental factors are involved in management's impairment assessment as the determination of the recoverable amount of the PP&E and LUR is based on various key assumptions and estimates in future budget such as growth of sales, production costs, selling and administrative expenses, capital expenditure etc. and discount rates used in the cash flow forecast.

我們專注於此，是因為管理層的減值評估涉及判斷性因素，此乃由於釐定物業、廠房及設備以及土地使用權的可收回價值是基於多項關鍵假設及對未來預算的估計，例如銷售、生產成本、銷售及行政開支、資本支出等的增長，及現金流量預測所使用的貼現率。

How our audit addressed the Key Audit Matter
我們的審計如何處理關鍵審計事項

- For value in use calculation, we assessed the management's impairment assessment based on the future cash flow forecast, by comparing growth rate to the underlying assumptions in the latest Board approved budget and the discount rate to the cost of capital for the Company and comparable organisations. We tested the mathematical accuracy of the calculations of the management's impairment assessment derived from the forecast model and assessed key inputs in the calculations by reference to management's approved budget. We also checked the key data of management's approved budget by reference to third parties information such as purchase orders, and we assessed the historical reliability of the budget.

- 就使用價值計算而言，我們透過將 貴公司最新獲董事會批准的預算中的相關假設的增長率及資金成本的貼現率與可資比較組織比較，從而評估管理層根據未來現金流量預測進行的減值評估。我們測試了管理層由預測模型得出的減值評估計算的數學準確性，並參考管理層的經批准預算評估計算的關鍵輸入數據。我們亦參考採購訂單等第三方資料檢查管理層的經批准預算的關鍵數據，並且評估預算的歷史可靠性。

- We also performed sensitivity analysis on the key assumptions underlying management's impairment assessment based on the cash flow forecast by considering the variables and fluctuations in those underlying key assumptions.

- 我們亦透過考慮相關關鍵假設的變數及波動，就管理層根據未來現金流量預測進行減值評估的相關關鍵假設進行敏感度分析。

We found that the key assumptions and estimates were acceptable and the impairment charge based on value in use is within an acceptable range in light of the current environment.

我們發現，鑒於目前環境，關鍵假設及估計可以接受，而基於使用價值的減值開支亦屬可接受範圍之內。

Key Audit Matter
關鍵審計事項

Provision for inventories obsolescence
陳舊存貨之撥備

Refer to Notes 4(b) and 18 to the consolidated financial statements
請參閱綜合財務報表附註4(b)及18

At 31st March, 2017, the Group held inventories of HK\$118,107,000, with provision of impairment of HK\$23,355,000. Among these inventories, there are raw materials of HK\$60,739,000, work in progress of HK\$25,451,000, and finished goods of HK\$31,917,000. Inventories are stated at lower of cost or net realisable value.

於二零一七年三月三十一日，貴集團持有存貨118,107,000港元，減值撥備為23,355,000港元。在該等存貨中，原材料為60,739,000港元，在製品為25,451,000港元，及製成品為31,917,000港元。存貨以成本或可變現淨值列賬。

Management assessed the provision periodically for obsolete or slow moving inventories based on consideration of potential obsolescence of raw materials and work in progress, and the estimated selling price less cost to sell of its finished goods. The identification of inventory obsolescence and determination of estimated selling price less cost to sell require the use of significant judgements by considering various factors, including their nature, ageing, and the latest selling price.

管理層根據對潛在陳舊的原材料及在製品，以及其製成品的估計售價減出售成本的考慮，定期評估陳舊或滯銷存貨的撥備。識別陳舊存貨及釐定估計售價減出售成本須使用重大判斷並考慮多項因素，包括其性質、貨齡及最新售價。

We regarded this as a key audit matter as provision for obsolete or slow-moving inventories required management judgements on estimates of future demands and ageing of the inventories.

我們視此為關鍵審計事項，是由於陳舊或滯銷存貨撥備需要管理層對存貨的未來需求及貨齡估計作出判斷。

How our audit addressed the Key Audit Matter
我們的審計如何處理關鍵審計事項

In assessing the appropriateness of management's assessment of the provision for obsolete or slow-moving inventories, we performed the following procedures:

於評估管理層評估的陳舊或滯銷存貨撥備是否恰當時，我們進行了以下程序：

- We understood, evaluated and tested the key controls on management's periodic assessment of provision for obsolete and slow-moving inventories across the Group.
- 我們了解、評價及測試管理層定期評估貴集團陳舊及滯銷存貨撥備的關鍵控制。
- We tested, on a sample basis, the inventory aging by comparing the inventory records with the underlying documents.
- 我們透過比較存貨記錄與相關文件，抽樣測試存貨貨齡。
- We reviewed the subsequent utilisation of various raw materials and work in progress, on a sample basis, to assess the appropriateness of the associated provision made, if any.
- 我們抽樣檢視各項原材料及在製品其後的使用情況，以評估所作相關撥備(如有)是否恰當。
- We tested, on a sample basis, the subsequent selling price of different products and compared with the average unit costs.
- 我們抽樣測試不同產品其後的售價並與平均單位成本作比較。

Based on the procedures performed above, we considered the estimates made by management in assessing the provision for obsolete or slow-moving inventories to be supported by available evidence.

根據以上所進行的程序，我們認為管理層於評估陳舊或滯銷存貨撥備時所作出的估計獲得憑證支持。

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the "Corporate Information", "Chairman's Statement", "Chairman's Letter", "Financial Summary", "Report of the Directors", "Corporate Governance Report", and "Management Profile" (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the "Environmental, Social and Governance Report", which is expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the "Environmental, Social and Governance Report", if we conclude that there is a material misstatement therein, we are required to communicate the matter to the audit committee and take appropriate action considering our legal rights and obligations.

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.

其他資料

貴公司董事須對其他信息負責。其他信息包括「公司資料」、「主席報告」、「主席函件」、「財務摘要」、「董事會報告」、「企業管治報告」及「管理階層簡介」(但不包括綜合財務報表及我們的核數師報告)(我們於本核數師報告日期前已取得有關資料)，以及「環境、社會及管治報告」(預期將於該日後向我們提供)內的資料。

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

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

基於我們對在本核數師報告日前取得的其他資料所執行的工作，如果我們認為該等其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀「環境、社會及管治報告」後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事宜與審核委員會溝通，並考慮我們的法律權利和義務採取適當行動。

董事及審核委員會就綜合財務報表須承擔的責任

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

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

As part of an audit in accordance with HKSAs, we exercise professional 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.

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表須承擔的責任

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審計相關的內部控制，以設計在有關情況下適當的審計程序，但目的並非為對貴集團內部控制的有效性發表意見。
 - 評價董事所採用的會計政策的恰當性及作出會計估計和相關披露的合理性。
 - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
 - 評價綜合財務報表的整體列報方式，結構和內容，包括披露，以及綜合財務報表是否中肯反映交易及事項。
 - 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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 the audit committee all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

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 Cheung Yuk Ting, Mabel.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20th June, 2017

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

出具本獨立核數師報告的審計項目合夥人是張玉婷。

羅兵咸永道會計師事務所
執業會計師

香港，二零一七年六月二十日

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2017

綜合收益表

截至二零一七年三月三十一日止年度

		Year ended 31st March, 截至三月三十一日止年度		
		2017 二零一七年	2016 二零一六年	
		HK\$'000 千港元	HK\$'000 千港元	
	Note 附註			
Revenue	收入	5	1,445,870	1,620,364
Cost of sales	銷售成本	7	(1,174,219)	(1,262,456)
Gross profit	毛利		271,651	357,908
Other losses — net	其他虧損 — 淨額	6	(7,673)	(4,038)
Selling and distribution costs	銷售及分銷費用	7	(87,533)	(87,274)
General and administrative expenses	一般及行政開支	7	(155,823)	(164,718)
Operating profit	經營溢利		20,622	101,878
Finance income	融資收入		350	356
Finance costs	融資成本		(7,579)	(9,603)
Finance costs — net	融資成本 — 淨額	8	(7,229)	(9,247)
Profit before income tax	除稅前溢利		13,393	92,631
Income tax expense	所得稅開支	11	(22,577)	(24,519)
(Loss)/profit for the year attributable to the owners of the Company	年內本公司擁有人應佔(虧損)/溢利		(9,184)	68,112
(Losses)/earnings per share attributable to the owners of the Company for the year (expressed in HK cents per share)	年內本公司擁有人應佔每股(虧損)/盈利(每股以港仙呈列)	12		
— Basic	— 基本		(1.75)	12.97
— Diluted	— 攤薄		(1.75)	12.97

The notes on pages 66 to 152 are an integral part of these consolidated financial statements.

於第66頁至152頁之附註為此等綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2017

綜合全面收益表

截至二零一七年三月三十一日止年度

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		Year ended 31st March, 截至三月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(Loss)/profit for the year	年內(虧損)/溢利	(9,184)	68,112
Other comprehensive income:	其他全面收益:		
<i>Items that may be reclassified to</i>	<i>可能重新分類為損益的項目</i>		
<i>profit or loss</i>			
Increase in fair value of available-for-sale financial assets	可供出售財務資產之公允價值增加	280	135
Currency translation differences	滙兌差異	(23,904)	(10,106)
Other comprehensive loss for the year, net of tax	年內其他全面虧損·除稅後	(23,624)	(9,971)
Total comprehensive (loss)/income for the year attributable to the owners of the Company	年內本公司擁有人應佔全面(虧損)/收益總額	(32,808)	58,141

The notes on pages 66 to 152 are an integral part of these consolidated financial statements.

於第66頁至152頁之附註為此等綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2017

綜合財務狀況表

於二零一七年三月三十一日

		As at 31st March, 於三月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
	Note 附註		
ASSETS			
Non-current assets			
Land use rights	14	21,346	23,207
Property, plant and equipment	15	336,360	365,471
Prepayments for non-current assets		6,825	3,921
Deferred income tax assets	23	5,620	3,967
Available-for-sale financial assets	17	10,636	10,356
		<u>380,787</u>	<u>406,922</u>
		-----	-----
Current assets			
Inventories	18	118,107	112,840
Trade receivables	19	244,125	218,254
Prepayments and deposits	19	26,905	25,421
Tax recoverable		4,150	1,814
Bank deposits with maturity over 3 months from date of deposits	20	14,106	14,496
Cash and cash equivalents	20	250,334	311,571
		<u>657,727</u>	<u>684,396</u>
		-----	-----
Total assets		<u>1,038,514</u>	<u>1,091,318</u>
		-----	-----
EQUITY			
Equity attributable to the owners of the Company			
Share capital	24	52,514	52,514
Reserves	26	491,383	537,319
		<u>543,897</u>	<u>589,833</u>
		-----	-----
Total equity		<u>543,897</u>	<u>589,833</u>
		-----	-----

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2017

綜合財務狀況表

於二零一七年三月三十一日

		As at 31st March, 於三月三十一日	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
	Note 附註		
LIABILITIES			
Non-current liabilities			
Borrowings	21	72,457	35,469
Deferred revenue		1,249	1,547
Deferred income tax liabilities	23	6,264	1,714
		79,970	38,730
Current liabilities			
Trade and bill payables	22	131,338	137,760
Current income tax liabilities		23,095	23,886
Borrowings	21	113,466	175,153
Accruals and other payables		146,540	125,735
Deferred revenue		208	221
		414,647	462,755
Total liabilities		494,617	501,485
Total equity and liabilities		1,038,514	1,091,318

The notes on pages 66 to 152 are an integral part of these consolidated financial statements.

於第66頁至152頁之附註為此等綜合財務報表的整體部份。

The consolidated financial statements on pages 60 to 152 were approved by the Board of Directors on 20th June, 2017 and were signed on its behalf.

第60頁至152頁之綜合財務報表已於二零一七年六月二十日獲董事會批准及代表簽署。

Lam Kwong Yu
林光如
Chairman
主席

Cheung Chi Shing, Charles
張志成
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2017

綜合權益變動表

截至二零一七年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔		
		Share capital 股本	Reserves 儲備	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balances at 1st April, 2015	二零一五年四月一日	52,514	484,429	536,943
Comprehensive income	全面收益			
Profit for the year	年內溢利	—	68,112	68,112
Other comprehensive income	其他全面收益			
Increase in fair value of available-for-sale financial assets	可供出售財務資產之公允價值增加	—	135	135
Currency translation differences	滙兌差異	—	(10,106)	(10,106)
Total other comprehensive loss, net of tax	其他全面虧損總額 — 除稅後	—	(9,971)	(9,971)
Total comprehensive income for the year	年內全面收益總額	—	58,141	58,141
Transactions with the owners in their capacity as owners	擁有人以擁有人身份的交易			
Dividends paid	已付股息	—	(5,251)	(5,251)
		—	52,890	52,890
Balances at 31st March, 2016 and at 1st April, 2016	於二零一六年三月三十一日及二零一六年四月一日	52,514	537,319	589,833
Comprehensive income	全面收益			
Loss for the year	年內虧損	—	(9,184)	(9,184)
Other comprehensive income	其他全面收益			
Increase in fair value of available-for-sale financial assets	可供出售財務資產之公允價值增加	—	280	280
Currency translation differences	滙兌差異	—	(23,904)	(23,904)
Total other comprehensive loss, net of tax	其他全面虧損總額 — 除稅後	—	(23,624)	(23,624)
Total comprehensive loss for the year	年內全面虧損總額	—	(32,808)	(32,808)
Transactions with the owners in their capacity as owners	擁有人以擁有人身份的交易			
Dividends paid	已付股息	—	(13,128)	(13,128)
		—	(45,936)	(45,936)
Balance at 31st March, 2017	於二零一七年三月三十一日結餘	52,514	491,383	543,897

The notes on pages 66 to 152 are an integral part of these consolidated financial statements.

於第66頁至152頁之附註為此等綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31st March, 2017

截至二零一七年三月三十一日止年度

		Year ended 31st March, 三月三十一日止年度	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
	Note 附註		
Cash flows from operating activities	經營活動之現金流量		
Cash generated from operations	經營業務產生之現金流入 27(a)	66,638	216,666
Interest paid	已付利息	(7,579)	(9,603)
Hong Kong profits tax paid	已付香港利得稅	(13,692)	(7,650)
Overseas income tax paid	已付海外所得稅	(9,751)	(10,936)
Overseas income tax refunded	已退還海外利得稅	310	—
Hong Kong profits tax refunded	已退還香港利得稅	—	855
Net cash generated from operating activities	經營活動產生之現金淨額	35,926	189,332
Cash flows from investing activities	投資活動之現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(59,353)	(30,040)
Prepayments of non-current assets	非流動資產之預付款	(2,904)	(2,733)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得收入 27(b)	2,784	610
Decrease/(increase) in short-term bank deposits with maturity over 3 months from the date of deposits	超過三個月到期之短期銀行存款減少/(增加)	390	(9,930)
Interest received	已收利息	350	356
Net cash used in investing activities	投資活動所用之現金淨額	(58,733)	(41,737)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from long-term bank loans	新增銀行長期貸款	87,000	98,000
Repayments of long-term bank loans	償還銀行長期貸款	(91,039)	(108,755)
Proceeds from short-term bank loans	新增銀行短期貸款	123,052	182,652
Repayments of short-term bank loans	償還銀行短期貸款	(141,213)	(209,298)
Repayments of finance lease	償還財務契約	—	(3,518)
Dividends paid	已付股息	(13,128)	(5,251)
Net cash used in financing activities	融資活動所用之現金淨額	(35,328)	(46,170)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值之淨額 (減少)/增加	(58,135)	101,425
Cash and cash equivalents at the beginning of the year	年初之現金及現金等值	311,571	211,142
Exchange losses on cash and cash equivalents	現金及現金等值之匯兌虧損	(3,102)	(996)
Cash and cash equivalents at the end of the year	年終之現金及現金等值	250,334	311,571

The notes on pages 66 to 152 are an integral part of these consolidated financial statements.

於第66頁至152頁之附註為此等綜合財務報表的整體部份。

1 General information

Starlite Holdings Limited (the “Company”) is an investment holding company. Its subsidiaries are principally engaged in the printing and manufacturing of packaging materials, labels and paper products, including environmentally friendly paper products.

The Company was incorporated in Bermuda on 3rd November, 1992, as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda and its principal place of business is 3/F, Perfect Industrial Building, 31 Tai Yau Street, Sanpokong, Kowloon, Hong Kong. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited since 1993.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

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

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

1 一般資料

星光集團有限公司(「本公司」)乃一家投資控股公司。其附屬公司的主要業務為印刷及製造包裝材料、標籤及紙類製品，包括環保紙類產品。

本公司於一九九二年十一月三日根據百慕達公司條例(1981)於百慕達註冊成立為獲豁免有限公司。其註冊辦事處地址為Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda及其主要營業地址為香港九龍新蒲崗大有街31號善美工業大廈3樓。本公司股份自一九九三年起於香港聯合交易所有限公司上市。

除另有指明外，此等綜合財務報表以港元(「港元」)呈列。

2 重要會計政策概要

編撰此等綜合財務報表所應用的主要會計政策載列如下。除另有指明外，此等政策已於呈列之所有年度貫徹應用。

2.1 編製基準

本公司綜合財務報表乃根據所有適用的香港財務報告準則(「香港財務報告準則」)及香港《公司條例》(第622章)的披露規定而編製，綜合財務報表按照歷史成本法編製，並就可供出售財務資產(以公允價值列值)之重估而作出修訂。

遵照香港財務報告準則編製綜合財務報表須採用若干主要會計估計，管理層於採用本集團會計政策時，亦須作出判斷。涉及高度判斷或複雜性，或對綜合財務報表重要的假設及估計在下列附註4披露。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(a) *New and amended standards adopted by the Group*

The following new and amendment to standards have been adopted by the Group for the first time for the financial year beginning 1st April, 2016.

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

The adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

2 重要會計政策概要(續)

2.1 編製基準(續)

(a) 本集團已採納之新準則及修訂本

本集團於二零一六年四月一日起財政年度已首次採納下列新準則及修訂本。

香港會計準則第1號(修訂本)	披露方案
香港會計準則第16號及香港會計準則第38號(修訂本)	可接受之折舊及攤銷方法之分類
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港會計準則第27號(修訂本)	獨立財務報表權益法
香港財務報告準則第10號，香港財務報告準則第12號及香港會計準則第28號(修訂本)	投資實體：應用綜合入賬豁免
香港財務報告準則第11號(修訂本)	收購共同營運權益之會計
香港財務報告準則第14號	監管遞延賬戶
2014週期年度改進	改進香港會計準則及香港財務報告準則

採納此等修訂本對本集團當前期間或任何過往期間均沒有任何影響，及不大可能影響將來期間。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted*

A number of new standards and amendments to standards are effective for annual periods beginning after 1st April, 2016 and have not been applied in preparing these consolidated financial statements.

2 重要會計政策概要(續)

2.1 編製基準(續)

(b) 仍未採納之新準則及修訂本

多項新準則及準則的修訂於二零一六年四月一日起的年度期間已生效，但於編製此等綜合財務報表時未有採用。

		Effective for annual periods beginning on or after 年度期間開始或 以後生效
HKAS 7 (Amendment) 香港會計準則第7號(修訂本)	Statement of Cash Flows: Disclosure Initiative 現金流量表 — 披露方案	1st January, 2017 二零一七年一月一日
HKAS 12 (Amendment) 香港會計準則第12號(修訂本)	Income Taxes 所得稅	1st January, 2017 二零一七年一月一日
HKFRS 2 (Amendment) 香港財務報告準則第2號 (修訂本)	Classification and Measurement of Share-based Payment Transactions 以股份為基礎之付款交易之分類及計量	1st January, 2018 二零一八年一月一日
HKFRS 9 香港財務報告準則第9號	Financial Instruments 金融工具	1st January, 2018 二零一八年一月一日
HKFRS 15 香港財務報告準則第15號	Revenue from Contracts with Customers 客戶合約收益	1st January, 2018 二零一八年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1st January, 2019 二零一九年一月一日
HKFRS 10 and HKAS 28 (Amendments) 香港財務報告準則第10號及香 港會計準則第28號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的資 產出售或出繳	To be determined 有待釐定

The Group has commenced an assessment of the impact of these new standards and amendments to existing standards. Except as discussed below, the Group is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

本集團已開始評估此等新準則及現行準則的修訂的影響，除於下文闡述外，本集團仍未確定其對營運業績及財務狀況會否構成重大影響。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted (Continued)*

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.

While the Group has yet to undertake a detailed assessment of the classification and measurement of financial assets, debt and equity instruments currently classified as available-for-sale financial assets would appear to satisfy the conditions for classification as at fair value through other comprehensive income ("FVOCI") and hence there will be no change to the accounting for these assets. Accordingly, the Group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets.

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 Group does not apply any hedge accounting, therefore the management expects no financial impact regarding the new hedge accounting rules.

2 重要會計政策概要(續)

2.1 編製基準(續)

(b) *仍未採納之新準則及修訂本(續)*

*香港財務報告準則第9號
「金融工具」*

新準則規定了財務資產和財務負債的分類、計量及終止確認，並給出一種新的對沖會計規則及新的財務資產減值模式。

本集團尚未對其財務資產的分類和計量進行詳細評估，目前列為可供出售財務資產的負債及權益工具投資可能屬於以按公允價值計入其他全面收益(「公允價值計入其他全面收益」)，但將不會改變這些資產的會計處理。因此，集團預期此新指引就財務資產的分類及計量並無重大影響。

由於新規定僅影響指定按公允價值計入損益之財務負債會計方法，而本集團並無任何該等負債，因此對本集團財務負債之會計方法並無影響。終止確認規則是從香港會計準則第39號「金融工具：認可與計量」轉移過來，並未變更。

本集團沒有應用任何對沖會計，因此管理層預計新對沖會計規則並無財務影響。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted (Continued)*

HKFRS 9, "Financial instruments" (Continued)

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") 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 FVOCI, contract assets under HKFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses.

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.

HKFRS 9 must be applied for financial years commencing on or after 1st January, 2018. Based on the transitional provisions in the completed HKFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1st February, 2015. After that date, the new rules must be adopted in their entirety. The Group does not intend to adopt HKFRS 9 before its mandatory date.

2 重要會計政策概要(續)

2.1 編製基準(續)

(b) *仍未採納之新準則及修訂本(續)*

*香港財務報告準則第9號
「金融工具」(續)*

新減值模型要求按預期信貸損失(「預期信貸損失」)確認減值撥備，而非僅發生的信貸損失(根據香港會計準則第39號)。其適用於按攤銷成本分類的財務資產、按公允價值計量的債務工具計入全面收益、香港財務報告準則第15號「與客戶之間的合同產生的收入」下的合同資產、應收租賃款、貸款承擔和若干財務擔保合同。惟本集團尚未詳細評估新模式將如何影響其減值撥備，但有可能導致提早確認信貸損失。

新準則亦增加了披露規定和列報的改變。預期將改變本集團有關其金融工具的披露性質和範圍，尤其是在新準則採納的年度內。

香港財務報告準則第9號必須在二零一八年一月一日或之後開始的財政年度起應用。根據已完成的香港財務報告準則第9號的過度性條文，只容許二零一五年二月一日前開始的年度期間，可以分期提早採納。於該日期後，此新規則必需全部採納。本集團不擬於其強制性日期之前應用香港財務報告準則第9號。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted (Continued)*

HKFRS 15, "Revenue from contracts with customers"

This standard replaces HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected:

- accounting for certain costs incurred in fulfilling a contract — certain costs which are currently expensed may need to be recognised as an asset under HKFRS 15; and
- rights of return — HKFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligation.

At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed assessments of the impact over the next twelve months.

HKFRS 15 is mandatory for financial years commencing on or after 1st January, 2018. At this stage, the Group does not intend to adopt the standard before its effective date.

2 重要會計政策概要(續)

2.1 編製基準(續)

(b) *仍未採納之新準則及修訂本(續)*

香港財務報告準則第15號「與客戶之間的合同產生的收入」

此準則將取代香港會計準則第18號(涵蓋出售貨品和提供服務產生的收入)和香港會計準則第11號(涵蓋建造合同)。新準則的原則為收入於貨品或服務的控制權轉移至客戶時確認。此準則容許全面追溯採納或經修改追溯方式採納。

管理層目前正評估採納新訂準則對本集團財務報表之影響，及確認下列方面可能受到影響：

- 完成合約產生的若干成本之會計 — 現時列作開支的若干成本，可能根據香港財務報告準則第15號確認為資產；及
- 退貨權 — 香港財務報告準則第15號規定於資產負債表中分別呈列從客戶中回收貨物的權利及退款責任。

於此階段，本集團仍未可以估計新規定對本集團的財務報表的影響。本集團將會作出更詳細評估其對未來十二個月的影響。

香港財務報告準則第15號必須在二零一八年一月一日或之後開始的財政年度起應用。於此階段，本集團不擬於其生效日前採納該準則。

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted (Continued)*

HKFRS 16, "Leases"

HKFRS 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$20,089,000. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

The new standard is mandatory for financial years commencing on or after 1st January, 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

2 重要會計政策概要(續)

2.1 編製基準(續)

(b) *仍未採納之新準則及修訂本(續)*

香港財務報告準則第16號「租賃」

由於毋須區分經營租賃與融資租賃，香港財務報告準則第16號規定幾乎所有承租人的租賃均於資產負債表中確認。根據新訂準則，租賃項目之使用權及繳納租金的責任會分別被確認為資產及金融負債，惟短期及低值租賃不在此列。

出租人的會計處理將不會有重大變動。

該準則主要影響本集團經營租賃之會計處理。於報告日，本集團持有不可取消的經營租賃承擔20,089,000港元。然而，本集團尚未釐定此等承擔將會導致確認資產及未來付款責任之金額，以及其如何影響本集團溢利及現金流量分類。

該準則於二零一九年一月一日開始之財政年度強制採用，於此階段，本集團不擬於其生效日前採納該準則。

2 Summary of significant accounting policies (Continued)

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.

(a) Business Combinations

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

2 重要會計政策概要(續)

2.2 附屬公司

2.2.1 綜合賬目

附屬公司為本集團控制之所有實體(包括結構實體)。當本集團對參與實體業務之浮動回報承擔風險或享有權利以及能透過對實體之權力影響該等回報時，即取得控制權。附屬公司在控制權轉移至本集團之日綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

(a) 業務合併

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

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business Combinations (Continued)

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

Acquisition-related costs are expensed as incurred.

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

2 重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(a) 業務合併(續)

本集團按個別收購基準，確認在被購買方的任何非控制性權益。被購買方的非控制性權益當中，為現時的擁有權權益並賦予持有人於主體清盤時按比例應佔的淨資產，可按應佔被收購方可識別淨資產的確認金額比例的公允價值或按現時擁有權權益而計量。非控制性權益的所有其他組成部份按收購日期的公允價值計量，除非香港財務報告準則規定以其他計量基準計算。

收購相關成本在產生時確定為開支。

如業務合併分階段進行，收購方之前在被收購方持有權益於收購日期的賬面值，按收購日期的公允價值重新計量，重新計量產生的任何盈虧在損益中確認。

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business Combinations (Continued)

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

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2 重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(a) 業務合併(續)

本集團將轉讓的任何或然代價按收購日期的公允價值計量。被視為資產或負債的或然代價公允價值的其後變動，根據香港會計準則第39號的規定，在損益中確認。分類為權益的或然代價不會被重新計量，其之後的結算在權益中入賬。

所轉讓代價、被收購方之任何非控制性權益金額及任何先前於被收購方之股本權益於收購日期之公允價值超過所收購可識別資產淨值之公允價值之差額入賬列作商譽。倘所轉讓代價、已確認之非控制性權益及已計量之以往持有權益之總額低於以廉價購入附屬公司之資產淨值之公允價值，則該差額會直接於綜合收益表確認。

集團公司之間的交易、結餘及未實現收益予以對銷。未實現虧損亦予以對銷，除非該交易提供證明證實轉移資產減值。如有需要，附屬公司呈報之數額會作出調整以確保與本集團之會計政策符合一致。

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(b) *Changes in ownership interests in subsidiaries without change of control*
Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) *Disposal of subsidiaries*
When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means the amounts previously recognised in other comprehensive income are reclassified to the consolidated income statement or transferred to another category of equity as specified/permitted by applicable HKFRSs.

2 重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(b) *不導致控制權變動的附屬公司權益變動*
本集團將其與非控制性權益進行而不導致失去控制權的交易入賬為權益交易 — 即與附屬公司擁有人以其作為擁有人身份進行的交易。所支付任何對價的公允價值與相關應佔所收購附屬公司淨資產賬面值的差額記錄為權益。向非控制性權益的出售的盈虧亦記錄在權益中。

(c) *出售附屬公司*
當本集團不再持有控制權，在主體的任何保留權益於失去控制權當日重新計量至公允價值，賬面值的變動在綜合收益表中確認。公允價值為就保留權益的後續入賬而言的初始賬面值，作為聯營公司、合營公司或財務資產。此外，之前在其他全面收益中確認的任何數額猶如本集團已直接出售相關資產和負債。這意味著之前在其他全面收益中確認的數額重新分類至綜合收益表或轉撥至香港財務報告準則指定／許可的其他類型權益。

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

2.2.2 *Separate financial statements*

Investments in subsidiaries are accounted for at cost less impairment. Cost 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 a dividend 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.

2.3 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 Chairman/Chief Executive Officer who makes 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 HK\$, which is the Company's functional and the Group's presentation currency.

2 重要會計政策概要(續)

2.2 附屬公司(續)

2.2.2 *獨立財務報表*

附屬公司投資按成本扣除減值，成本包括直接歸屬的投資成本。本公司按照股息收入為基準將附屬公司之業績計算入賬。

在接獲於附屬公司的投資的股息後，倘股息超出附屬公司在宣派股息期內的全面收益總額，或倘於個別財務報表的投資賬面值高於被投資公司資產淨值(包括商譽)於綜合財務報表的賬面值，則須對於附屬公司之投資進行減值測試。

2.3 分部報告

經營分部乃按提供與主要營運決策者之內部報告一致之方式予以呈報。主要營運決策者負責分配資源及評估經營分部之表現，主席／執行長被視為主要營運決策者，彼負責制定策略決定。

2.4 外幣換算

(a) *功能貨幣和呈列貨幣*

本集團每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以港元呈報，港元為本公司的功能貨幣及本集團的呈列貨幣。

2 Summary of significant accounting policies (Continued)

2.4 Foreign currency translation (Continued)

(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 remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within “finance income” or “finance cost”. All other foreign exchange gains and losses are presented in the consolidated income statement within “other losses — net”.

Changes in the fair value of debt securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the consolidated income statement, and other changes in the carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

2 重要會計政策概要(續)

2.4 外幣換算(續)

(b) 交易及結餘

外幣交易採用交易日或估值當日(如項目重新計量)之匯率換算為功能貨幣。結算此等交易產生之匯兌損益以及將外幣計值之貨幣性資產和負債以年結匯率換算產生之匯兌損益在綜合收益表確認。

由借貸及現金及現金等值產生之外幣匯兌損益於綜合收益表中列入「融資收入」或「融資成本」中。所有其他外幣匯兌損益均列入綜合收益表「其他虧損 — 淨額」內。

以外幣為單位及被分類為可供出售的負債性證券的公允價值轉變，將在其證券攤銷成本轉變產生的匯兌差額及其他證券賬面值轉變之間予以分析。與攤銷成本變動有關的匯兌差額於綜合收益表中確認，賬面值的其他變動則於其他全面收益中確認。

非貨幣性財務資產及負債(如以公允價值計量且其變動計入損益的權益)之匯兌差額，則於損益內確認為公允價值損益一部份。非貨幣性財務資產(如歸類為可供出售投資之權益)之匯兌差額，則計入其他全面收益內。

2 Summary of significant accounting policies (Continued)

2.4 Foreign currency translation (Continued)

(c) Group companies

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

- (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 income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

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

2 重要會計政策概要(續)

2.4 外幣換算(續)

(c) 集團公司

所有功能貨幣與呈列貨幣不同之本集團實體(當中沒有嚴重通貨膨脹貨幣)之業績及財務狀況均按以下方法換算為呈列貨幣：

- (i) 各財務狀況表呈列之資產及負債項目均以該財務狀況表結算日之收市匯率折算；
- (ii) 各收益表所呈報之收入及開支項目均按平均匯率換算(除非該平均值並不反映於交易日通行匯率累計影響之合理近似值，在此情況下收入及開支乃按交易日之匯率換算)；及
- (iii) 所有由此產生之外幣換算差額均於其他全面收益內確認。

因收購海外實體而產生的商譽及公允值調整，均作為有關海外實體的資產與負債，並按收市匯率換算。產生的匯兌差額在其他全面收益中確認。

2 Summary of significant accounting policies (Continued)

2.4 Foreign currency translation (Continued)

(d) Disposal of foreign operation and partial disposal

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

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

2.5 Land use rights

The up-front prepayments made for land use rights are accounted for as prepaid operating lease payments. They are expensed in the consolidated income statement on a straight-line basis over the periods of the lease; when there is impairment, the impairment is expensed immediately in the consolidated income statement.

2 重要會計政策概要(續)

2.4 外幣換算(續)

(d) 出售海外業務及部份出售

對於境外經營的出售(即出售集團在境外經營中的全部權益, 或者出售涉及喪失對擁有境外經營的附屬公司的控制權), 就該項經營累計計入權益的歸屬於本公司擁有人的所有匯兌差額均重分類至損益。

對於並不導致集團喪失對擁有境外經營的附屬公司的控制權的部份出售, 集團在累計匯兌差額中的比例份額重新歸屬於非控制性權益, 且不會在損益表中確認。對於所有其他部份出售(即集團於聯營公司或合營公司權益的減少, 但不構成集團喪失其影響或共同控制權), 集團在累計匯兌差額中的比例份額重分類至損益。

2.5 土地使用權

就土地使用權預先支付的款項按預付經營租賃款項列賬, 將會按直線法於租賃期間分期在綜合收益表列作開支, 倘出現減值, 減值於綜合收益表即時列作開支。

2 Summary of significant accounting policies (Continued)

2.6 Property, plant and equipment

Land and buildings comprise mainly factories and offices. Property, plant and equipment, including leasehold land classified as finance leases but excluding construction in progress, are stated at historical cost less accumulated depreciation. 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 the consolidated income statement during the financial period in which they are incurred.

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

— Leasehold land classified as finance lease	Over the lease term
— Buildings	25 to 50 years
— Plant and machinery	5 to 10 years
— Furniture and equipment	5 to 10 years
— Motor vehicles	5 years

The asset's residual values and 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 (Note 2.7).

2 重要會計政策概要(續)

2.6 物業、廠房及設備

土地及樓宇主要包括廠房及寫字樓，物業、廠房及設備(包括分類為融資租賃的租賃土地權益，但不包括在建工程)均以歷史成本減累計折舊列賬。歷史成本包括因收購該項目而直接產生之支出。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才列入資產的賬面值或確認為獨立資產(如適用)。已更換部分之賬面值將剔除入賬。所有其他維修及保養在產生的財務期間內於綜合收益表支銷。

分類為融資租賃之租賃土地權益自土地可供用作其擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產之折舊依估計可使用年內按直線法分攤其成本至剩餘價值，有關之可使用年期如下：

— 分類為融資租賃的租賃土地	按租約期限
— 樓宇	25至50年
— 機器	5至10年
— 傢具及設備	5至10年
— 汽車	5年

資產之剩餘價值及可使用年期於各個報告結束日檢討，並作出適當調整。若資產之賬面值高於其估計可收回價值，則資產之賬面值即時撇減至可收回價值(附註2.7)。

2 Summary of significant accounting policies (Continued)

2.6 Property, plant and equipment (Continued)

Construction in progress comprises buildings on which construction work has not been completed and plant and machinery for which installation work has not been completed. It is carried at cost which includes construction and installation expenditures and other direct costs less any impairment losses. On completion, construction in progress is transferred to the appropriate categories of property, plant and equipment at cost less accumulated impairment losses. No depreciation is provided for construction in progress until it is completed and available for use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within “other losses — net” in the consolidated income statement.

2.7 Impairment of non-financial assets

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 of disposal 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 重要會計政策概要(續)

2.6 物業、廠房及設備(續)

在建工程指尚未完成建築工程的樓宇及仍未完成安裝的機器，並按成本入賬，成本包括建築及安裝費用及其他直接成本減減值虧損。當在建工程完成時，會將成本減累計減值虧損轉撥至適當物業、廠房及設備的項目中。在建工程項目直至有關資產完成及可作擬定用途前不作折舊撥備。

出售收益及虧損透過比較賬面值及所得款項釐定，並於綜合收益表「其他虧損 — 淨額」內確認。

2.7 非財務資產之減值

需要作出攤銷的資產在有事件出現或情況變動顯示出現賬面值無法收回時就減值進行評估。減值虧損按資產賬面值超越其可收回價值的數額確認。可收回價值為資產公允價值減銷售成本後的價值，與其使用價值之間的較高者。為評估資產減值，資產按可獨立地區分其現金流量(現金產生單位)的最低層次組合。於每個報告日，均會對曾出現減值之非財務資產(商譽除外)作出評估，以確定是否可能作出減值撥回。

2 Summary of significant accounting policies (Continued)

2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets in the following categories at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(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 twelve 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 twelve months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade receivables, deposits, bank deposits with maturity over 3 months from the date of deposits and cash and cash equivalents in the consolidated statement of financial position (Notes 2.13 and 2.14).

2 重要會計政策概要(續)

2.8 財務資產

2.8.1 分類

本集團將其財務資產歸類為按公允價值透過損益記賬、貸款及應收款項以及可供出售。有關分類乃取決於所購入財務資產之用途。管理層於初步確認時決定其財務資產之類別。

(a) *按公允價值透過損益記賬的財務資產*

如持有的財務資產為買賣用途，財務資產為按公允價值透過損益記賬。一項財務資產，如購入的主要目的為短期內出售，會被分類為此類別。衍生工具亦會分類為買賣用途，除非被指定為對沖用途。此類別之資產，如預計於十二個月內結清，會分類為流動資產，否則分類為非流動資產。

(b) *貸款及應收款項*

貸款及應收款項指於活躍市場上並無報價而款項已定或待定之非衍生財務資產。該等款項計入流動資產，惟不包括報告日起計超過十二個月需要結算或預期需要結算，此等款項會列作非流動資產。本集團之貸款及應收款項包括綜合財務狀況表內之貿易應收賬款、按金、由存款日起計算超過三個月到期之銀行存款及現金及現金等值(附註2.13及2.14)。

2 Summary of significant accounting policies (Continued)

2.8 Financial assets (Continued)

2.8.1 Classification (Continued)

(c) *Available-for-sale financial assets*

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

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. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2 重要會計政策概要(續)

2.8 財務資產(續)

2.8.1 分類(續)

(c) *可供出售財務資產*

可供出售財務資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非該項投資的到期日或管理層有意在報告日後十二個月內出售該項投資，否則此等資產列在非流動資產內。

2.8.2 確認及計量

定期購入及出售的財務資產在交易日確認 — 交易日指本集團承諾購入或出售該資產之日。對於並非按公允價值透過損益記賬的所有財務資產，其投資初步按公允價值加交易成本確認。按公允價值透過損益記賬的財務資產，初步按公允價值確認，而交易成本則在綜合收益表支銷。當從投資收取現金流量的權利經已到期或經已轉讓，而本集團已將擁有權的所有風險和回報實際轉讓時，財務資產即終止確認。可供出售財務資產及按公允價值透過損益記賬的財務資產其後按公允價值列賬。貸款及應收款項其後利用實際利息法按攤銷成本列賬。

2 Summary of significant accounting policies (Continued)

2.8 Financial assets (Continued)

2.8.2 Recognition and measurement (Continued)

Gains or losses arising from changes in the fair value of the financial assets at “fair value through profit or loss” category are presented in the consolidated income statement within other losses — net in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of other gains when the Group’s right to receive payments is established.

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

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as “other losses — net”.

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

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

2 重要會計政策概要(續)

2.8 財務資產(續)

2.8.2 確認及計量(續)

以公允價值計量且其變動計入損益的財務資產之公允價值如出現變動，所產生之收益及虧損均於產生期間內，於綜合收益表之其他虧損 — 淨額中呈列。當本集團有權獲取支付時，以公允價值計量且其變動計入損益的財務資產產生之股息收入於綜合收益表內確認為其他收入的一部分。

分類為可供出售之貨幣及非貨幣證券的公允價值變動，於其他全面收益內確認。

當分類為可供出售之證券售出或減值時，在權益確認的累計公允價值調整，列入綜合收益表的「其他虧損 — 淨額」內。

可供出售證券利用實際利息法計算的利息在綜合收益表內列作其他收益確認。至於可供出售權益工具的股息，當本集團收取有關款項的權利確定時，會在綜合收益表內列作其他收益確認。

有價投資之公允價值乃按當時買入價所計算。倘某財務資產之市場並不活躍(及就非上市證券而言)，本集團會採用估值技術訂出公允價值，包括採用近期按公平原則進行之交易，參考其他大致相同之工具，現金流量貼現分析，以及期權定價模式，盡可能使用市場元素而盡量減少倚靠屬公司獨有的元素。

2 Summary of significant accounting policies (Continued)

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.

2.10 Impairment of financial assets

(a) *Assets carried at amortised cost*

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

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 重要會計政策概要(續)

2.9 抵銷金融工具

當有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，財務資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。法定可執行權利不可依賴未來事件而定，而在一般業務過程中倘本公司或交易對手一旦出現違約、無償債能力或破產時，這也必須具有約束力。

2.10 財務資產減值

(a) *以攤銷後成本列賬的資產*

本集團於每個報告結束日評估是否存在客觀證據證明某財務資產或某財務資產組別已經存在減值。只有當存在客觀證據證明於首次確認資產後發生一宗或多宗事件導致出現減值(「損失事項」)，而該宗(或該等)損失事項對該項或該組別財務資產的估計未來現金流量構成的影響可以合理估計的情況下，有關的財務資產或財務資產組別才被視為出現減值及產生減值虧損。

減值虧損的證據可包括債務人或一組債務人遇上嚴重財政困難、逾期或拖欠償還利息或本金、債務人很有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流有可計量的減少，例如與違約有相互關連的拖欠情況或經濟狀況改變。

2 Summary of significant accounting policies (Continued)

2.10 Impairment of financial assets (Continued)

(a) *Assets carried at amortised cost (Continued)*

For loans and receivable category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

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

2 重要會計政策概要(續)

2.10 財務資產減值(續)

(a) *以攤銷後成本列賬的資產(續)*

對於貸款及應收款項，虧損金額為資產賬面值與按財務資產估計未來現金流量(不包括仍未產生的未來信用虧損)以原實際利率貼現值兩者的差額。該資產賬面值予以減低，而產生的虧損金額則在綜合收益表確認。如貸款或持有至到期日的投資為浮動利率，計量任何減值虧損的折現率為按合同釐定的當時實際利率。在實際應用中，本集團可利用可觀察的市場價格，按工具的公允價值計量減值。

如在隨後期間，減值虧損的數額減少，而此減少可客觀地聯繫至減值在確認後才發生的事件(例如債務人的信用評級有所改善)，則之前已確認的減值虧損可在綜合收益表轉回。

2 Summary of significant accounting policies (Continued)

2.10 Impairment of financial assets (Continued)

(b) *Assets classified as available-for-sale*

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

For debt securities, if any such evidence exists the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is reclassified from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt investment classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is reclassified from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

2 重要會計政策概要(續)

2.10 財務資產減值(續)

(b) *資產分類為可供出售*

本集團在每個報告結束日評估是否有客觀證據證明某財務資產或某財務資產組別已經存在減值。

對於債務證券而言，如果存在任何該等證據，累積虧損(計為購置成本和當前公允價值之差異，再減去此前在損益中確認的針對該金融資產的任何減值虧損)將從權益中再分類，並在損益中確認。如果在隨後的一個期間，分類為可供出售的債務證券的公允價值提升，且此價值的提升客觀上與在損益中確認減值虧損之後發生的某個事件相關，則此減值虧損於綜合收益表轉回。

對於股權投資，如果可供出售股權投資的公允價值大大低於其購置成本，或公允價值在很長時間內低於其購置成本，則表明該資產受到減值。如果存在這種情況，累計虧損(計為購置成本和當前公允價值之差異，再減去此前在損益中確認的針對該金融資產的任何減值虧損)將從權益中再分類，並在綜合收益表中確認。在綜合收益表中確認的減值虧損不得通過綜合收益表予以轉回。

2 Summary of significant accounting policies (Continued)

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 derivative financial instruments held by the Group do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Changes in fair value of these derivative financial instruments are recognised immediately in the consolidated income statement.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade 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 receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2 重要會計政策概要(續)

2.11 衍生金融工具

衍生金融工具初步按訂立衍生金融工具合約當日之公允價值確認，其後按公允價值重新計量。本集團所持有之衍生金融工具未能指定作為對沖工具，並按公允價值透過損益記賬。衍生金融工具之公允價值如有變動，會即時於綜合收益表確認。

2.12 存貨

存貨以成本值及可變現淨值兩者的較低者列賬。成本值是以加權平均法計算。製成品及在製品的成本值包括原材料、直接工資、其他直接成本及相關生產間接開支(根據正常營運能力計算)。有關數額不包括借貸成本。可變現淨值為於日常業務過程內的估計售價扣除適當的浮動銷售開支計算。

2.13 貿易應收賬款

貿易應收賬款是就日常業務過程中所售商品或所提供服務而應收客戶之款項。倘應收賬款預計將在一年或以內收回(若更長而在業務正常經營週期內)，則分類為流動資產。否則，在非流動資產中列報。

貿易應收賬款初步按公允價值確認，其後以實際利息法按攤銷成本扣除減值撥備計量。

2 Summary of significant accounting policies (Continued)

2.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.15 Borrowings and borrowing costs

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 consolidated income statement over the period of the borrowings using the effective interest method.

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

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

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

2 重要會計政策概要(續)

2.14 現金及現金等值

於綜合現金流量表中，現金及現金等值包括手頭現金、銀行通知存款、原到期日為三個月或以下的短期高流動投資，以及銀行透支。銀行透支於綜合財務狀況表列作流動負債內的融資。

2.15 融資及融資成本

融資於扣除所產生之交易成本後初步按公允價值確認，其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期間使用實際利息法於綜合收益表確認。

設立貸款額度時支付的費用倘部份或全部額度將會很有可能提取，該費用可遞延入賬直至額度提取為止。如沒有證據證明部份或全部額度將會很有可能被提取，則該項費用須資本化作為流動資金服務的預付款，並按有關額度期間攤銷。

除非本集團有權無條件地將債務結算日期順延至報告結束日後至少十二個月，否則融資會被分類為流動負債。

直接歸屬於購買、興建或生產合資格資產(該資產必須經過長時間方可達至其預定用途或銷售)的一般及特定借款成本，可加入該等資產的成本內，直至資產大致上備妥供其預定用途為止。所有其他借款成本均於彼等產生時於綜合收益表內列支。

2 Summary of significant accounting policies (Continued)

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables 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.

2.17 Current and deferred income tax

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

(a) Current income tax

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

2 重要會計政策概要(續)

2.16 貿易應付賬款

貿易應付賬款是在日常運作過程中從供應商處購買商品或接受服務形成的支付責任。倘貿易應付賬款預計將在一年或以內支付(若更長而在業務正常經營週期內)，則分類為流動負債。否則，在非流動負債中列報。

貿易應付賬款初步按公允價值確認，並於隨後以實際利率法按攤銷成本計算。

2.17 即期及遞延所得稅

本期間的稅項支出包括即期及遞延稅項。稅項在綜合收益表中確認，但與其他全面收益或直接於權益中確認的項目有關者則除外。在此情況下，稅項亦分別於其他全面收益或直接於權益中確認。

(a) 即期所得稅

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

2 Summary of significant accounting policies (Continued)

2.17 Current and deferred income tax (Continued)

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

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

2 重要會計政策概要(續)

2.17 即期及遞延所得稅(續)

(b) *遞延所得稅*

內在基準差異

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在綜合財務報表的賬面值之差額產生的暫時差異全數撥備。然而，若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不被確認。遞延所得稅採用在財務狀況表日期前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產是就很可能有未來應課稅利潤而就此可使用暫時差異而確認。

外在基準差異

遞延所得稅負債就附屬公司投資產生之應課稅暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來很有可能不會撥回則除外。

遞延所得稅資產就附屬公司投資產生之可扣稅暫時差異而確認，但上限為於可預見將來有可能撥回的暫時差異及有足夠應課稅利潤予以對銷的暫時差異。

2 Summary of significant accounting policies (Continued)

2.17 Current and deferred income tax (Continued)

(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.

2.18 Ordinary share capital

Share are classified as equity.

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

2.19 Employee benefits

(a) *Employee leave entitlements*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the date of statement of financial position.

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

2 重要會計政策概要(續)

2.17 即期及遞延所得稅(續)

(c) *抵銷*

倘具有法定可執行權利將現有稅項資產與現有稅項負債對銷，且遞延所得稅資產及負債均涉及同一財政機關向有意按淨額結算餘額的課稅實體或不同課稅實體徵收的所得稅，則遞延所得稅資產與負債可互相抵銷。

2.18 普通股股本

股本歸類為權益。

直接歸屬於發行新股或購股權的新增成本在股本權益中列為所得款(除稅後)的減少。

2.19 員工福利

(a) *僱員應享假期*

僱員的應享年假及長期服務假期乃於應計予僱員時確認。僱員因提供服務產生的應享假期乃按截至財務狀況表日期日的年假及長期服務假期估計負債計算撥備。

僱員應享病假及分娩假期僅於支取時才確認。

2 Summary of significant accounting policies (Continued)

2.19 Employee benefits (Continued)

(b) Retirement benefits

The Group participates in various defined contribution retirement benefit schemes. A defined contribution plan is a retirement benefit scheme under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contribution for post-retirement benefits beyond these fixed contributions.

The schemes are generally funded through payments to government authorities, insurance companies or trustee-administered funds. The Group pays contributions on a mandatory, contractual or voluntary basis. The contributions are recognised as employment costs 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 重要會計政策概要(續)

2.19 員工福利(續)

(b) 退休福利

集團參加多個界定供款退休福利計劃。界定供款計劃指本集團向獨立實體作出定額供款之退休金計劃。本集團並無法定或推定責任為該等定額供款以外的退休後福利支付其他供款。

計劃一般的資金來自向政府機構、保險公司或受託人管理基金所作供款。本集團按強制、合約或自願基準作出供款。供款到期時確認為僱員成本。預付供款確認為資產，惟以退回現金或可扣減日後付款金額為限。

2 Summary of significant accounting policies (Continued)

2.19 Employee benefits (Continued)

(c) *Share-based compensation*

The fair value of the employee services received in exchange for the grant of share options is recognised as an expense over the vesting periods of the options granted. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in the assumption that the number of option that are expected to become exercisable. At the end of each reporting date, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(d) *Profit-sharing and bonus plans*

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

2 重要會計政策概要(續)

2.19 員工福利(續)

(c) *以股份為基礎之補償*

為換取所獲僱員提供之服務而授出購股權之公允價值於授出購股權的歸屬期內確認為支出。於歸屬期內將予支銷之總額乃參考所授出購股權之公允價值釐定，但不包括任何非市場業績可行權條件，非市場可行權條件包括在有關預期可行使可行權的期權數目的假設中。於各個報告結束日，本集團會修訂其對預期可行權數目的估計，並於綜合收益表確認修訂原估算產生之影響(如有)及對權益作出相應調整。

當購股權獲行使後，所有收入於扣除任何有關交易成本後撥入股本(面值)及股份溢價。

(d) *溢利分享及花紅計劃*

本集團按本公司經調整後股東應佔溢利根據公式計算的花紅及溢利分享確認為負債及開支。當有合約責任或過往慣例引致推定責任時，本集團即會確認撥備。

2 Summary of significant accounting policies (Continued)

2.20 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. Provisions are not recognised for future operating losses.

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 risk specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

2.21 Revenue and income recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

2 重要會計政策概要(續)

2.20 撥備

本集團因已發生之事件而產生現有法律或推定責任；很有可能需要資源流出以償付責任；金額已被可靠估計作出撥備。不就未來營運虧損確認撥備。

如有多項類似責任，其需要在償付中流出資源的可能性，根據責任的類別整體考慮。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備採用稅前利率按照預期需償付有關責任的開支的現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息開支。

2.21 收入及收益確認

收入包括在本集團正常經營活動中已收到或應收的出售產品的公允價值。收入已扣除增值稅、退貨、回傭及折扣，以及對銷本集團公司內部銷售後的金額列示。

當能夠可靠地計量收入金額，而很可能日後有經濟利益將流入公司，並如下文所述當本集團的各業務符合特定條件時，本集團確認收入。本集團根據過往業績，並考慮客戶種類、交易形式及各安排的特徵估計。

2 Summary of significant accounting policies (Continued)

2.21 Revenue and income recognition (Continued)

(a) Sales of goods

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

(b) Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

(c) Dividend income

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

2.22 Leases

The Group leases certain property, plant and equipment. 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), including upfront payment made for land use rights, are charged to the consolidated income statement on a straight-line basis over the period of the lease.

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

2 重要會計政策概要(續)

2.21 收入及收益確認(續)

(a) 銷售貨品

銷售貨品於集團實體向客戶送交產品，客戶接受該產品並且收回相關應收款項的機會能夠合理確定時確認入賬。

(b) 利息收入

利息收入採用實際利息法確認。於貸款及應收款項減值時，本集團會將賬面值減至其可收回金額，即按工具的最初實際利率貼現的估計日後現金流，並繼續將貼現的金額撥作利息收入。已減值貸款及應收款的利息收入按最初實際利率確認。

(c) 股息收入

股息收入於收取股息的權利確定時確認。

2.22 租賃

本集團租賃若干物業、廠房及設備，如租賃擁有權之重大部份風險及回報由出租人保留，分類為經營租賃。根據經營租賃支付之付款(扣除自出租人收取之任何獎勵金後)，包括土地使用權預先支付的款項，於租賃期內以直線法於綜合收益表支銷。

當本集團持有差不多所有擁有權的風險和回報的若干物業、廠房及設備的租賃均分類為融資租賃。融資租賃於租賃開始時按租賃資產之公允價值與最低租賃付款現值兩者的較低者資本化。

2 Summary of significant accounting policies (Continued)

2.22 Leases (Continued)

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

2.23 Contingent assets and contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of the obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognised.

2 重要會計政策概要(續)

2.22 租賃(續)

每項租賃付款在債務和融資開支間分攤，相應的租金責任在扣除融資開支後，包括在其他長期應付款中。融資成本的利息部份按租賃期在綜合收益表中扣除，以對每個期間餘下負債結餘產生常數定期比率。根據融資租賃購入的物業、廠房及設備按資產的可使用年期與租期兩者的較短者折舊。

2.23 或然資產及或然負債

或然負債乃因過往事件而可能產生的責任。有關責任存在與否須視乎某一宗或多宗本集團不能全權掌控之未來事件會否發生。或然負債亦可為因過往事件而產生的現時責任，並基於毋須損耗經濟資源或責任的數額無法可靠計量而無予以確認。或然負債毋須確認，但會在財務報表披露。倘需要耗損的可能性有所變化而可能須要耗損資源，則會確認為撥備。

或然資產指因過往事件可能產生之資產，此等資產存在與否須視乎某一宗或多宗本集團不能全權掌控之事件會否發生。或然資產不會被確認，但會於經濟利益可能流入時在財務報表附註披露。當大致確定利益將流入時，則會確認資產。

2 Summary of significant accounting policies (Continued)

2.24 Dividend distributions

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's consolidated financial statements and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.25 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to the statement of profit or loss on a straight-line basis over the expected lives of the related assets.

2 重要會計政策概要(續)

2.24 股息分派

向本公司股東分派的股息在股息獲本公司股東批准期間於本集團的綜合財務報表及本公司的財務報表確認為負債。

2.25 政府補助

如有合理保證本集團會收到政府補助而又符合所有附帶條件，政府補助將會以公允價值確認。

有關成本的政府補助乃予界定並於需要配合其所擬補償的相關成本的期間內在損益表內確認。

政府有關物業、廠房及設備的補助會列入非流動負債的遞延收入，並按有關資產的估計可使用年內按直線法於損益表分攤。

3 Financial risk management

3.1 Financial risk factors

The Group's principal activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk, liquidity risk and price 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. Risk management is carried out by senior management of the Group under policies approved by the Board of Directors of the Company.

(a) Market risk

(i) Foreign exchange risk

Subsidiaries of the Company operate in the People's Republic of China ("PRC"), Hong Kong, Singapore and Malaysia with most transactions denominated in either Renminbi ("RMB"), Hong Kong dollars, Singapore dollars ("SGD"), United States dollars ("US\$") or Malaysian ringgit ("RM"). The Group is exposed to foreign exchange risk primarily through sales and purchases transactions that are denominated in a currency other than the functional currency of the relevant subsidiary. The Group considers its foreign currency exposure mainly arises from the exposure of RMB against Hong Kong dollars and/or US\$. As Hong Kong dollars is pegged to US\$, the Group believes the exposure of transactions denominated in US\$ which are entered by group companies with a functional currency of Hong Kong dollars to be insignificant.

3 財務風險管理

3.1 財務風險因素

本集團之主要業務承受多種財務風險：市場風險(包括兌換風險、公允價值利率風險及現金流量利率風險)、信貸風險、流動資金風險及價格風險。本集團之整體風險管理方案集中於難以預測之金融市場，並致力於將對本集團財務表現造成之潛在不利影響減至最低。風險管理由本集團的高層管理人員按本公司董事會批准的政策推行。

(a) 市場風險

(i) 外匯風險

本公司之附屬公司於中國(「中國」)、香港、新加坡及馬來西亞經營業務，大部份交易主要以人民幣(「人民幣」)、港元、新加坡元(「新加坡元」)、美元(「美元」)或馬來西亞元(「馬來西亞元」)計值。本集團所承擔之外匯風險主要來自有關附屬公司之銷售及採購交易以功能貨幣以外之貨幣結算。本集團認為其外匯風險主要來自人民幣兌換港元及／或美元的風險。由於港元與美元掛鈎，本集團相信以港元作為功能貨幣的集團公司訂立以美元計算的交易須承受的風險並不重大。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

The Group manages its exposures to foreign currency transactions by monitoring the level of foreign currency receipts and payments. The Group ensures that the net exposure to foreign exchange risk is kept to an acceptable level from time to time. The Group also regularly reviews the portfolio of local and international customers and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign exchange risk.

As at 31st March, 2017, approximately 94% (2016: 91%) of the Group's borrowings were denominated in Hong Kong dollars and RMB while the remaining were mainly denominated in US\$ and RM. The Group's borrowings are mainly in Hong Kong dollars or RMB to finance investments in the PRC. At present, the management does not expect that there will be any significant foreign exchange risk associated with the Group's borrowings and the Group did not use any financial instruments to hedge its foreign exchange risk arising from the Group's borrowings during the year.

At 31st March, 2017, if RMB had strengthened/weakened by 5% (2016: 5%) against Hong Kong dollars or US\$ with all other variables held constant, pre-tax profit for the year would have been approximately HK\$258,000 (2016: HK\$621,000) lower/higher, mainly as a result of foreign exchange losses/gains on translation of cash and bank balances, trade receivables, trade payables and borrowings denominated in non-functional currency of the relevant group companies.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

本集團通過監控外幣收入及支付水平管理其外幣交易所承受之風險。本集團確保其不時之外匯風險淨額維持在可接受的範圍內。本集團亦經常審閱本地及國際客戶的組合及交易計值之貨幣，以將集團的外匯風險降至最低。

於二零一七年三月三十一日，本集團約94%之借貸(二零一六年：91%)均以港元及人民幣計值，而其餘均以美元及馬來西亞元計值。本集團主要提取以港元或人民幣計值之借貸作為位於中國的投資融資。目前，管理層預期年內並無與本集團借貸有關之任何重大外匯風險且本集團並無使用任何金融工具對沖其來自本集團借貸之外匯風險。

於二零一七年三月三十一日，倘人民幣兌港元或美元之匯率升值/貶值5%(二零一六年：5%)，而其他可變因素維持不變，本年度除稅前溢利將減少/增加約258,000港元(二零一六年：621,000港元)，主要由於以相關集團公司非功能貨幣計值之現金及銀行存款、貿易應收賬款、貿易應付賬款及借貸在兌換時產生之外匯虧損/收益所致。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

At 31st March, 2017, if SGD had strengthened/weakened by 5% (2016: 5%) against US\$ with all other variables held constant, pre-tax profit for the year would have been approximately HK\$1,272,000 (2016: HK\$1,197,000) lower/higher, mainly as a result of foreign exchange losses/gains on translation of cash and bank balances, trade receivables, and trade payables denominated in non-functional currency of the relevant group companies.

(ii) Cash flow interest rate risk

As the Group has no significant interest-bearing assets except for the cash and bank balances, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk mainly arises from borrowings. The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate arising from the Group's borrowings.

At 31st March, 2017, if interest rates on borrowings had been 10 basis points higher/lower with all other variables held constant, post-tax loss for the year would have been HK\$153,000 higher/lower (2016: post-tax profit HK\$173,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於二零一七年三月三十一日，倘新加坡元兌美元之匯率升值／貶值5%（二零一六年：5%），而其他可變因素維持不變，本年度除稅前溢利將減少／增加約1,272,000港元（二零一六年：1,197,000港元），主要由於以相關集團公司非功能貨幣計值之現金及銀行存款、貿易應收賬款、貿易應付賬款在兌換時產生之外匯虧損／收益所致。

(ii) 現金流量利率風險

因本集團除現金及銀行存款外，並無重大計息資產，故本集團之收入及經營現金流量大致上不受市場利率變更影響。

本集團之利率風險主要來自借貸。浮息銀行借貸致使本集團承受現金流量利率風險。本集團之現金流量利率風險主要來自本集團借貸因香港同業拆息利率之波動而引起。

於二零一七年三月三十一日，倘借貸利率上升／下降10個基點，而其他可變因素維持不變，本年度除稅後虧損將增加／減少約153,000港元（二零一六年：除稅後溢利減少／增加約173,000港元），主要由於浮息借貸之利息開支之增加／減少。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The credit risk of the Group mainly arises from trade receivables and deposits with banks and financial institutions.

Credit risk on trade debtors is managed by the managements of the individual business units and monitored by the Group's management on a group basis. Most customers are sizable and renowned. Management assesses the credit quality of smaller customers by considering their financial position, past experience therewith and other relevant factors. The utilisation of credit limits is regularly monitored. Debtors with overdue balances will be requested to settle their outstanding balances.

The Group believes that adequate provision for impairment of trade receivables has been made in the consolidated financial statements and that all customers with delinquency in payments and indication of impairment were fully provided for. To the extent that information is available, management has properly reflected revised estimates of expected future cash flows in their impairment assessments in relation to receivables. As at 31st March, 2017, a total provision for impairment of trade receivables of HK\$8,299,000 (2016: HK\$12,608,000) had been recognised in the consolidated financial statements.

The Group has policies that limit the amount of credit exposure to any individual financial institution. The Group's bank deposits are all deposited in renowned and established banks or financial institutions in Hong Kong, Singapore, Malaysia and the PRC. Management considers that the credit risk associated with deposits with banks and financial institutes is low.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團之信貸風險主要來自貿易應收賬款及銀行與金融機構之存款。

貿易債務人之信貸風險乃由個別業務單元管理層管理及由本集團管理層按組別監控。大部份客戶均具有相當規模及知名的。管理層按財務狀況、過往經驗及其他有關因素評估其他規模較小的客戶的信貸質素。信貸限額之使用須定期監控。有過期結餘之債務人將須按要求清償其未償付結餘。

本集團相信於綜合財務報表中已作充足的貿易應收賬款減值撥備，及所有有延遲付款和有減值跡象的客戶亦已全數撥備。根據已有的資料，管理層在應收賬款的減值評估時，已修訂有關預期未來現金流量的估計。於二零一七年三月三十一日，本集團綜合財務報表中已確認貿易應收賬款減值撥備共8,299,000港元(二零一六年：12,608,000港元)。

本集團制定政策以限制須承受來自任何金融機構之信貸風險。本集團之銀行存款均存入香港、新加坡、馬來西亞及中國知名及信譽卓著之銀行或金融機構。管理層認為有關銀行及金融機構存款之信貸風險為低。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group's management aims to maintain flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve which comprises cash and cash equivalents (Note 20) and undrawn borrowing facilities (Note 29) on the basis of expected cash flows.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the date of statement of financial position date to contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

審慎的流動資金風險管理指維持充足的現金及資金，透過已承諾信貸融資之足夠額度備有資金。基於相關業務之活躍多變性質，故本集團管理層致力透過保持可動用的已承諾信貸額度維持資金的靈活性。

管理層根據預期現金流量，監控本集團之流動資金儲備(包括現金及現金等值(附註20)及未提取銀行信貸額(附註29))之滾動預測。

下表基於由財務狀況表日期至合約到期日之剩餘期間對本集團之非衍生財務負債進行相關到期組別分析。在表內披露之金額為合約性未貼現的現金流量。由於貼現的影響並不重大，因此於十二個月內需要償付之結餘相等於其賬面值。

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Specifically, for the bank borrowings which contain a repayment on demand clause which can be exercised at the banks' sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

具體地，對於包含銀行可依據其意願行使的應要求償還條款之銀行融資，下列分析呈列按本集團被要求還款的最早期間的現金流出，即放款人行使其無條件權利即時收回貸款。

		On demand	Less than 1 year	Between 1 and 2 years 介乎 一至二年	Between 2 and 5 years 介乎 二至五年	Over 5 years 超過五年
		應要求 HK\$'000 千港元	少於一年 HK\$'000 千港元	一至二年 HK\$'000 千港元	二至五年 HK\$'000 千港元	超過五年 HK\$'000 千港元
Group	集團					
At 31st March, 2017	於二零一七年三月三十一日					
Borrowings	融資	65,793	47,673	45,002	27,455	—
Trade and bill payables	貿易應付賬款及票據	—	131,338	—	—	—
Other payables	其他應付款	—	70,920	—	—	—
Interest payable	應付利息	2,051	3,312	1,774	838	—
		67,844	253,243	46,776	28,293	—
At 31st March, 2016	於二零一六年三月三十一日					
Borrowings	融資	147,867	27,286	15,898	17,801	1,770
Trade and bill payables	貿易應付賬款及票據	—	137,760	—	—	—
Other payables	其他應付款	—	73,856	—	—	—
Interest payable	應付利息	5,068	1,713	1,013	828	38
		152,935	240,615	16,911	18,629	1,808

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(d) Price risk

The Group is exposed to price risk arising from its investments in equity securities which are classified on the consolidated statement of financial position as available-for-sale financial assets. To manage its price risk arising from investments in equity securities, the Group diversifies its investment portfolio.

The equity securities invested by the Group are publicly traded on The Hong Kong Stock Exchange.

At 31st March, 2017, if the prices of the equity securities invested by the Group had been lower/higher by 10%, with all other variables held constant, the Group's equity would have been approximately HK\$172,000 (2016: HK\$171,000) lower/higher.

The fair value of the unlisted insurance policies invested by the Group will fluctuate, subject to the returns which are at the discretion of the issuer of the insurance policies. Such policies have a minimum guaranteed returns during the holding period. Management is of the opinion that the price risk arising from these policies is insignificant.

3.2 Capital risk management

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

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

3 財務風險管理(續)

3.1 財務風險因素(續)

(d) 價格風險

本集團持有於綜合財務狀況表分類為可供出售財務資產的股本證券投資令本集團承受價格風險。本集團分散其投資組合，以管理股本證券投資而產生的價格風險。

本集團投資的股本證券於香港聯合交易所有限公司買賣。

於二零一七年三月三十一日，倘本集團投資的股本證券價格下跌／上升10%，而所有其他變量保持不變，本集團之證券價值將會下跌／上升約172,000港元(二零一六年：171,000港元)。

本集團投資的非上市保險保單，其公允價值會因保單承保人決定的回報而波動，此保單於持有期間有最低回報保證，管理層認為此保單引起的價格風險並不重大。

3.2 資本風險管理

本集團管理資本之目標為保證本集團持續經營之能力，以為股東提供回報及為其他持份者提供利益並維持最佳資本架構以降低資本成本。

為維持或調整資本結構，本集團或會調整派予股東之股息金額、將資本發還股東、發行新股或出售資產以減少債項。

3 Financial risk management (Continued)

3.2 Capital risk management (Continued)

The Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity", as shown in the consolidated statement of financial position.

The Group's strategy was to maintain a net gearing ratio less than 75%. The Group was in net cash position as at 31st March, 2017 and 2016. The net gearing ratios at 31st March, 2017 and 2016 were as follows:

Borrowings (Note 21)	融資(附註21)
Bill payables (Note 22)	應付票據(附註22)
Total borrowings	融資總額
Less: cash and cash equivalents (Note 20)	減: 現金及現金等值 (附註20)
Net Cash	現金淨額
Total capital	股本總額
Net gearing ratio	淨負債比率

3.3 Fair value estimation

The carrying amounts of the Group's financial assets including cash and cash equivalents, bank deposit, trade receivables and deposits and financial liabilities including trade and bill payables, other payables and short-term bank borrowings, approximate their fair values due to their short-term maturities.

3 財務風險管理(續)

3.2 資本風險管理(續)

本集團以淨負債比率為基準監察其資本，該比率以負債淨額除以股本總額計算，負債淨額以總融資(包括於綜合財務狀況表中披露的流動及非流動融資)減現金及現金等值。股本總額計算為於綜合財務狀況表中的「股本權益」。

本集團之策略為維持淨負債比率少於75%。本集團截至二零一七年及二零一六年三月三十一日為淨現金狀況。於二零一七年及二零一六年三月三十一日之淨負債比率如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Borrowings (Note 21)	185,923	210,622
Bill payables (Note 22)	245	1,101
Total borrowings	186,168	211,723
Less: cash and cash equivalents (Note 20)	(264,440)	(326,067)
Net Cash	(78,272)	(114,344)
Total capital	543,897	589,833
Net gearing ratio	N/A	N/A

3.3 公允價值之估計

本集團之財務資產，包括現金及現金等值、銀行存款、貿易應收賬款及按金以及財務負債包括貿易應付賬款及票據、其他應付款及短期銀行融資，由於到期日較短，因此其賬面值均與公允價值相若。

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

The table below analyses the Group's financial instruments carried at fair value as at 31st March, 2017 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

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

The following table presents the Group's assets that are measured at fair value at 31st March, 2017.

Assets	資產
Available-for-sale financial assets	可供出售財務資產

The following table presents the Group's assets that are measured at fair value at 31st March, 2016.

Assets	資產
Available-for-sale financial assets	可供出售財務資產

There were no transfers between levels 1, 2 and 3 during the year.

3 財務風險管理(續)

3.3 公允價值之估計(續)

下表分析本集團於二零一七年三月三十一日按用於計量公允價值之估值技術所用輸入數據的層級，計量按公允價值列賬之金融工具之公允價值。有關輸入數據乃按下文所述而分類歸入公允價值架構內的三個層級：

- 同類資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外，資產或負債的可直接(即價格)或間接(即從價格以外得出)觀察所得的因素(第二級)。
- 並非根據可觀察市場數據而釐定的資產或負債的因素(即不可觀察的因素)(第三級)。

下表呈列本集團於二零一七年三月三十一日以公允價值計量的資產。

Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
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1,723	—	8,913	10,636
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下表呈列本集團於二零一六年三月三十一日以公允價值計量的資產。

Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
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1,706	—	8,650	10,356
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年內，第一級、第二級及第三級之間並無轉換。

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

(a) *Financial instruments in level 1*

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of consolidated statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily listed equity investments classified as available-for-sale financial assets.

(b) *Financial instruments in level 2*

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) *Financial instruments in level 3*

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3 (Note 17).

3.4 Offsetting financial assets and financial liabilities

No financial asset and financial liability is subject to offsetting under an enforceable master netting arrangement or similar arrangement as at 31st March, 2017 and 31st March, 2016.

3 財務風險管理(續)

3.3 公允價值之估計(續)

(a) *列入第一級之金融工具*

在活躍市場買賣的金融工具的公允價值根據綜合財務狀況表日期的市場報價列賬。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，並且該等報價代表按公允交易原則進行的實際和常規的市場交易時，該市場被視為活躍。本集團持有的財務資產的市場報價為當時買方報價。此等工具包括在第一級。此等包含在第一級的工具主要包括分類為可供出售財務資產的上市股權投資。

(b) *列入第二級之金融工具*

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術儘量利用可取得的可觀察市場數據(如有)，並儘量少依賴實體的特定估計。如計算一項金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具列入第二級。

(c) *列入第三級之金融工具*

如有一項或多項重要因素並非根據可觀察市場數據，有關工具會被歸納為第三級(附註17)。

3.4 財務資產及財務負債相互抵銷

於二零一七年三月三十一日及二零一六年三月三十一日，並無財務資產及財務負債受可執行總互抵安排或類似協議所規限。

4 Critical accounting estimates and judgements

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

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

(a) Impairment of non-financial assets

The Group conducts impairment reviews of assets when events or changes in circumstances indicate that their carrying amounts may not be recoverable or annually in accordance with relevant accounting standards. An impairment loss is recognised when the carrying amount of an asset is lower than the greater of its fair value less costs of disposal and value in use. In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal and value-in-use which is the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow forecast including whether these cash flow forecast is discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates, the gross profit margin or the revenue growth rate assumptions in the cash flow forecast, could affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations.

4 重大會計估計及判斷

估計及判斷會被持續評估，並按過往經驗及其他因素，包括於有關情況下相信為合理之未來事件之預測而作出。

本集團就未來作出估計及假設。產生的會計估計(根據定義)甚少與有關實際結果相同。下文闡述有很大機會導致下一財政年度資產與負債賬面值須作出重大調整的估計及假設。

(a) 非財務資產減值

倘出現事件或情況變動顯示資產賬面值可能無法收回，本集團須進行減值檢討；或根據相關會計準則，每年進行減值檢討。當資產的賬面值低於其公允價值減出售成本及使用價值之較高者，會確認減值虧損。於釐定使用價值時，管理層評估由繼續使用該資產及於使用年期完結時出售所得的估計未來現金流的現值。

管理層須運用判斷釐定資產減值，尤其為釐定：(i)是否已出現顯示有關資產值可能無法收回的事件；(ii)收回數額(即公允價值減出售成本及使用價值後的數額及估計繼續在業務中使用資產所帶來的未來現金流量現值淨額二者的較高者)可否支持資產賬面值；及(iii)現金流量預測所用的適當主要假設，包括該等現金流量是否以適當利率折現。管理層所挑選用作評估減值的假設(包括折現率、毛利率或現金流量預測所用的收入增長率假設)若有變化，可能會對減值測試所用的現值淨額帶來影響，從而影響本集團財務狀況及經營業績。

4 Critical accounting estimates and judgements (Continued)

(a) Impairment of non-financial assets (Continued)

As at 31st March, 2017, the Group has certain non-financial assets, including property, plant and equipment and land use rights in the eastern China segment, amounting to approximately HK\$56 million. Given the economic performance of the assets in the eastern China segment was worse than expected due to the deterioration in the operating efficiency and gross margin resulting in a loss from operation, management considered the operating loss as an impairment indicator on the non-financial assets and has performed an impairment assessment on these assets. Management has also performed sensitivity analysis over the key assumptions of the cash flow forecast, including future revenue growth rate and discount rate, in order to assess the potential impact of a range of possible outcomes. Based on the results of the assessment, it is concluded that provision for impairment of the above non-financial assets of the eastern China segment is required, which is disclosed in Note 15 to the consolidated financial statements.

(b) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and applicable variable selling expenses. These estimates are based on current market conditions and the historical experience of manufacturing and selling products of a similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to industry cycles. Management reassesses these estimates at the end of each reporting period.

(c) Impairment of trade receivables

The Group's management determines the provision for impairment of trade receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and current market conditions, and requires the use of judgements and estimates. Management reassesses the provision at the end of each reporting period.

4 重大會計估計及判斷(續)

(a) 非財務資產減值(續)

於二零一七年三月三十一日，本集團持有若干非財務資產，包括華東分部的物業、廠房及設備以及土地使用權，總值約五千六百萬港元。鑒於華東分部資產的經濟表現，因營運效率及毛利率轉差導致經營虧損而遜於預期，管理層認為經營虧損為非財務資產的減值指標，並已就此等資產進行減值檢討。管理層就現金流量預測的主要假設進行敏感度分析，包括未來收入增長率及利率折現，以評估一連串有可能出現的結果的潛在影響。根據評估的結果，認為上述華東分部的非財務資產減值撥備為必須，詳情載於綜合財務報表附註15中。

(b) 存貨可變現淨值

存貨可變現淨值指日常業務估計售價扣除估計完工成本及銷售開支。有關估計根據現行市況及過往製造及出售類似產品之經驗而作出。相關估計可能因客戶口味及競爭對手對抗行業週期而出現重大變動。管理層於每個報告結束日重新評估此等估計。

(c) 貿易應收賬款減值

本集團管理層根據貿易應收賬款可收回程度之評估就該等貿易應收賬款計提撥備。該等評估乃根據客戶及其他債務人過往信貸狀況以及目前市場狀況，同時需要作出判斷及估計。管理層於各報告結束日重新評估撥備。

4 Critical accounting estimates and judgements (Continued)

(d) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and income tax in the period in which such estimate is changed.

(e) Fair value of financial assets

The fair values of financial assets that are traded in an active market are determined by the quoted market prices. For the fair values of financial assets not traded in an active market, the Group would use the quoted price provided by counterparty to estimate the fair values. For the fair values of financial assets not based on observable market data, the Group would use other valuation approaches to measure the fair values. The methodologies, models and assumptions used in valuing these financial assets require judgement by management which are mainly based on market conditions existing at each reporting date.

4 重大會計估計及判斷(續)

(d) 所得稅

本集團須繳納若干司法權區稅項。需要對世界各地的所得稅撥備作出重大的判斷。有頗多未能確定最終稅項之交易及計算。本集團按是否有到期須繳納額外稅項而確認預計稅務審核事宜的負債。倘該等事宜之最終稅務結果與初步記錄之金額不同，有關差異將影響作出此等釐定期間內之即期及遞延所得稅資產及負債。

倘管理層認為未來應課稅溢利可用作對銷暫時性差異或稅項虧損可予動用時，則會確認與若干暫時性差異有關之遞延所得稅資產及稅項虧損。倘預期結果與原先之估算不同，有關差異會對有關估算出現變動之期間內之遞延所得稅資產及所得稅開支之確認構成影響。

(e) 財務資產的公允價值

於活躍市場買賣的財務資產的公允價值由市場價格釐定，而並非於活躍市場買賣的財務資產的公允價值，本集團會根據相對應方提供的價格估計其公允價值。如財務資產之公允價值並非根據可觀察市場數據釐定，本集團將會利用其他估值技術以量度其公允價值。用以計量此等財務資產的方法、模型及假設需要管理層於每個報告日主要按市場情況而作出判斷。

5 Revenue and segment information

(a) Analysis of revenue by category

Revenue represents the net amounts received and receivable from customers during the year. An analysis of the Group's revenue by type for the year is as follows:

Sales of packaging materials, labels and paper products, including environmental friendly paper products	銷售包裝材料、標籤及紙類製品，包括環保紙類產品
Others	其他

(b) Segment information

The chief operating decision-maker (the "CODM") of the Group has been identified as the Chairman/Chief Executive Officer of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM of the Company reviews the Group's internal reporting in order to assess performance and allocate resources. Management has reported the results of the operating segments based on these reports.

The CODM of the Company considers the business from a geographical perspective, i.e. determined by the location of major factory plants including Southern China, Eastern China and South East Asia, and assesses performance based on revenue, operating profit/(loss), profit/(loss) for the year, capital expenditure, assets and liabilities.

5 收入及分部資料

(a) 收入按類別分析

收入代表年內已收取或應收客戶款項淨額，年內本集團收入按類別的分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	1,423,005	1,595,685
	22,865	24,679
	<u>1,445,870</u>	<u>1,620,364</u>

(b) 分部資料

本公司主席／執行長被視為本集團主要經營決策者（「主要經營決策者」）。經營分部以向主要經營決策者提供內部呈報一致的形式呈報。本公司主要經營決策者審閱本集團之內部報告，以評估表現及分配資源。管理層已根據該等報告匯報經營分部的業績。

本公司主要經營決策者認為業務應按地區劃分，即按主要廠房的所在地決定包括華南、華東及東南亞，及根據收入、經營溢利／（虧損）、年內溢利／（虧損）、資本開支、資產及負債評估各分部的表現。

5 Revenue and segment information (Continued)

(b) Segment information (Continued)

The segment results for the year ended 31st March, 2017 and 2016 are as follows:

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

Segment revenue	分部收入	1,151,991	295,045	151,614	1,598,650
Inter-segment revenue	分部間收入	(9,389)	(143,391)	—	(152,780)
Revenue from external customers	來自外部客戶收入	1,142,602	151,654	151,614	1,445,870
Operating profit/(loss)	經營溢利/(虧損)	31,132	(20,340)	9,830	20,622
Finance income	融資收入	146	154	50	350
Finance costs	融資成本	(5,923)	(1,257)	(399)	(7,579)
Income tax expense	所得稅開支	(20,688)	—	(1,889)	(22,577)
Profit/(loss) for the year	年內溢利/(虧損)	4,667	(21,443)	7,592	(9,184)

Other information:

Additions to property, plant and equipment	新增物業、廠房及設備	50,105	6,840	2,408	59,353
Depreciation and amortisation	折舊及攤銷	35,313	12,223	7,333	54,869
Capital expenditure	資本開支	51,468	8,381	2,408	62,257
Provision for impairment of property, plant and equipment	物業、廠房及設備減值撥備	—	10,000	—	10,000

Year ended 31st March, 2016 二零一六年三月三十一日止年度

Segment revenue	分部收入	1,245,689	365,059	158,609	1,769,357
Inter-segment revenue	分部間收入	(1,518)	(147,374)	(101)	(148,993)
Revenue from external customers	來自外部客戶收入	1,244,171	217,685	158,508	1,620,364
Operating profit	經營溢利	68,618	19,036	14,224	101,878
Finance income	融資收入	128	182	46	356
Finance costs	融資成本	(7,253)	(1,591)	(759)	(9,603)
Income tax (expense)/credit	所得稅(開支)/減免	(17,581)	(9,107)	2,169	(24,519)
Profit for the year	年內溢利	43,912	8,520	15,680	68,112

Other information:

Additions to property, plant and equipment	新增物業、廠房及設備	22,052	5,511	2,477	30,040
Depreciation and amortisation	折舊及攤銷	36,656	18,450	7,055	62,161
Capital expenditure	資本開支	23,671	7,100	2,002	32,773

5 收入及分部資料(續)

(b) 分部資料(續)

截至二零一七年及二零一六年三月三十一日止年度之分部業績如下:

Southern China 華南	Eastern China 華東	South East Asia 東南亞	Group 集團
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元

Segment revenue	分部收入	1,151,991	295,045	151,614	1,598,650
Inter-segment revenue	分部間收入	(9,389)	(143,391)	—	(152,780)
Revenue from external customers	來自外部客戶收入	1,142,602	151,654	151,614	1,445,870
Operating profit/(loss)	經營溢利/(虧損)	31,132	(20,340)	9,830	20,622
Finance income	融資收入	146	154	50	350
Finance costs	融資成本	(5,923)	(1,257)	(399)	(7,579)
Income tax expense	所得稅開支	(20,688)	—	(1,889)	(22,577)
Profit/(loss) for the year	年內溢利/(虧損)	4,667	(21,443)	7,592	(9,184)

其他資料:

Additions to property, plant and equipment	新增物業、廠房及設備	50,105	6,840	2,408	59,353
Depreciation and amortisation	折舊及攤銷	35,313	12,223	7,333	54,869
Capital expenditure	資本開支	51,468	8,381	2,408	62,257
Provision for impairment of property, plant and equipment	物業、廠房及設備減值撥備	—	10,000	—	10,000

Year ended 31st March, 2016 二零一六年三月三十一日止年度

Segment revenue	分部收入	1,245,689	365,059	158,609	1,769,357
Inter-segment revenue	分部間收入	(1,518)	(147,374)	(101)	(148,993)
Revenue from external customers	來自外部客戶收入	1,244,171	217,685	158,508	1,620,364
Operating profit	經營溢利	68,618	19,036	14,224	101,878
Finance income	融資收入	128	182	46	356
Finance costs	融資成本	(7,253)	(1,591)	(759)	(9,603)
Income tax (expense)/credit	所得稅(開支)/減免	(17,581)	(9,107)	2,169	(24,519)
Profit for the year	年內溢利	43,912	8,520	15,680	68,112

其他資料:

Additions to property, plant and equipment	新增物業、廠房及設備	22,052	5,511	2,477	30,040
Depreciation and amortisation	折舊及攤銷	36,656	18,450	7,055	62,161
Capital expenditure	資本開支	23,671	7,100	2,002	32,773

5 Revenue and segment information (Continued)**(b) Segment information (Continued)**

An analysis of the Group's assets and liabilities by segment as at 31st March, 2017 and 2016 is as follows:

As at 31st March, 2017	於二零一七年 三月三十一日
Segment assets	分部資產
Segment liabilities	分部負債
As at 31st March, 2016	於二零一六年 三月三十一日
Segment assets	分部資產
Segment liabilities	分部負債

(c) Information about major customers

Revenues of approximately HK\$364,127,000 (2016: HK\$363,254,000) are derived from two external customers (2016: two external customers). These revenues are attributable to the Southern China segment.

(d) Analysis of revenue by destination of customer

Revenue from external customers by country, based on the destination of the customer:

Hong Kong and the PRC	香港及中國
The United States of America	美國
South East Asia	東南亞
Europe	歐洲
Others	其他

5 收入及分部資料(續)**(b) 分部資料(續)**

於二零一七年及二零一六年三月三十一日止年度本集團之分部資產及負債分析如下：

Southern China 華南	Eastern China 華東	South East Asia 東南亞	Group 集團
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
707,140	159,628	171,746	1,038,514
386,571	75,688	32,358	494,617
683,483	237,614	170,221	1,091,318
376,955	86,121	38,409	501,485

(c) 有關主要客戶資料

約364,127,000港元(二零一六年：363,254,000港元)的收入源自兩個外來客戶(二零一六年：二個外來客戶)，此等收入屬於華南分部。

(d) 按客戶目的地之收入分析

外來客戶按地區劃分之收入，根據客戶之目的地：

	2017	2016
	二零一七年	二零一六年
	HK\$'000	HK\$'000
	千港元	千港元
	330,517	488,482
	463,719	581,040
	228,685	154,164
	376,968	354,396
	45,981	42,282
	1,445,870	1,620,364

5 Revenue and segment information (Continued)

(e) Analysis of non-current assets

Non-current assets, other than financial instruments and deferred income tax assets by country:

The PRC	中國
Hong Kong	香港
Malaysia	馬來西亞
Singapore	新加坡

5 收入及分部資料(續)

(e) 非流動資產分析

按地區劃分非流動資產，已扣除金融工具及遞延所得稅資產：

2017 二零一七年	2016 二零一六年
HK\$'000 千港元	HK\$'000 千港元
289,041	308,125
22,971	25,258
50,676	58,001
1,843	1,215
364,531	392,599

6 Other losses — net

Provision for impairment of property, plant and equipment
Net exchange gains/(losses)
Loss on disposals of property, plant and equipment
Others

物業、廠房及設備之減值撥備
滙兌收益／(虧損)淨額
出售物業、廠房及設備之虧損
其他

6 其他虧損 — 淨額

2017 二零一七年	2016 二零一六年
HK\$'000 千港元	HK\$'000 千港元
(10,000)	—
1,374	(6,082)
(4,569)	(2,354)
5,522	4,398
(7,673)	(4,038)

7 Expenses by nature

7 按性質劃分之開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials and consumables used	原材料及消耗品使用	631,846	695,131
Changes in inventories of finished goods and work in progress	製成品及在製品存貨變更		
		1,741	(8,415)
Sub-contracting charges	加工費用	65,980	65,990
Repairs and maintenance	維修保養	21,308	16,218
Freight and transportation	運輸費用	48,687	42,122
Employment benefit expense (including directors' emoluments) (Note 9)	員工成本(包括董事酬金) (附註9)	467,348	499,435
Operating lease rentals of premises charged by	租用物業經營租賃之 租金支付予		
— third parties	— 第三者	11,168	13,762
— related parties (Note 30)	— 關連人士(附註30)	76	72
Write-back of provision for impairment of trade receivables (Note 19)	貿易應收賬款減值撥備回撥 (附註19)	(3,119)	(1,722)
Provision for inventory obsolescence (Note 18)	存貨減值撥備 (附註18)	933	8,581
Amortisation of land use rights (Note 14)	土地使用權攤銷(附註14)	711	744
Depreciation of property, plant and equipment (Note 15)	物業、廠房及設備之折舊 (附註15)	54,158	61,417
Auditor's remuneration	核數師酬金		
— Audit services	— 核數服務	2,796	1,984
— Non-audit services	— 非核數服務	344	416
Other expenses	其他開支	113,598	118,713
Total cost of sales, selling and distribution costs, and general and administrative expenses	銷售成本、銷售及分銷費用及 一般及行政開支總額	1,417,575	1,514,448

8 Finance costs — net

8 融資成本 — 淨額

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finance costs	融資成本		
Interest expense on bank borrowings	銀行融資利息支出	7,579	9,471
Interest on finance leases	財務契約利息	—	132
		<u>7,579</u>	<u>9,603</u>
Finance income	融資收入		
Interest income on bank deposits	銀行存款利息收入	(350)	(356)
		<u>7,229</u>	<u>9,247</u>

9 Employment benefit expense (including directors' emoluments)

9 員工成本(包括董事酬金)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries, wages and allowances	薪金、工資及津貼	387,076	414,128
Discretionary bonus	自由決定之花紅	2,129	11,391
Pension costs — defined contribution plans (Write-back of provision)/provision for long service payments and annual leave	退休成本 — 界定供款計劃 長期服務金及年假之 (撥備回撥)/撥備	65,835	58,481
Other welfare and benefits	其他福利及利益	(1,180)	1,273
		<u>13,488</u>	<u>14,162</u>
		<u>467,348</u>	<u>499,435</u>

The Group has arranged for its Hong Kong employees to join the Hong Kong Mandatory Provident Fund Scheme (the "MPF Scheme"), which is a defined contribution scheme managed by independent trustees. Under the MPF Scheme, each of the group companies (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Hong Kong Mandatory Provident Fund legislation. The monthly contributions of each of the employer and the employee are subject to a cap of HK\$1,500 and thereafter contributions are voluntary.

本集團已為香港員工參加強制性公積金計劃(「強積金計劃」)，該計劃為界定供款並由獨立信託人管理。根據強積金計劃，集團各公司(僱主)及其僱員每月供款為僱員有關入息(按強制性公積金計劃條例之定義)之5%。而僱主及僱員供款每月之上限為1,500港元，超過上限的供款均為自願性供款。

9 Employment benefit expense (including directors' emoluments) (Continued)

As stipulated by rules and regulations in Mainland China, group companies operating in Mainland China contribute to state-sponsored retirement plans for their employees. The employees contribute approximately 8% of their salaries, while the group companies contribute approximately 13% to 20% of the salaries of their employees and have no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

As stipulated by rules and regulations in Singapore, the group company operating in Singapore contributes to the Singapore Central Provident Fund, a statutory pension scheme. Under the scheme, the employees contribute approximately 5% to 20% of their wages, while the group company contributes approximately 7.5% to 17% of the wages of its employees. The employer's and employees' contributions are subject to a cap of ordinary wages of SGD6,000 (equivalent to approximately HK\$33,400) during the year ended 31st March, 2017.

As stipulated by rules and regulations in Malaysia, the group company operating in Malaysia contributes to the Malaysia Central Provident Fund, a statutory pension scheme. Under the scheme, the employees contribute approximately 4% to 8% of their wages, while the group company contributes approximately 6% to 13% of the wages of its employees. The employer's and employees' contributions are not subject to a cap.

9 員工成本(包括董事酬金)(續)

根據中國法規，本集團於中國有業務之公司為其僱員設立一個界定供款並由國家資助的退休金計劃。員工之供款額約為基本薪金之約8%，而集團公司之供款額約為其僱員基本薪金之約13%至20%。除年度供款外，集團公司就實際的退休金付款或退休後福利並不負任何責任。該個由國家資助的退休金計劃承擔對退休僱員的所有退休金責任。

根據新加坡法規，本集團於新加坡有業務之分公司需供款至一個名為新加坡中央公積金的法定退休金計劃。按該計劃，僱員供款額為薪金之約5%至20%，而集團公司之供款額按僱員薪金約7.5%至17%，僱主及僱員須供款之上限於二零一七年三月三十一日年度為6,000新加坡元(相等於約33,400港元)。

根據馬來西亞法規，本集團於馬來西亞有業務之分公司需供款至一個名為馬來西亞中央公積金的法定退休金計劃。按該計劃，僱員供款額為薪金之約4%至8%，而集團公司之供款額按僱員薪金之約6%至13%。僱主及僱員之供款並無上限。

10 Benefits and interests of directors and senior executives

The following disclosures are made pursuant to section 383 (1)(a) to (f) of the Hong Kong Companies Ordinance (Cap. 622), and Parts 2 to 4 of the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules.

(a) Directors' and chief executive's emoluments

For year ended 31st March, 2017, the remuneration of directors and the chief executive is set out below:

Name of Director	董事姓名	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking		Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs, whether of the Company or its subsidiary undertaking			Total
		Fees	Salaries	Discretionary bonus	Allowances in lieu of benefits	Employer's contribution to a retirement benefit scheme	
		袍金	薪金	自由決定之花紅	津貼及實物利益	退休福利計劃僱主供款	總計
		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
For the year ended 31st March, 2017		二零一七年三月三十一日止年度					
Executive Directors		執行董事					
Mr. Lam Kwong Yu	林光如先生	150	4,060	955	270	76	5,511
Mr. Tai Tzu Shi, Angus	戴祖璽先生	150	1,497	352	—	43	2,042
Mr. Cheung Chi Shing, Charles	張志成先生	150	2,731	685	93	71	3,730
Non-Executive Director		非執行董事					
Ms. Yeung Chui	楊翠女士	150	—	—	—	—	150
Independent Non-Executive Directors		獨立非執行董事					
Mr. Chan Yue Kwong, Michael	陳裕光先生	200	—	—	—	—	200
Mr. Kwok Lam Kwong, Larry, BBS, JP	郭琳廣, 銅紫荊星章, 太平紳士	200	—	—	—	—	200
Mr. Tam King Ching, Kenny	譚競正先生	200	—	—	—	—	200
		1,200	8,288	1,992	363	190	12,033

10 董事及高級行政人員之利益及權益

下列披露是根據香港《公司條例》(第622章)第383(1)(a)至(f)條、及公司(披露董事利益資料)規例(第622G章)第二及第四分部及香港上市規則而作出。

(a) 董事及執行長之酬金

董事及執行長截至二零一七年三月三十一日止年度之酬金如下:

10 Benefits and interests of directors and senior executives (Continued)

(a) Directors' and chief executive's emoluments (Continued)

Name of Director	董事姓名	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人作為董事(不論是本公司或其附屬公司的董事)而提供的服務，支付予該董事或該董事可就該等服務而收取的薪酬					Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs, whether of the Company or its subsidiary undertaking 就董事提供有關管理(不論是本公司或其附屬公司)事務的其他服務，支付予該董事的薪酬，或該董事可就該等服務而收取的薪酬		Total
		Fees	Salaries	Discretionary bonus	Allowances and benefit in lieu	Employer's contribution to a retirement benefit scheme	HK\$'000	HK\$'000	
		袍金	薪金	自由決定之花紅	津貼及實物利益	退休福利計劃僱主供款	HK\$'000	HK\$'000	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	千港元	千港元	千港元
For the year ended 31st March, 2016		二零一六年三月三十一日止年度							
Executive Directors		執行董事							
Mr. Lam Kwong Yu	林光如先生	150	3,772	314	270	71			4,577
Mr. Tai Tzu Shi, Angus	戴祖璽先生	150	1,391	116	—	41			1,698
Mr. Cheung Chi Shing, Charles	張志成先生	150	2,251	226	366	67			3,060
Non-Executive Director		非執行董事							
Ms. Yeung Chui	楊翠女士	150	—	—	—	—			150
Independent Non-Executive Directors		獨立非執行董事							
Mr. Chan Yue Kwong, Michael	陳裕光先生	200	—	—	—	—			200
Mr. Kwok Lam Kwong, Larry, BBS, JP	郭琳廣，銅紫荊星章，太平紳士	200	—	—	—	—			200
Mr. Tam King Ching, Kenny	譚競正先生	200	—	—	—	—			200
		1,200	7,414	656	636	179			10,085

During the year, no emoluments were paid or receivables in respect of accepting office as directors (2016: Nil) and no directors waived any emolument (2016: Nil).

Mr. Lam Kwong Yu is also the Chief Executive Officer of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

年內，並無就接受董事職位而已支付或應收取的酬金(二零一六年：無)及並無董事放棄任何薪酬(二零一六年：無)。

林光如先生亦為本公司執行長，上述披露其酬金亦包括他作為執行長之酬金。

10 Benefits and interests of directors and senior executives (Continued)

(b) Directors' retirement benefits and termination benefits

None of the directors of the Company received or will receive any retirement benefits or termination benefits in respect of their services to the Group for the year ended 31 March, 2017 (2016: Nil).

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

During the year, the Company has not paid any consideration to any third parties for making available directors' services to the Company (2016: Nil).

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

There were no loans, quasi-loans and other dealings entered into by the Company in favour of the directors of the Company, or body corporate controlled by or entities connected with any of the directors of the Company at the end of the year or at any time during the year (2016: Nil).

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

Except as disclosed in Note 30(a), 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 period or at any time during the year (2016: Nil).

10 董事及高級行政人員之利益及權益 (續)

(b) 董事之退休福利及離職福利

截至二零一七年三月三十一日止年度內，概無本公司董事就其向本集團提供服務已收取或將收取有關任何退休福利或離職福利(二零一六年：無)。

(c) 就獲取董事服務而向第三方支付之代價

年內，本集團概無就獲取董事服務本公司而向任何第三方支付代價(二零一六年：無)。

(d) 有關與董事及該董事的受控制法團及關連實體訂立的貸款、準貸款及其他交易之資料

本集團概無與本公司董事或董事的受控制法團及關連實體為受益人而訂立於年末或年內任何時間仍然存續的貸款、準貸款或其他交易(二零一六年：無)。

(e) 董事於交易、安排或合約之重大權益

除附註30(a)中披露外，概無就本集團業務訂立本公司為其中訂約方及本公司董事直接或間接擁有重大權益而於年末或年內任何時間仍然存續的重大交易、安排及合約(二零一六年：無)。

10 Benefits and interests of directors and senior executives (Continued)

(f) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include three Executive Directors (2016: three) whose emoluments are reflected in the analysis presented above. The emoluments paid or payable to the remaining two (2016: two) individuals during the year, one (2016: two) of them fell within the band between HK\$1,000,001 to HK\$1,500,000, and the other fell within the band between HK\$1,500,001 and HK\$2,000,000 (2016: Nil). The emoluments paid or payable to the remaining two individuals were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	2,700	2,301
Discretionary bonus	自由決定之花紅	416	182
Pension costs-defined contribution plans	退休成本 — 界定供款計劃	81	65
		<u>3,197</u>	<u>2,548</u>

During the year ended 31st March, 2017, no emoluments were paid by the Company to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2016: Nil).

(g) The emoluments fell within the following bands:

		Number of individuals 人員	
		2017 二零一七年	2016 二零一六年
HK\$1,000,001–HK\$1,500,000	1,000,001港元至1,500,000港元	1	2
HK\$1,500,001–HK\$2,000,000	1,500,001港元至2,000,000港元	<u>1</u>	<u>—</u>

10 董事及高級行政人員之利益及權益 (續)

(f) 五位最高薪人士

本集團五位最高薪人士中，三位為執行董事(二零一六年：三)，其酬金已載於上述的分析中。年內已付或應付餘下二人(二零一六年：二)，其中一人(二零一六年：二人)其酬金為1,000,001港元至1,500,000港元類別，另外一人，其酬金為1,500,001港元至2,000,000港元類別(二零一六年：無)。已付或應付餘下二人之酬金如下：

於二零一七年三月三十一日止年度內，概無向任何董事或最高薪之五位人士支付酬金作為邀請其加入本集團之獎金或作為其失去職位之賠償(二零一六年：無)。

(g) 薪酬按組合範圍呈列：

11 Income tax expense

The Company is exempted from taxation in Bermuda until 2035. The Company's subsidiaries established in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income taxes.

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit for the year arising in or derived from Hong Kong.

The subsidiaries established and operated in the PRC are subject to the PRC Corporate Income Tax at rate of 25% during the year (2016: 25%).

The subsidiaries established in Singapore and Malaysia are subject to Singapore Corporate Income Tax at a rate of 17% (2016: 17%) and Malaysia Corporate Income Tax at a rate of 24% (2016: 24%) respectively.

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

11 所得稅開支

本公司獲豁免繳納百慕達稅項，直至二零三五年為止。本公司於英屬維爾京群島成立的各附屬公司乃根據英屬維爾京群島國際業務公司法註冊成立，因此，獲豁免繳納英屬維爾京群島所得稅。

香港利得稅以稅率16.5% (二零一六年：16.5%) 按香港經營業務之估計應課稅溢利計算撥備。

在中國成立及經營之附屬公司於本年度須按25% (二零一六年：25%) 稅率繳納中國企業所得稅。

於新加坡及馬來西亞成立之附屬公司分別按新加坡企業所得稅稅率17% (二零一六年：17%) 及馬來西亞企業所得稅稅率24% (二零一六年：24%) 撥備。

於綜合收益表中扣除的稅項包括：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current income tax expense	即期所得稅開支		
— Hong Kong profits tax	— 香港利得稅	6,004	9,040
— PRC Corporate Income Tax	— 中國企業所得稅	8,874	14,708
— Overseas Corporate Income Tax	— 海外企業所得稅	261	974
Under provision in prior years	過往年度撥備不足	324	1,733
Withholding tax	預提稅	4,550	—
		20,013	26,455
Deferred income tax (Note 23)	遞延所得稅(附註23)	2,564	(1,936)
Income tax expense	所得稅開支	22,577	24,519

11 Income tax expense (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除稅前溢利	13,393	92,631
Tax calculated at domestic tax rate applicable to profits in the respective countries/jurisdictions	按所在國家／司法權區適用於溢利之利得稅率計算之所得稅	2,176	17,680
Tax exemption	稅項寬減	(145)	(146)
Income not subject to tax	無須課稅收入	(438)	(386)
Expenses not deductible for tax	不可扣稅支出	1,256	8,764
Tax losses and other temporary differences for which no deferred income tax was recognised	稅務虧損及其他暫時差異產生之未確認遞延所得稅	9,326	5,295
Utilisation of previously unrecognised tax losses	使用以往未確認之稅務虧損	(384)	(8,421)
Under provision in prior years	過往年度撥備不足	324	1,733
Withholding tax	預提稅	10,462	—
Income tax expense	所得稅開支	22,577	24,519

The weighted average applicable tax rate was 16.2% (2016: 19.1%). The change in average tax rate is mainly caused by changes in the operating results of certain subsidiaries in Southern China and Eastern China.

11 所得稅開支(續)

本集團之除稅前溢利計算之稅項與適用於本集團公司溢利之加權平均稅率計算之理論金額有所差異，其對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除稅前溢利	13,393	92,631
Tax calculated at domestic tax rate applicable to profits in the respective countries/jurisdictions	按所在國家／司法權區適用於溢利之利得稅率計算之所得稅	2,176	17,680
Tax exemption	稅項寬減	(145)	(146)
Income not subject to tax	無須課稅收入	(438)	(386)
Expenses not deductible for tax	不可扣稅支出	1,256	8,764
Tax losses and other temporary differences for which no deferred income tax was recognised	稅務虧損及其他暫時差異產生之未確認遞延所得稅	9,326	5,295
Utilisation of previously unrecognised tax losses	使用以往未確認之稅務虧損	(384)	(8,421)
Under provision in prior years	過往年度撥備不足	324	1,733
Withholding tax	預提稅	10,462	—
Income tax expense	所得稅開支	22,577	24,519

適用之加權平均稅率為16.2% (二零一六年：19.1%)，平均稅率的轉變主要是由於華南及華東若干附屬公司營運業績的轉變而構成。

12 (Losses)/earnings per share**Basic**

Basic (losses)/earnings per share is calculated by dividing the Group's (loss)/profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

(Loss)/profit attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔 (虧損)/溢利(千港元)	(9,184)	68,112
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數 (千股)	525,135	525,135
Basic (losses)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	<u>(1.75)</u>	<u>12.97</u>

Diluted

Diluted (losses)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. For the year ended 31st March, 2017 and 31st March, 2016, diluted (losses)/earnings per share equals basic (losses)/earnings per share as there were no dilutive potential shares.

12 每股(虧損)/盈利**基本**

每股基本(虧損)/盈利乃按年內本公司擁有人應佔本集團(虧損)/溢利除以已發行普通股之加權平均數計算。

2017	2016
二零一七年	二零一六年

(Loss)/profit attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔 (虧損)/溢利(千港元)	(9,184)	68,112
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數 (千股)	525,135	525,135
Basic (losses)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	<u>(1.75)</u>	<u>12.97</u>

攤薄

每股攤薄(虧損)/盈利乃就假設所有可攤薄的潛在普通股獲轉換後，經調整已發行普通股之加權平均數計算。二零一七年三月三十一日及二零一六年三月三十一日止年度，每股攤薄(虧損)/盈利相等於每股基本(虧損)/盈利，因並無可攤薄的潛在股份。

13 Dividends

13 股息

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interim dividend — HK\$0.01 (2016: HK\$0.01) per share	中期股息 — 每股港幣1仙 (二零一六年：每股港幣1仙)	5,251	5,251
Proposed final dividend — HK\$Nil (2016: HK\$0.01) per share	擬派末期股息 — 每股港幣：無 (二零一六年：每股港幣1仙)	—	5,251
Proposed special dividend — HK\$Nil (2016: HK\$0.005) per share	擬派特別股息 — 每股港幣：無 (二零一六年：每股港幣0.5仙)	—	2,626
		5,251	13,128

The dividends paid in 2017 and 2016 were HK\$13,128,000 (HK\$0.025 per share) and HK\$5,251,000 (HK\$0.01 per share) respectively. The Board of Directors do not recommend the payment of a final dividend for the year ended 31st March, 2017 (2016: The directors recommend the payment of a final dividend of HK\$0.01 and a special dividend of HK\$0.005 per share totaling approximately HK\$7,877,000 for the year ended 31st March, 2016).

於二零一七年及二零一六年已付股息分別為13,128,000港元(每股港幣2.5仙)及5,251,000港元(每股港幣1仙)。董事會建議不派發截至二零一七年三月三十一日止年度末期股息。(二零一六年：董事會建議派發截至二零一六年三月三十一日止年度的末期股息每股港幣1仙以及特別股息每股港幣0.5仙，合共約7,877,000港元)。

14 Land use rights

The Group's interests in land use rights represent prepaid operating lease payments.

At 1st April	於四月一日
Amortisation	攤銷
Translation adjustments	滙兌調整
At 31st March	於三月三十一日

The amortisation expense recognised in the consolidated income statement is analysed as follows:

Cost of sales	銷售成本
General and administrative expenses	一般及行政開支

14 土地使用權

本集團於土地使用權的權益指預付經營租賃款項。

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
23,207	24,850
(711)	(744)
(1,150)	(899)
21,346	23,207

於綜合收益表中確認之攤銷開支，分析如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
11	12
700	732
711	744

15 Property, plant and equipment

15 物業、廠房及設備

		Land and buildings	Plant and machinery	Furniture and equipment	Motor vehicles	Construction in progress	Total
		土地及樓宇	機器	傢俬及設備	汽車	在建工程	總計
		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
Year ended 31st March, 2016	截至二零一六年三月三十一日止年度						
Opening net book amount	年初賬面淨值	173,992	217,267	10,837	4,916	4,532	411,544
Additions	添置	2,425	20,348	5,061	1,172	1,034	30,040
Depreciation	折舊	(10,035)	(46,972)	(3,253)	(1,157)	—	(61,417)
Disposals	出售	—	(2,928)	—	(36)	—	(2,964)
Transfers	轉至	—	350	1,234	(3)	(1,581)	—
Translation adjustments	滙兌調整	(5,697)	(5,534)	(274)	(36)	(191)	(11,732)
Closing net book amount	年終賬面淨值	<u>160,685</u>	<u>182,531</u>	<u>13,605</u>	<u>4,856</u>	<u>3,794</u>	<u>365,471</u>
At 31st March, 2016	於二零一六年三月三十一日						
Cost	成本	256,235	952,761	73,096	17,350	3,794	1,303,236
Accumulated depreciation and impairment	累計折舊及減值	(95,550)	(770,230)	(59,491)	(12,494)	—	(937,765)
Net book amount	賬面淨值	<u>160,685</u>	<u>182,531</u>	<u>13,605</u>	<u>4,856</u>	<u>3,794</u>	<u>365,471</u>
Year ended 31st March, 2017	截至二零一七年三月三十一日止年度						
Opening net book amount	年初賬面淨值	160,685	182,531	13,605	4,856	3,794	365,471
Additions	添置	3,479	37,598	9,552	3,608	5,116	59,353
Depreciation	折舊	(9,927)	(38,481)	(4,262)	(1,488)	—	(54,158)
Disposals	出售	—	(5,771)	(91)	(78)	(1,413)	(7,353)
Impairment	減值	—	(10,000)	—	—	—	(10,000)
Transfers	轉至	859	1,785	(3)	—	(2,641)	—
Translation adjustments	滙兌調整	(8,098)	(7,844)	(545)	(191)	(275)	(16,953)
Closing net book amount	年終賬面淨值	<u>146,998</u>	<u>159,818</u>	<u>18,256</u>	<u>6,707</u>	<u>4,581</u>	<u>336,360</u>
At 31st March, 2017	於二零一七年三月三十一日						
Cost	成本	248,526	938,876	79,504	19,033	4,581	1,290,520
Accumulated depreciation and impairment	累計折舊及減值	(101,528)	(779,058)	(61,248)	(12,326)	—	(954,160)
Net book amount	賬面淨值	<u>146,998</u>	<u>159,818</u>	<u>18,256</u>	<u>6,707</u>	<u>4,581</u>	<u>336,360</u>

15 Property, plant and equipment (Continued)

- (a) Depreciation expense recognised in the consolidated income statement is analysed as follows:

Cost of sales	銷售成本
Selling and distribution costs	銷售及分銷費用
General and administrative expenses	一般及行政開支

- (b) Construction in progress mainly represents factories and office buildings under construction and plant and machinery under installation in the PRC.
- (c) At 31st March, 2017, land and buildings with a total net book value of approximately HK\$2,889,000 (2016: HK\$3,014,000) were pledged as collateral for the Group's banking facilities (Note 29).
- (d) Impairment of property, plant and equipment and land use rights

The value of property, plant and equipment and land use rights is assessed at the end of each reporting period for indications of impairment with reference to evaluation undertaken by management. Such evaluation assesses the recoverable amount of each asset being the higher of its value in use or its fair value less costs of disposal. An impairment loss of HK\$10 million was made in 2017 (2016: HK\$ Nil) for certain equipment used in Suzhou operation ("Suzhou PP&E") and has been recognised in the consolidated income statement. As at 31st March 2017, the carrying amount of the property, plant and equipment and land use rights in Suzhou operation was HK\$56 million (2016: HK\$78 million).

15 物業、廠房及設備(續)

- (a) 於綜合收益表中確認之折舊開支，分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	48,250	56,182
	334	355
	5,574	4,880
	54,158	61,417

- (b) 在建工程主要指在中國興建中的廠房及辦公室樓宇和安裝中的機器。
- (c) 於二零一七年三月三十一日，賬面淨值約2,889,000港元(二零一六年：3,014,000港元)之土地及樓宇用作本集團銀行信貸額之附屬抵押(附註29)。
- (d) 物業、廠房及設備以及土地使用權之減值

物業、廠房及設備以及土地使用權之價值於各報告結束日參考管理層所進行之評價以評估有否減值跡象。有關評價評估各資產之可收回價值，即其使用價值或其公允價值減出售成本之較高者。於二零一七年為蘇州業務所使用之若干設備(「蘇州物業、廠房及設備」)作出減值虧損一千萬港元(二零一六年：無)並已於綜合收益表確認。於二零一七年三月三十一日，蘇州業務之物業、廠房及設備以及土地使用權之賬面值為五千六百萬港元(二零一六年：七千八百萬港元)。

15 Property, plant and equipment (Continued)

- (d) Impairment of property, plant and equipment and land use rights (Continued)

Key assumptions used for assessing the recoverable amount of Suzhou PP&E and land use rights are as follows:

Sales growth rate in 2018:	6%
Sales growth rate from 2019 to 2022:	3%
Pre-tax discount rate:	13%

Changing the discount rates and other assumptions selected by management in assessing impairment, including the growth rates assumption in the cash flow projections, could materially affect the recoverable amount. At 31 March, 2017, if sales growth rates for each of the year had been 1% lower from management's estimates with all other variables held constant, the value-in-use of Suzhou PP&E and land use rights would have been HK\$4,026,000 lower. Accordingly, the shortfall compared with the carrying amount of Suzhou PP&E and land use rights would have been HK\$14,003,000.

If the discount rate had been 1% higher than management estimate at 31 March, 2017 with all other variables held constant, value-in-use of Suzhou PP&E and land use rights would have been HK\$10,581,000 lower. Accordingly, the shortfall compared with the carrying amount of Suzhou PP&E and land use rights would have been HK\$20,581,000.

15 物業、廠房及設備(續)

- (d) 物業、廠房及設備以及土地使用權之減值(續)

評估蘇州物業、廠房及設備以及土地使用權之可收回價值所使用之主要假設如下：

二零一八年之銷售增長率：	6%
二零一九年至二零二二年之銷售增長率：	3%
除稅前貼現率：	13%

改變管理層於評估減值時所選用之貼現率及其他假設(包括現金流量預測之增長率假設)可大幅影響可收回價值。於二零一七年三月三十一日，倘各年度之銷售增長率較管理層之估算低1%而所有其他變數保持不變，則蘇州物業、廠房及設備以及土地使用權之使用價值將減少4,026,000港元。因此，與蘇州物業、廠房及設備以及土地使用權之賬面值相比之短欠額將為14,003,000港元。

倘貼現率較管理層於二零一七年三月三十一日之估算高1%而所有其他變數保持不變，則蘇州物業、廠房及設備以及土地使用權之使用價值將減少10,581,000港元。因此，與蘇州物業、廠房及設備以及土地使用權之賬面值相比之短欠額將為20,581,000港元。

16 Subsidiaries

Particulars of principal subsidiaries as at 31st March, 2017:

Name of company 公司名稱	Place of incorporation and/or operations 註冊成立 及/或營業地點	Issued and fully paid capital/paid-in capital 已發行及繳足股本/ 實繳股本	Percentage of equity interest held		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Starlite International (Holdings) Ltd.	British Virgin Islands 英屬維爾京群島	US\$2 2美元	100%	—	Investment holding 投資控股
Starlite Printers Holdings Cook Islands Limited	Cook Islands 科克群島	US\$200 200美元	100%	—	Investment holding 投資控股
Starlite Printers (Far East) Pte. Ltd.	Singapore 新加坡	SGD8,759,396 8,759,396新加坡元	100%	—	Printing of packaging materials and production of paper products 包裝材料印刷及紙品生產
Starlite Printers (Malaysia) Sdn. Bhd.	Malaysia 馬來西亞	RM6,500,000 6,500,000馬來西亞元	100%	—	Printing of packaging materials and production of paper products 包裝材料印刷及紙品生產
Everfar Holdings Limited	British Virgin Islands 英屬維爾京群島	US\$20,000 20,000美元	50%	50%	Investment holding 投資控股
Starlite Visual Communication Limited 星光視覺媒體有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	—	100%	Distribution of Team Green Products 分銷Team Green產品
Star Union Limited 星盟有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Inactive 伺機作業
Starlite Consumer Products, Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Starlite Entertainment (Holdings) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Starlite Laser Graphics Limited 星華鐳射分色有限公司	Hong Kong 香港	HK\$3,230,000 ordinary 3,230,000港元 普通股股份	—	100%	Inactive 伺機作業
		HK\$170,000 non-voting deferred (i) 170,000港元 無投票權遞延股份(i)	—	—	
Starlite Management Services Limited	Hong Kong 香港	HK\$200 200港元	—	100%	Provision of management services 提供管理服務
Starlite Packaging Technology Consultancy Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Holding of trade and service marks 持有貿易及服務商標
Starlite Development International Limited 星光發展國際有限公司	Hong Kong 香港	HK\$200 200港元	—	100%	Trading of paper products 紙類製品貿易
Starlite Paper Products Limited 星輝紙品有限公司	Hong Kong/the PRC 香港/中國	HK\$1,738,000 ordinary 1,738,000港元 普通股股份	—	100%	Production of paper products 紙品生產
		HK\$262,000 non-voting deferred (i) 262,000港元 無投票權遞延股份(i)	—	—	
Starlite Printers Limited 星光印刷有限公司	Hong Kong 香港	HK\$2,700,000 ordinary 2,700,000港元 普通股股份	—	100%	Printing and trading of packaging materials 包裝材料印刷及貿易
		HK\$2,300,000 non-voting deferred (i) 2,300,000港元 無投票權遞延股份(i)	—	—	

16 附屬公司

於二零一七年三月三十一日，主要附屬公司之詳情：

16 Subsidiaries (Continued)

16 附屬公司(續)

Name of company 公司名稱	Place of incorporation and/or operations 註冊成立 及/或營業地點	Issued and fully paid capital/paid-in capital 已發行及繳足股本/ 實繳股本	Percentage of equity interest held		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Starlite Printers HK Holdings (BVI) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Starlite Printers (China) Limited 星光印刷(中國)有限公司	British Virgin Islands 英屬維爾京群島	US\$100 100美元	—	100%	Investment holding 投資控股
Starlite Printers (Shenzhen) Co., Ltd. (ii) 星光印刷(深圳)有限公司(ii)	The PRC 中國	US\$8,000,000 8,000,000美元	—	100%	Printing of packaging materials and production of paper products 包裝材料印刷及紙品生產
Starlite Printers (Suzhou) Co., Ltd. (ii) 星光印刷(蘇州)有限公司(ii)	The PRC 中國	US\$20,000,000 20,000,000美元	—	100%	Printing of packaging materials and production of paper products and labels 包裝材料印刷及紙品及標籤生產
Starlite Productions (Holdings) Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Investment holding 投資控股
Starlite Productions (BVI) Limited	British Virgin Islands 英屬維爾京群島	US\$256,420 256,420美元	—	100%	Investment holding 投資控股
Starlite Productions Limited 星光創作有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	—	100%	Inactive 伺機作業
Guangzhou Starlite Environmental Friendly Center, Limited (ii) 廣州星光環保中心有限公司(ii)	The PRC 中國	US\$6,000,000 6,000,000美元	—	100%	Production of environmental friendly and other paper products 生產環保及其他紙類產品
Greenworks International Limited 綠色工程國際有限公司	Hong Kong 香港	HK\$2 2港元	—	100%	Investment holding and trading of environmental friendly and other paper products 投資控股及環保及其他紙類產品貿易
Shaoguan Fortune Creative Industries Company Limited (ii) 韶關科藝創意工業有限公司(ii)	The PRC 中國	US\$11,500,000 11,500,000美元	—	100%	Printing of packaging materials and production of paper products 包裝材料印刷及紙品生產
Larsemann Intelligence System (Hong Kong) Limited 拉斯曼智能系統(香港)有限公司	Hong Kong 香港	HK\$10,000 10,000港元	—	100%	Investment holding 投資控股
Team Green (Far East) Pte. Ltd.	Singapore 新加坡	SGD1 1新加坡元	—	100%	Trading of Team Green products Team Green 產品貿易
Qianhai Larsemann Intelligence System (Shenzhen) Limited (ii) 前海拉斯曼智能系統(深圳)有限公司(ii)	The PRC 中國	RMB5,000,000 人民幣5,000,000	—	100%	Trading and manufacturing of machinery and automated equipment 生產及銷售機器及自動化設備
Shenzhen TeamGreen Creative Design Co., Ltd (ii) 深圳綠園創意設計有限公司(ii)	The PRC 中國	RMB500,000 人民幣500,000	—	100%	Trading of Team Green products Team Green產品貿易
Starlite International Marketing Services Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Inactive 伺機作業
Starlite International Development Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	—	100%	Inactive 伺機作業

Notes:

註:

- (i) The non-voting deferred shares are not owned by the Group. These shares have no voting rights and are not entitled to dividends unless the net profit of the relevant company exceeds HK\$50,000,000,000 and are not entitled to any distributions upon winding up unless a sum of HK\$50,000,000,000 has been distributed by the relevant company to the holders of its ordinary shares.
- (ii) English names are for identification purpose. These subsidiaries were incorporated as Wholly Foreign Owned Enterprise ("WFOE") in PRC.
- (iii) None of the subsidiaries had any loan capital in issue at any time during the year ended 31st March, 2017 (2016: Nil).

- (i) 此等無投票權遞延股份並非由本集團擁有。此等股份並無投票權，除非有關公司之純利超過50,000,000,000港元，否則持有人無權享有股息；而有關公司清盤時，亦無權享有任何分派，除非有關公司向普通股股東作出之分派達到50,000,000,000港元。
- (ii) 英文名稱只作識別用途，此等附屬公司為中國成立之外商獨資企業(「外商獨資企業」)。
- (iii) 所有附屬公司於截至二零一七年三月三十一日止年度內任何時間均無已發行借貸資本(二零一六年：無)。

17 Available-for-sale financial assets

17 可供出售財務資產

		2017 二零一七年 HK\$000 千港元	2016 二零一六年 HK\$000 千港元
Available-for-sale financial assets	可供出售財務資產		
— Equity securities listed in Hong Kong, at fair value	— 於香港上市的權益證券， 以公允價值列值	1,723	1,706
— Unlisted insurance policy investment, at fair value	— 非上市的保險保單投資， 以公允價值列值	8,913	8,650
		10,636	10,356

Movement of the available-for-sale financial assets is as follows:

可供出售財務資產之變動如下：

		2017 二零一七年 HK\$000 千港元	2016 二零一六年 HK\$000 千港元
As at 1st April	於四月一日	10,356	10,221
Revaluation gains recognised in investment revaluation reserve	於投資儲備確認的重估 收益	280	135
As at 31st March	於三月三十一日	10,636	10,356

Available-for-sale financial assets are denominated in the following currencies:

可供出售財務資產以下列貨幣列值：

		2017 二零一七年 HK\$000 千港元	2016 二零一六年 HK\$000 千港元
US\$	美元	8,913	8,650
HK\$	港元	1,723	1,706
		10,636	10,356

The fair values of unlisted insurance policy investment are based on cash flows discounted using a rate based on the current credit rate of the insurance policies (2017: 3.9%; 2016: 3.9%). The fair values are within level 3 of the fair value hierarchy (Note 3.3).

非上市的保險保單投資的公允價值是採用保險保單的抵補率為基準以計算貼現現金流，(二零一七年：3.9%；二零一六年：3.9%)，公允價值歸入公允價值架構內第三級別(附註3.3)。

None of these financial assets is either past due or impaired.

此等財務資產並無過期或已減值。

18 Inventories

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

The cost of inventories expensed and included in cost of sales amounted to HK\$633,587,000 (2016: HK\$686,717,000). During the year, the Group has provided for inventory obsolescence of approximately HK\$933,000 (2016: HK\$8,581,000), which was included in cost of sales and as at 31st March, 2017, the amount of provision was HK\$23,355,000 (2016: HK\$24,147,000).

As at 31st March, 2017, there were floating charges over certain of the Group's inventories of approximately HK\$8,501,000 (2016: HK\$16,278,000) to secure the trust receipts import bank loan arrangements (Note 29).

19 Trade receivables, prepayments and deposits

Trade receivables	貿易應收賬款
Less: provision for impairment of trade receivables	減：貿易應收賬款減值撥備
Trade receivables — net	貿易應收賬款 — 淨額
Prepayments and deposits	預付款項及按金

The carrying amounts of trade receivables, prepayments and deposits approximate their fair values.

18 存貨

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
60,739	53,731
25,451	25,415
31,917	33,694
118,107	112,840

存貨成本合共約633,587,000港元(二零一六年：686,717,000港元)列作開支並列入銷售成本中。於本年度內，本集團錄得存貨減值撥備約933,000港元(二零一六年：8,581,000港元)，此撥備已列入銷售成本中。於二零一七年三月三十一日，撥備餘額為23,355,000港元(二零一六年：24,147,000港元)。

於二零一七年三月三十一日，本集團約值8,501,000港元(二零一六年：16,278,000港元)之存貨按信托收據進口銀行貸款安排作為抵押(附註29)。

19 貿易應收賬款、預付款項及按金

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
252,424	230,862
(8,299)	(12,608)
244,125	218,254
26,905	25,421
271,030	243,675

貿易應收賬款、預付款項及按金的賬面值約相等於其公允價值。

19 Trade receivables, prepayments and deposits (Continued)

The Group grants to its customers credit terms generally ranging from 30 to 120 days. The ageing of trade receivables by invoice date is as follows:

1 to 90 days	1至90天
91 to 180 days	91至180天
181 to 365 days	181至365天
Over 365 days	超過365天

As at 31st March, 2017, trade receivables of HK\$198,146,000 (2016: HK\$167,822,000) were fully performing. HK\$45,979,000 (2016: HK\$50,432,000) were past due but not considered impaired, of which HK\$35,598,000 (2016: HK\$41,127,000) were overdue less than 90 days and HK\$10,381,000 (2016: HK\$9,305,000) was overdue more than 90 days. These relate to a number of independent customers for whom there is no recent history of default. Trade receivables of HK\$8,299,000 (2016: HK\$12,608,000) were considered impaired and fully provided for. The amount of the provision was HK\$8,299,000 as at 31st March, 2017 (2016: HK\$12,608,000).

The Group's trade receivables were denominated in the following currencies:

HK\$	港元
US\$	美元
RMB	人民幣
SGD	新加坡元
RM	馬來西亞元
Others	其他

19 貿易應收賬款、預付款項及按金(續)

集團給予顧客信貸期限一般為30天至120天不等。貿易應收賬款之賬齡(按發票日)如下:

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
199,580	186,786
34,708	24,141
5,926	6,671
12,210	13,264
252,424	230,862

於二零一七年三月三十一日，貿易應收賬款198,146,000港元(二零一六年：167,822,000港元)為全數獲得履行，45,979,000港元(二零一六年：50,432,000港元)已逾期但認為沒有減值，其中包括35,598,000港元(二零一六年：41,127,000港元)已逾期少於90天，另外10,381,000港元(二零一六年：9,305,000港元)逾期90天以上，上述款項涉及近期並無拖欠記錄之多名獨立客戶。貿易應收賬款8,299,000港元(二零一六年：12,608,000港元)出現減值及已全數作出撥備，於二零一七年三月三十一日，減值撥備為8,299,000港元，(二零一六年：12,608,000港元)。

本集團之貿易應收賬款以下列貨幣列值：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
52,499	51,724
130,937	103,232
32,278	42,720
19,545	16,451
8,970	8,293
8,195	8,442
252,424	230,862

19 Trade receivables, prepayments and deposits (Continued)

Movements in the provision for impairment of trade receivables are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
As at 1st April	於四月一日	12,608	15,667
Write-back of provision for impairment of trade receivables	貿易應收賬款減值撥備回撥	(3,119)	(1,722)
Receivables written off during the year as uncollectible	年內未能收回之應收賬款註銷	(897)	(1,130)
Translation adjustment	滙兌調整	(293)	(207)
As at 31 March	於三月三十一日	8,299	12,608

The creation and release of the provision for impairment of trade receivables have been included in general and administrative expenses in the consolidated income statement.

The other classes within trade receivables, prepayments and deposits do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

19 貿易應收賬款、預付款項及按金(續)

貿易應收賬款減值撥備之變動如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
於四月一日	12,608	15,667
貿易應收賬款減值撥備回撥	(3,119)	(1,722)
年內未能收回之應收賬款註銷	(897)	(1,130)
滙兌調整	(293)	(207)
於三月三十一日	8,299	12,608

貿易應收賬款減值撥備及回撥均已於綜合收益表一般及行政開支中入賬。

於貿易應收賬款、預付款項及按金中的其他類別並不包括已減值資產。

於報告日上述每項應收賬款的最高信貸風險相等於其公允價值。本集團並未持有任何附屬抵押。

20 Bank balances and cash

Cash at bank and in hand
Short-term bank deposits

Cash and cash equivalents
Bank deposits with maturity over 3 months from date of deposits

Maximum exposure to credit risk

銀行及手頭現金
短期銀行存款

現金及現金等值
由存款日起計算超過三個月
到期之銀行存款

最高信貸風險

20 銀行結存及現金

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
銀行及手頭現金	250,334	283,865
短期銀行存款	—	27,706
現金及現金等值	250,334	311,571
由存款日起計算超過三個月 到期之銀行存款	14,106	14,496
	264,440	326,067
最高信貸風險	263,968	325,414

20 Bank balances and cash (Continued)

As at 31st March, 2017, the effective interest rate on cash at bank, short-term bank deposits was 0.3813% (2016: 0.0636%). The short-term bank deposits had an average maturity of 6 months as at 31st March, 2017 (2016: 2.54 months).

Bank balances and cash were denominated in the following currencies:

HK\$	港元
RMB	人民幣
US\$	美元
Euro	歐元
SGD	新加坡元
Others	其他

The Group's cash and cash equivalents denominated in RMB of approximately HK\$75,587,000 (2016: approximately HK\$125,513,000) are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the foreign exchange control rules and regulations promulgated by the Government of The People's Republic of China.

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

Cash at bank and in hand	銀行及手頭現金
Short-term bank deposits	短期銀行存款

20 銀行結存及現金(續)

於二零一七年三月三十一日，銀行存款、短期銀行存款之有效利率為年息0.3813厘(二零一六年：0.0636厘)。此等短期銀行存款於二零一七年三月三十一日平均到期日為6個月(二零一六年：2.54個月)。

銀行結存及現金乃按以下貨幣列值：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	68,443	86,140
	77,418	128,323
	63,222	62,021
	11,388	5,316
	29,629	34,560
	14,340	9,707
	264,440	326,067

本集團以人民幣列值之現金及現金等值約75,587,000港元(二零一六年：約125,513,000港元)均存放於中國之銀行。將人民幣列值之結餘換算為外幣及滙出中國須受中華人民共和國政府頒佈之外匯管制規則及規例監管。

現金流量表中的現金及現金等值包括下列：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	250,334	283,865
	—	27,706
	250,334	311,571

21 Borrowings

21 融資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Long-term bank loans	長期銀行貸款	161,617	166,792
Short-term bank loans	短期銀行貸款	15,805	27,552
Trust receipts import bank loans	信託收據進口銀行貸款	8,501	16,278
		185,923	210,622
Less: amounts due on demand or within one year shown under current liabilities	減：列入流動負債之應要求償還或一年內到期款額	(113,466)	(175,153)
Non-current portion	非即期部份	72,457	35,469

At 31st March, 2017, the Group's borrowings were repayable as follows:

於二零一七年三月三十一日，本集團之融資之付款期如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 year	一年內	93,138	124,907
Between 1 and 2 years	一至二年	62,517	41,390
Between 2 and 5 years	二至五年	30,268	42,555
Over 5 years	超過五年	—	1,770
		185,923	210,622

The above amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause.

上述款項之到期日是根據貸款合約中預先訂定之還款日期，及並不考慮應要求償還條款之影響。

Total borrowings include secured liabilities. Details of the banking facilities to the Group and pledge of assets are disclosed in Note 29.

融資總額包括已擔保負債，本集團的銀行信貸額度詳情及已抵押資產於附註29中披露。

21 Borrowings (Continued)

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the end of the year are as follows:

6 months or less 六個月或少於六個月

The carrying amounts of bank borrowings were denominated in the following currencies:

HK\$	港元
RMB	人民幣
US\$	美元
RM	馬來西亞元
SGD	新加坡元

21 融資(續)

本集團之融資於年終時需承擔的融資利率轉變及合約重訂利率日期如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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185,923	210,622
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銀行融資之賬面值乃按以下貨幣列值：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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159,861	164,481
15,805	27,552
2,579	6,606
7,678	10,213
—	1,770

185,923	210,622
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The effective interest rates (per annum) at the end of reporting period were as follows:

於報告結束日之有效年利率如下：

	2017 二零一七年					2016 二零一六年				
	HK\$	RMB	US\$	RM	SGD	HK\$	RMB	US\$	RM	SGD
	港元	人民幣	美元	馬元	坡元	港元	人民幣	美元	馬元	坡元
Long-term bank loans 長期銀行貸款	3.19%	—	—	4.55%	—	2.95%	—	—	4.55%	2.85%
Short-term bank loans 短期銀行貸款	—	4.69%	—	—	—	—	5.41%	—	—	—
Trust receipts import bank loans 信託收據進口銀行貸款	5.25%	—	5.25%	—	—	4.46%	—	5.33%	—	—

22 Trade and bill payables

Trade payables	貿易應付賬款
Bill payables	應付票據

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
131,093	136,659
245	1,101
131,338	137,760

The ageing analysis of trade and bill payables is as follows:

1 to 90 days	1至90天
91 to 180 days	91至180天
181 to 365 days	181至365天
Over 365 days	超過365天

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
117,185	115,164
6,844	13,716
365	728
6,944	8,152
131,338	137,760

The Group's trade and bill payables were denominated in the following currencies:

HK\$	港元
RMB	人民幣
US\$	美元
RM	馬來西亞元
Others	其他

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
37,201	44,094
78,847	79,739
915	1,496
9,485	8,832
4,890	3,599
131,338	137,760

22 貿易應付賬款及票據

貿易應付賬款及票據賬齡分析如下：

本集團之貿易應付賬款及票據以下列貨幣列值：

23 Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred tax assets	遞延所得稅資產	5,620	3,967
Deferred tax liabilities	遞延所得稅負債	<u>(6,264)</u>	<u>(1,714)</u>
Deferred tax (liabilities)/assets, net	遞延所得稅(負債)/ 資產 — 淨額	<u>(644)</u>	<u>2,253</u>

The net movements in the deferred tax account are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
As at 1st April	於四月一日	2,253	295
(Charged)/credited to the consolidated income statement (Note 11)	於綜合收益表(扣除)/計入 (附註11)	(2,564)	1,936
Translation adjustments	滙兌調整	<u>(333)</u>	<u>22</u>
As at 31st March	於三月三十一日	<u>(644)</u>	<u>2,253</u>

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

Deferred tax assets:

		Provisions 撥備		Tax losses 稅務虧損		Total 總額	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 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	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
As at 1st April	於四月一日	2,264	5,002	3,369	—	5,633	5,002
Credited/(charged) to the consolidated income statement	於綜合收益表中 計入/(扣除)	1,361	(2,664)	2,226	3,273	3,587	609
Translation adjustments	滙兌調整	<u>—</u>	<u>(74)</u>	<u>(333)</u>	<u>96</u>	<u>(333)</u>	<u>22</u>
As at 31st March	於三月三十一日	<u>3,625</u>	<u>2,264</u>	<u>5,262</u>	<u>3,369</u>	<u>8,887</u>	<u>5,633</u>

23 遞延所得稅

遞延所得稅資產及遞延所得稅負債的分析如下：

遞延所得稅淨額之變動詳情如下：

遞延所得稅資產及負債之變動(並未計算於同一徵稅地區之結餘抵銷)如下：

遞延所得稅資產：

23 Deferred income tax (Continued)

Deferred tax liabilities:

	Withholding Tax		Accelerated taxation depreciation		Total	
	預提稅		加速稅項折舊		總額	
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 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	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
As at 1st April	—	—	3,380	4,707	3,380	4,707
Charged/(credited) to the consolidated income statement	5,968	—	183	(1,327)	6,151	(1,327)
Translation adjustments	—	—	—	—	—	—
As at 31st March	5,968	—	3,563	3,380	9,531	3,380

Deferred income tax assets are recognised for tax loss to the extent that the reduction of the related tax benefit through future taxable profits is payable.

The Group has not recognised deferred tax assets of approximately HK\$61,332,000 (2016: HK\$52,003,000) in respect of tax losses and deductible temporary differences as it is not probable that the deferred tax assets can be utilised. Out of the total, approximately HK\$22,199,000 (2016: HK\$18,270,000) in respect of tax losses that can be carried forward indefinitely to set off against future taxable income and the remaining tax losses of approximately HK\$23,533,000 (2016: HK\$18,133,000) will expire in 2017 to 2021 (2016: 2016 to 2019). The estimated tax losses are subject to approval by the relevant tax authorities.

Pursuant to the Detailed Implementation Regulations for implementation of the Corporate Income Tax Law issued on 6th December, 2007, withholding income tax of 10% shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1st January, 2008. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. All dividends coming from the profits generated by the PRC entities after 1st January, 2008 shall be subject to this withholding income tax.

23 遞延所得稅(續)

遞延所得稅負債：

當有可能透過日後應課稅溢利變現有關稅項利益時，則會就結轉稅項虧損確認遞延所得稅資產。

因遞延所得稅資產不會被應用，本集團並未確認關於稅務虧損及可扣減暫時性差異的遞延所得稅資產約61,332,000港元(二零一六年：52,003,000港元)。總額當中，稅務虧損約22,199,000港元(二零一六年：18,270,000港元)可以無限期結轉以抵銷未來應課稅收入，其餘稅務虧損約23,533,000港元(二零一六年：18,133,000港元)將會於二零一七年至二零二一年屆滿(二零一六年：二零一六年至二零一九年)，估計稅務虧損取決於有關稅務管轄機關的審批。

根據二零零七年十二月六日頒佈的中華人民共和國企業所得稅法實施條例，於二零零八年一月一日開始，所有於中國成立的企業對境外投資者分派股息須徵收10%預提所得稅。如中國與國外投資方的管轄地區簽訂稅務條約，一個較低的預提所得稅率將會適用。所有於中國成立的企業分派二零零八年一月一日後賺取的利潤的股息須繳交此預提所得稅。

24 Share capital

24 股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目 '000 千股	HK\$'000 千港元	Number of shares 股份數目 '000 千股	HK\$'000 千港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.10 each	每股面值0.10港 元之普通股	1,000,000	100,000	1,000,000	100,000
Ordinary shares, issued and fully paid:	普通股，已發行及已繳足：				
				Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
As at 1st April, 2015, 31st March, 2016 and 31st March, 2017	於二零一五年四月一日、 二零一六年三月三十一日及 二零一七年三月三十一日			525,135,288	52,514

25 Employee share options

On 15th August, 2012, the Company adopted an employee share option scheme (the "Share Option Scheme") to replace the old share option scheme adopted on 6th September, 2002. Under the Share Option Scheme, the Company may grant options to employees (including Executive Directors and Non-Executive Directors (excluding Independent Non-Executive Directors) of the Company) to subscribe for shares in the Company, subject to a maximum of 30% of the nominal value of the issued share capital of the Company from time to time excluding for this purpose any shares issued on the exercise of options. The exercise price will be determined by the Company's board of directors and shall be at least the highest of (i) the closing price of the Company's shares on the date of grant of the options, (ii) an average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.1 each. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

No share option was granted during the years ended 31st March, 2017 and 2016. No share options were outstanding as at 31st March, 2017 and 2016.

25 僱員購股權

於二零一二年八月十五日，本公司採納一僱員購股權計劃（「購股權計劃」）以取代於二零零二年九月六日採納之舊購股權計劃。根據購股權計劃本公司可向員工（包括本公司之執行董事及非執行董事（不包括獨立非執行董事））授出購股權以認購本公司股份，而可發行之股份將最多為本公司不時已發行股份之30%，但不計算因行使購股權而發行之股份。認購價由本公司之董事局釐定，惟不可低於以下三項之最高者：(i)於授出日期本公司股份之收市價；(ii)本公司股份於緊接授出日期前五個營業日之股份平均收市價；及(iii)本公司股份之面值（即每股0.1港元）。本集團並無法定或推定責任回購或以現金支付此等購股權。

於二零一七年及二零一六年三月三十一日止年度內，並無授出任何購股權。於二零一七年及二零一六年三月三十一日並無尚未行使的購股權。

26 Reserves

26 儲備

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Investment reserve 投資儲備 HK\$'000 千港元	Translation reserve 滙兌儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 1st April, 2015	於二零一五年四月一日	127,796	1,792	—	1,417	60,219	293,205	484,429
Comprehensive income	全面收益							
Profit attributable to the owners of the Company	本公司擁有人應佔溢利	—	—	—	—	—	68,112	68,112
Other comprehensive income	其他全面收益							
Increase in fair value of available-for-sale financial assets	可供出售財務資產之公允價值增加	—	—	—	135	—	—	135
Currency translation differences	滙兌差異	—	—	—	—	(10,106)	—	(10,106)
Total comprehensive income for the year	年內全面收益總額	—	—	—	135	(10,106)	68,112	58,141
Transactions with the owners in their capacity as owners	擁有人以擁有人身份的交易							
Dividends paid	已付股息	—	—	—	—	—	(5,251)	(5,251)
		—	—	—	135	(10,106)	62,861	52,890
As at 31st March, 2016	於二零一六年三月三十一日	127,796	1,792	—	1,552	50,113	356,066	537,319
Representing:	代表:							
— Proposed dividend	— 擬派股息	—	—	—	—	—	7,877	7,877
— Others	— 其他	127,796	1,792	—	1,552	50,113	348,189	529,442
As at 31st March, 2016	於二零一六年三月三十一日	127,796	1,792	—	1,552	50,113	356,066	537,319
As at 31st March, 2016 and 1st April, 2016	於二零一六年三月三十一日及二零一六年四月一日	127,796	1,792	—	1,552	50,113	356,066	537,319
Comprehensive income	全面收益							
Loss attributable to the owners of the Company	本公司擁有人應佔虧損	—	—	—	—	—	(9,184)	(9,184)
Other comprehensive income	其他全面收益							
Increase in fair value of available-for-sale financial assets	可供出售財務資產之公允價值增加	—	—	—	280	—	—	280
Currency translation differences	滙兌差異	—	—	—	—	(23,904)	—	(23,904)
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	280	(23,904)	(9,184)	(32,808)
Transactions with the owners in their capacity as owners	擁有人以擁有人身份的交易							
Transfer to statutory reserve	轉撥至法定儲備	—	—	12,160	—	—	(12,160)	—
Dividends paid	已付股息	—	—	—	—	—	(13,128)	(13,128)
		—	—	12,160	280	(23,904)	(34,472)	(45,936)
As at 31st March, 2017	於二零一七年三月三十一日	127,796	1,792	12,160	1,832	26,209	321,594	491,383

Note: As stipulated by the relevant PRC laws and regulations applicable to the Company's subsidiaries established and operated in the PRC, the subsidiaries are required to make appropriation from profit after tax (after offsetting prior years' losses) to statutory reserve. The PRC entities are required to transfer at least 10% of its net profit as determined under the PRC accounting rules and regulations, to their statutory reserve. The appropriations to the statutory reserve are required until the balance reaches 50% of the subsidiaries' registered capital. The statutory reserve can be utilised to offset prior year losses or be utilised for issuance of bonus shares. The Company's PRC subsidiaries are restricted in their ability to transfer a portion of their reserve either in the form of dividends, loans or advances.

附註：按適用於本公司於中國成立及經營的附屬公司的中國法例及法規規定，所有附屬公司需由除稅後盈利（已抵銷以前年度的虧損）分派至法定儲備。此等中國企業需按中國的會計規則及法規轉撥最少淨利潤之10%至法定儲備，直至分派至法定儲備達附屬公司的註冊資本的50%。此等法定儲備可以抵銷以前年度虧損或用以發行紅股。本公司於中國成立的附屬公司以股息、借貸或借款形式分派部份儲備均受限制。

27 Notes to the consolidated statement of cash flows

(a) Reconciliation of profit before income tax to cash generated from operations:

27 綜合現金流量表附註

(a) 除稅前溢利與經營業務產生現金之對賬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除稅前溢利	13,393	92,631
Adjustments for:	經下列調整：		
— Interest income	— 利息收入	(350)	(356)
— Interest expense	— 利息支出	7,579	9,603
— Amortisation of land use rights (Note 14)	— 土地使用權攤銷 (附註14)	711	744
— Depreciation of property, plant and equipment (Note 15)	— 物業、廠房及設備之 折舊(附註15)	54,158	61,417
— Losses on disposals of property, plant and equipment (Note 27(b))	— 出售物業、廠房及設備 之虧損(附註27(b))	4,569	2,354
— Write-back of provision for impairment of trade receivables	— 貿易應收賬款減值 撥備回撥	(3,119)	(1,722)
— Provision for inventory obsolescence	— 陳舊存貨減值撥備	933	8,581
— Provision for impairment of property, plant and equipment	— 物業、廠房及設備的 減值撥備	10,000	—
— Net exchange differences	— 匯兌差異淨額	(4,872)	1,318
		83,002	174,570
Changes in working capital (excluding effects of translation adjustments)	營運資金變動 (不包括匯兌調整的影響)		
— Inventories	— 存貨	(6,200)	(14,221)
— Trade receivables	— 貿易應收賬款	(22,752)	43,381
— Prepayments and deposits	— 預付款項及按金	(1,484)	(5,735)
— Trade and bill payables	— 貿易應付賬款及票據	(6,422)	(2,653)
— Accruals and other payables	— 應計負債及其他應付款	20,805	19,556
— Deferred revenue	— 遞延收入	(311)	1,768
		66,638	216,666
Cash generated from operations	經營業務產生之現金	66,638	216,666

27 Notes to the consolidated statement of cash flows (Continued)

(b) In the statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

Net book value	賬面淨值
Losses on disposals of property, plant and equipment (Note 6)	出售物業、廠房及設備之虧損(附註6)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得收入

27 綜合現金流量表附註(續)

(b) 於現金流量表內，出售物業、廠房及設備之所得收入包括：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
7,353	2,964
(4,569)	(2,354)
2,784	610

28 Commitment

(a) Capital commitments

Capital expenditure of the Group at the end of reporting period contracted but not yet incurred is as follows:

Machinery	機器
Computer system, equipment and renovation	電腦系統、設備及裝修

28 承擔

(a) 資本承擔

本集團於報告結束日已訂約但仍未計入之資本開支如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
4,896	1,484
3,679	2,126
8,575	3,610

(b) Operating lease commitments

The Group had future aggregate minimum lease payments under non-cancellable operating leases of land and buildings, as follows:

Amounts payable	付款期
— within one year	— 一年以內
— later than one year but no later than five years	— 超過一年但不超過五年

(b) 經營租賃承擔

本集團根據不可註銷之租用土地及樓宇經營租賃之未來最低租賃付款總額如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
7,555	9,035
12,534	—
20,089	9,035

Generally, the Group's operating leases are for terms of 1 to 4 years.

本集團的經營租賃年期一般為一至四年。

29 Banking facilities and pledge of assets

As at 31st March, 2017, the Group had aggregate banking facilities of approximately HK\$355,531,000 (2016: HK\$366,095,000) for overdrafts, loans, trade financing and bank guarantees. Unused facilities as at the same date amounted to approximately HK\$161,821,000 (2016: HK\$149,444,000). These facilities were secured by:

- (i) mortgages over the Group's land and buildings with a total net book value of approximately HK\$2,889,000 (2016: HK\$3,014,000) (Note 15(c));
- (ii) floating charges over the Group's inventories held under trust receipts import bank loan arrangements of approximately HK\$8,501,000 (2016: HK\$16,278,000) (Note 18); and
- (iii) guarantees provided by the Company and certain of its subsidiaries.

30 Related party transactions

As at 31st March, 2017, Mr. Lam Kwong Yu beneficially owned approximately 36.93% of the Company's ordinary shares. Ms. Yeung Chui beneficially owned approximately 17.11% of the Company's ordinary shares. Both Mr. Lam and Ms. Yeung are directors of the Company.

- (a) In addition to those disclosed elsewhere in the consolidated financial statements, the following transactions were carried out with related parties:

Operating lease rentals expenses
— Ms. Yeung Chui (Note (i))

經營租賃租金費用
— 楊翠女士(附註(i))

Note (i): The Group entered into an operating lease agreement with Ms. Yeung Chui, a director of the Company. The transaction was carried out in the usual course of business, and in accordance with the terms of the contract entered into by the Group and the related party.

29 銀行信貸額及資產抵押

於二零一七年三月三十一日，本集團獲提供之透支、貸款、貿易融資及銀行擔保等銀行信貸總額約355,531,000港元(二零一六年：366,095,000港元)。於同日尚未動用之銀行信貸額約161,821,000港元(二零一六年：149,444,000港元)。此等銀行信貸額之抵押如下：

- (i) 本集團土地及樓宇按揭，其總賬面淨值約2,889,000港元(二零一六年：3,014,000港元)(附註15(c))；
- (ii) 本集團按信託收據進口銀行貸款安排所持有之若干存貨約8,501,000港元(二零一六年：16,278,000港元)(附註18)；及
- (iii) 本公司及其若干附屬公司所提供之擔保。

30 關連人士之交易

於二零一七年三月三十一日，林光如先生持有本公司約36.93%的普通股股份。楊翠女士持有本公司約17.11%的普通股股份，林先生及楊女士二人均為本公司董事。

- (a) 除披露於財務報表其他部份外，下列為與關連人士進行之交易：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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76	72
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附註(i)：本集團與楊翠女士，本公司之董事，訂定經營租賃協議，上述交易均按一般業務常規，及按本集團與關連人士簽訂合同之條款進行。

30 Related party transactions (Continued)

(b) Key management compensation

Basic salaries, allowances and others	基本薪金、津貼及其他	9,851	9,250
Discretionary bonus	自由決定之花紅	1,992	656
Pension costs — defined contribution plans	退休成本 — 界定供款計劃	190	179
		12,033	10,085

30 關連人士之交易(續)

(b) 主要管理人員酬金償付

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	9,851	9,250
	1,992	656
	190	179
	12,033	10,085

31 Financial instruments by category

Financial assets

Loans and receivables:

Trade receivables (Note 19)	貿易應收賬款(附註19)	244,125	218,254
Deposits	按金	10,875	8,023
Bank deposits with maturity over 3 months from date of deposits (Note 20)	由存款日起計算超過三個月到期之銀行存款(附註20)	14,106	14,496
Cash and cash equivalents (Note 20)	現金及現金等值(附註20)	250,334	311,571
		519,440	552,344

Available-for-sale financial assets:

Listed equity securities (Note 17)	上市之權益證券(附註17)	1,723	1,706
Unlisted insurance policy investment (Note 17)	非上市之保險保單投資(附註17)	8,913	8,650
		10,636	10,356
		530,076	562,700

Financial liabilities

Other financial liabilities at amortised cost:

Trade and bill payables (Note 22)	貿易應付賬款及票據(附註22)	131,338	137,760
Accruals and other payables	應計負債及其他應付款	70,915	73,854
Borrowings (Note 21)	融資(附註21)	185,923	210,622
		388,176	422,236

財務資產

貸款及應收款：

貿易應收賬款(附註19)	244,125	218,254
按金	10,875	8,023
由存款日起計算超過三個月到期之銀行存款(附註20)	14,106	14,496
現金及現金等值(附註20)	250,334	311,571
	519,440	552,344

可供出售財務資產：

上市之權益證券(附註17)	1,723	1,706
非上市之保險保單投資(附註17)	8,913	8,650
	10,636	10,356
	530,076	562,700

財務負債

其他財務負債按攤銷成本：

貿易應付賬款及票據(附註22)	131,338	137,760
應計負債及其他應付款	70,915	73,854
融資(附註21)	185,923	210,622
	388,176	422,236

32 Statement of financial position and movement of reserve of the Company

32 本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

		As at 31st March, 於三月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in and amounts due from subsidiaries	於附屬公司之投資及應收款項	225,922	248,585
		<u>225,922</u>	<u>248,585</u>
Current assets	流動資產		
Prepayments and deposits	預付款項及按金	1,030	856
Cash and cash equivalents	現金及現金等值	1,082	440
		<u>2,112</u>	<u>1,296</u>
Total assets	資產總額	<u>228,034</u>	<u>249,881</u>
EQUITY	權益		
Equity attributable to the owners of the Company	本公司擁有人應佔權益		
Share capital	股本	52,514	52,514
Reserves (Note 32(b))	儲備(附註32(b))	148,516	158,642
Total equity	權益總額	<u>201,030</u>	<u>211,156</u>
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals and other payables	應計負債及其他應付款	1,784	1,260
Amounts due to subsidiaries	應付附屬公司款項	25,220	37,465
Total liabilities	負債總額	<u>27,004</u>	<u>38,725</u>
Total equity and liabilities	權益及負債總額	<u>228,034</u>	<u>249,881</u>

32 Statement of financial position and movement of reserve of the Company (Continued)

(b) Movement of reserve of the Company

The changes in the reserves of the Company during the years ended 31st March, 2017 and 2016 are as follows:

32 本公司之財務狀況表及儲備變動(續)

(b) 本公司之儲備變動

本公司於二零一七年三月三十一日及二零一六年之儲備變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 1st April, 2015	於二零一五年 四月一日	127,796	520	27,598	155,914
Profit for the year	年內溢利	—	—	7,979	7,979
Dividends paid	已付股息	—	—	(5,251)	(5,251)
As at 31st March, 2016	於二零一六年 三月三十一日	<u>127,796</u>	<u>520</u>	<u>30,326</u>	<u>158,642</u>
Representing:	代表：				
— Proposed dividend	— 擬派股息	—	—	7,877	7,877
— Others	— 其他	<u>127,796</u>	<u>520</u>	<u>22,449</u>	<u>150,765</u>
		<u>127,796</u>	<u>520</u>	<u>30,326</u>	<u>158,642</u>
As at 1st April, 2016	於二零一六年 四月一日	127,796	520	30,326	158,642
Profit for the year	年內溢利	—	—	3,002	3,002
Dividends paid	已付股息	—	—	(13,128)	(13,128)
As at 31st March, 2017	於二零一七年 三月三十一日	<u>127,796</u>	<u>520</u>	<u>20,200</u>	<u>148,516</u>

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